

**SCHILLER PARK SCHOOL DISTRICT 81
ANNUAL FINANCIAL REPORT**

June 30, 2021

SCHILLER PARK SCHOOL DISTRICT 81

ANNUAL FINANCIAL REPORT
June 30, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Schiller Park School District 81
Schiller Park, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Schiller Park School District 81 (District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

(Continued)

Other Matters

Required Supplementary Information

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

Supplementary Information

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

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

The other supplementary information as listed on the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.


Crowe LLP

Oak Brook, Illinois
October 12, 2021

SCHILLER PARK SCHOOL DISTRICT 81
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021

The discussion and analysis of Schiller Park School District 81's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2021. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- Total net position increased by \$1.8 million to approximately \$18.8 million for the end of fiscal year 2021; in fiscal year 2020, net position at year end was \$16.9 million. This was mostly attributable to an increase in property tax, EBF, and grant revenues. The District continues to pursue additional revenue sources and control expenses. The District also implemented GASB Statement No. 84 during the year, which lead to an increase in net position at the beginning of the year of \$0.1 million.
- General revenues in the form of property taxes, general state aid, and investment earnings accounted for \$20.1 million or 65.0% of all revenues. Program specific revenues in the form of charges for services, fees, entitlements and competitive grants accounted for \$10.7 million or 35.0% of total revenues of \$30.8 million.
- The District had \$29.0 million in expenses related to governmental activities.
- Due to the current market conditions, interest income again was a nominal portion of the revenue stream. Over the past year, the District worked with PMA Financial to obtain the best investment rates possible.

Overview of the Financial Statements

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

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

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

Government-wide financial statements

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

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

SCHILLER PARK SCHOOL DISTRICT 81
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021

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

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

Fund financial statements

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

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

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

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

The District adopts an annual budget for each of the funds listed above except the Life Safety Fund. A budgetary comparison schedule has been provided for each fund that has adopted a budget to demonstrate compliance with this budget.

SCHILLER PARK SCHOOL DISTRICT 81
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021

Notes to basic financial statements

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

Other information

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

District-Wide Financial Analysis

The District's combined net position was higher on June 30, 2021, than it was the year before, increasing to approximately \$18.8 million.

Table 1
Condensed Statements of Net Position
(in millions of dollars)

| | <u>2021</u> | <u>2020</u> |
|--|----------------|----------------|
| Assets: | | |
| Current and Other Assets | \$ 49.0 | \$ 20.8 |
| Capital Assets | <u>49.8</u> | <u>44.4</u> |
| Total Assets | <u>98.8</u> | <u>65.2</u> |
| Deferred Outflows of Resources: | | |
| Pensions, Refunding, and OPEB | <u>1.5</u> | <u>1.6</u> |
| Liabilities: | | |
| Current Liabilities | 5.2 | 4.3 |
| Long-Term Debt Outstanding | <u>63.4</u> | <u>35.6</u> |
| Total Liabilities | <u>68.6</u> | <u>39.9</u> |
| Deferred Inflows of Resources: | | |
| Pensions, Taxes, and OPEB | <u>12.9</u> | <u>10.0</u> |
| Net Position: | | |
| Net Investment in Capital Assets | 19.0 | 18.9 |
| Restricted | 2.4 | 2.0 |
| Unrestricted | <u>(2.6)</u> | <u>(4.0)</u> |
| Total Net Position: | <u>\$ 18.8</u> | <u>\$ 16.9</u> |

SCHILLER PARK SCHOOL DISTRICT 81
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021

During fiscal year 2021, careful control over expenditures and prudent decisions to pursue allowable revenue sources, have allowed the District to experience an increase in its overall Net Position by \$1.8 million. This increase stemmed from an increase in revenues and decrease in expenses. The biggest changes were to operating grants & contributions increasing from \$10.2 million in FY20 to \$10.7 million in FY21 and administration & business expenses decreasing from \$3.1 million in FY20 to \$2.6 million in FY21. The District continues to manage finances wisely while providing a quality education.

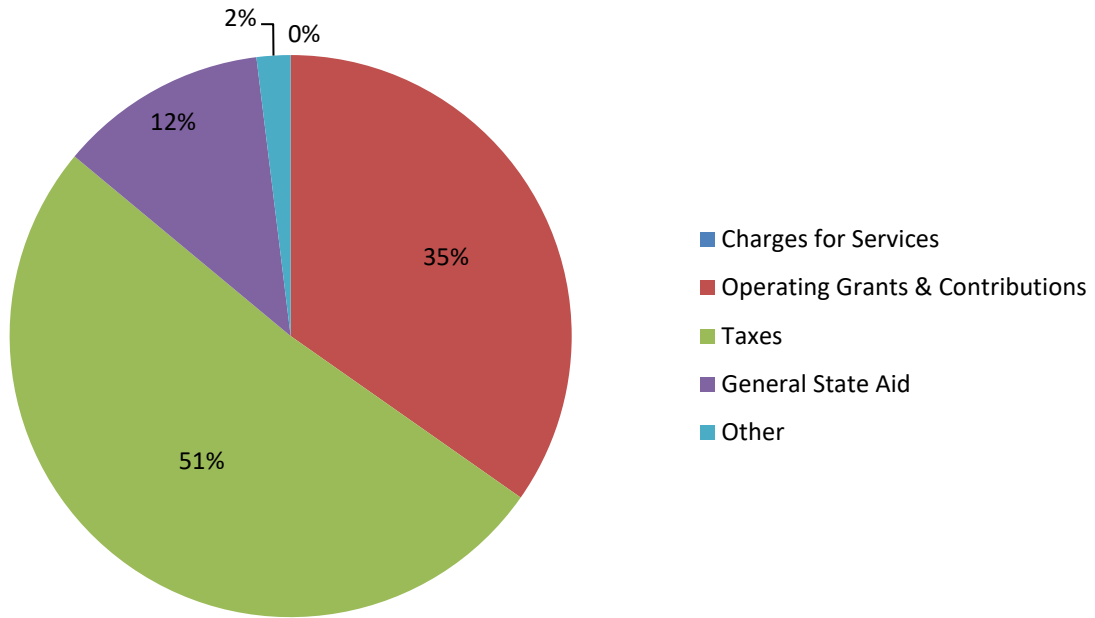
Table 2
Changes in Net Position
(in millions of dollars)

| | <u>2021</u> | <u>2020</u> |
|---|----------------|----------------|
| Revenues: | | |
| <i>Program Revenues:</i> | | |
| Charges for Services | \$ 0.0 | \$ 0.1 |
| Operating Grants & Contributions | 10.7 | 10.2 |
| <i>General Revenues:</i> | | |
| Taxes | 15.8 | 15.9 |
| General State Aid | 3.7 | 3.7 |
| Other | <u>0.6</u> | <u>0.4</u> |
| Total Revenues | <u>30.8</u> | <u>30.3</u> |
| Expenses: | | |
| Instruction (includes State on behalf contributions to TRS) | 20.1 | 20.3 |
| Pupil & Instructional Staff Services | 1.8 | 2.0 |
| Administration & Business | 2.6 | 3.1 |
| Transportation | 0.7 | 0.8 |
| Operations & Maintenance | 1.5 | 1.7 |
| Other | <u>2.3</u> | <u>1.5</u> |
| Total Expenses | <u>29.0</u> | <u>29.4</u> |
| Increase (decrease) in Net Position | <u>1.8</u> | <u>0.9</u> |
| Net Position, Beginning of Year | 16.9 | 16.0 |
| Change in accounting principle (See Note 14) | <u>0.1</u> | |
| Net Position, Beginning of Year, as Restated | <u>17.0</u> | |
| Net Position, End of Year | <u>\$ 18.8</u> | <u>\$ 16.9</u> |

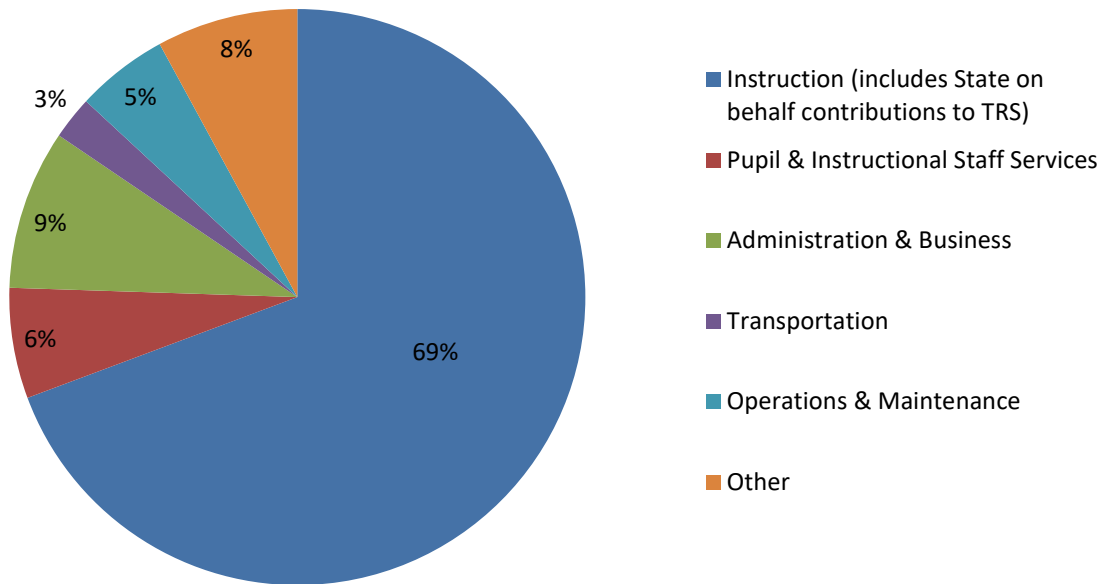
Property taxes continue to account for the largest portion of the District's revenues, contributing 48.5% of the \$30.8 million in total revenues. The remainder of revenues came from state, federal grants, personal property replacement tax, and other sources. The total cost of all the District's programs was \$29.0 million, mainly related to instructing and caring for the students and student transportation.

SCHILLER PARK SCHOOL DISTRICT 81
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021

Revenues



Expenditures



SCHILLER PARK SCHOOL DISTRICT 81
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021

Financial Analysis of the District's Funds

The District's Governmental Funds increased from \$9.3 million to \$35.1 million, mainly due to the Washington School Referendum. Changes in individual major funds are explained below with the whole dollar effect of each fund's change.

- The net change in the General Fund balance, Educational Account and Operations and Maintenance Accounts, was an increase of \$828,430. The fund balance increased from the prior year due to a reduction of expenditures (\$.8 million) from 2020 to 2021. Additionally, there was an increase in beginning fund balance due to the implementation of GASB Statement No. 84 of \$81,100. Fund balance at the end of year was \$10,529,678.
- The net change in the Transportation Fund balance was an increase of \$349,628. This was driven by a reduction of expenditures \$0.2 million from 2020 to 2021. Fund balance at year end was \$1,102,544.
- The net change in the Municipal Retirement/Social Security Fund balance was an increase of \$168,098. Tax revenues are being levied to balance this funds inflows and outflows. Fund balance at year end was \$596,627.
- The net change in the Debt Service Fund balance was an increase of \$47,477. The District made all scheduled debt service payments with collected tax revenues. Fund balance at year end was \$314,053.
- The net change in the Fire Prevention and Life Safety Fund balance was a decrease of \$3,315. There was one scheduled project in 2021 that required expenditures from this fund. Fund balance at year end was \$34,777.
- The net change in the Working Cash Fund balance was an increase of \$22,335. The District did not have any expenditures during the year. Fund balance at year end was \$211,032.
- The net decrease in the Capital Projects Fund balance was \$1,981,048. The District has started work on the New Washington School Project. Fund balance at year end was \$22,314,430.

General Fund Budgetary Highlights

In total, the Educational Account revenues were below the budgeted amount by \$171,833. Local source revenues were below the budgeted amount by \$263,169. State source revenues were below the budgeted amount by \$95,358 and federal source revenues were above the budgeted amounts by \$186,694. The timeliness of State and Federal revenues contributed the most to having actual revenues above what we budgeted for, along with the new EBF calculations.

In total, the Educational Account expenditures were under budget by \$1,681,935, mostly from salary and benefits expenditures that were smaller than anticipated.

Capital Assets and Debt Administration

Capital assets

By the end of FY21, the District had compiled a total investment of \$74.5 million (\$49.8 net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$2.1 million. More detailed information about capital assets can be found in Note 4 of the basic financial statements.

SCHILLER PARK SCHOOL DISTRICT 81
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021

| Table 3 | | |
|---|--------------------|--------------------|
| Capital Assets (net of depreciation) | | |
| (in millions of dollars) | | |
| | <u>2021</u> | <u>2020</u> |
| Land and Construction in Progress | \$ 7.4 | \$ 3.0 |
| Land Improvements | 0.4 | 0.4 |
| Buildings | 40.8 | 39.9 |
| Equipment | <u>1.2</u> | <u>1.2</u> |
| Total | <u>\$ 49.8</u> | <u>\$ 44.5</u> |

Long-term debt

The District issued Referendum general obligation bonds in FY 21. More detailed information on long-term debt can be found in Note 5 of the basic financial statements.

| Table 4 | | |
|-----------------------------------|--------------------|--------------------|
| Outstanding Long-term Debt | | |
| (in million of dollars) | | |
| | <u>2021</u> | <u>2020</u> |
| General Obligation Bonds | <u>\$ 51.5</u> | <u>\$ 23.5</u> |
| Total | <u>\$ 51.5</u> | <u>\$ 23.5</u> |

SCHILLER PARK SCHOOL DISTRICT 81
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2021

Factors Bearing on the District's Future

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

- The administrative team will continue to evaluate educational as well as operational expenditures in order to make recommendations for decreasing expenditures that will not negatively impact the instructional programs that are currently in place. The team will continue to research other revenue sources to fund programmatic changes that would enhance the existing educational programs.
- The financial position of the State of Illinois will be monitored to determine the financial impact on District 81 funding. The District is monitoring the changes in State funding, as well as, the potential shift in pension costs from the State to the local school districts.
- The COVID-19 pandemic is being closely monitored by the District to see how it will affect both revenues and expenditures. The District is remaining steadfast in our financial stewardship while still keeping students and staff as safe as possible and still providing the best quality educational opportunities for our students.
- The District Financial Profile Score for FY 2021 was 3.70 or Recognition. This has remained consistent since FY 2012.

Requests for Information

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

Kimberly Boryszewski
Schiller Park School District 81
9760 Soreng Avenue

Statement of Net Position
June 30, 2021

| | Governmental <u>Activities</u> |
|---|-----------------------------------|
| ASSETS AND DEFERRED OUTFLOWS | |
| Assets | |
| Cash and investments | \$ 13,110,502 |
| Restricted cash and investments | 23,794,898 |
| Receivables: | |
| Interest receivable | 1,163 |
| Property tax receivable | 10,175,807 |
| Replacement taxes | 163,363 |
| Intergovernmental receivable | 1,126,504 |
| Other assets | 86,711 |
| Net pension asset | 497,275 |
| Capital assets not being depreciated | 7,362,630 |
| Capital assets being depreciated, net | <u>42,425,141</u> |
| Total assets | <u>98,743,994</u> |
| Deferred Outflows of Resources | |
| Pensions | 336,148 |
| Other post-employment benefits | 947,650 |
| Loss on refunding | <u>236,373</u> |
| Total deferred outflows | <u>1,520,171</u> |
| LIABILITIES, DEFERRED INFLOWS AND NET POSITION | |
| Liabilities | |
| Accounts payable | 1,752,329 |
| Salaries and payroll deductions payable | 804,076 |
| Insurance claims payable | 177,438 |
| Unearned revenue | 216,282 |
| Interest payable | 79,930 |
| Long-term obligations, due within one year: | |
| Bonds payable | 1,880,000 |
| Leases payable | 244,786 |
| Long-term obligations, due in more than one year: | |
| Bonds payable | 52,609,189 |
| Leases payable | 136,781 |
| Net pension liabilities | 904,195 |
| Net other post-employment benefits liabilities | <u>9,751,782</u> |
| Total liabilities | <u>68,556,788</u> |
| Deferred Inflows of Resources | |
| Pensions | 1,016,111 |
| Other post-employment benefits | 1,975,777 |
| Property tax revenue | <u>9,938,722</u> |
| Total deferred inflows | <u>12,930,610</u> |
| Net Position | |
| Net investment in capital assets | 18,948,286 |
| Restricted for: | |
| Transportation | 964,543 |
| IMRF | 452,722 |
| Social security | 143,905 |
| Debt service | 314,053 |
| Fire prevention | 34,777 |
| Insurance | 502,928 |
| Unrestricted | <u>(2,584,447)</u> |
| Total net position | <u>\$ 18,776,767</u> |

Statement of Activities
Year ended June 30, 2021

| Functions/Programs | Expenses | Program Revenues | | Net (Expense) |
|--|----------------------|----------------------|------------------------------------|-------------------------------------|
| | | Charges for Services | Operating grants and contributions | Revenue and Changes in Net Position |
| | | | | Governmental Activities |
| Governmental activities: | | | | |
| Instruction | | | | |
| Regular programs | \$ 9,921,716 | \$ - | \$ 1,389,778 | \$ (8,531,938) |
| Special programs | 1,857,766 | - | 533,271 | (1,324,495) |
| Other programs | 322,863 | - | - | (322,863) |
| State on-behalf contributions to TRS and TRIP | 8,014,119 | - | 8,014,119 | - |
| Support services | | | | |
| Pupils | 1,117,433 | - | - | (1,117,433) |
| Instructional staff | 723,433 | - | - | (723,433) |
| General administration | 565,036 | - | - | (565,036) |
| School administration | 1,066,389 | - | - | (1,066,389) |
| Business | 733,587 | 3,738 | 491,562 | (238,287) |
| Central | 206,316 | - | - | (206,316) |
| Transportation | 650,883 | - | 262,478 | (388,405) |
| Operations and maintenance | 1,473,876 | - | - | (1,473,876) |
| Community services | 104,709 | - | - | (104,709) |
| Payments to other governmental units | 322,469 | - | - | (322,469) |
| Interest and fees debt | 1,891,316 | - | - | (1,891,316) |
| Total governmental activities | \$ 28,971,911 | \$ 3,738 | \$ 10,691,208 | (18,276,965) |
| General revenues: | | | | |
| Taxes: | | | | |
| Property taxes | | | | 14,914,682 |
| Personal property replacement taxes | | | | 859,420 |
| General state aid | | | | 3,709,396 |
| Investment earnings | | | | 57,881 |
| Other general revenues | | | | 531,435 |
| Total general revenues | | | | 20,072,814 |
| Change in net position | | | | 1,795,849 |
| Net position, beginning of the year | | | | 16,899,818 |
| Change in accounting principle (See Note 14) | | | | 81,100 |
| Net position, beginning of the year, as restated | | | | 16,980,918 |
| Net position, end of the year | | | | \$ 18,776,767 |

SCHILLER PARK SCHOOL DISTRICT 81

STATEMENT 3

Governmental Funds - Balance Sheet
June 30, 2021

| | General Fund | Transportation Fund | IMRF/ Social Security Fund | Working Cash Fund | Debt Service Fund | Capital Projects Fund | Fire Prevention and Life Safety Fund | Total |
|---|----------------------|---------------------|-------------------------------|-------------------|---------------------|-----------------------|--------------------------------------|----------------------|
| Assets | | | | | | | | |
| Cash and investments | \$ 10,971,558 | \$ 1,014,190 | \$ 598,370 | \$ 210,435 | \$ 263,167 | \$ 19,755 | \$ 33,027 | \$ 13,110,502 |
| Cash and investments - restricted | 1,012 | - | - | - | - | 23,793,886 | - | 23,794,898 |
| Receivables: | | | | | | | | |
| Interest receivable | 766 | 86 | 33 | 262 | 16 | - | - | 1,163 |
| Property tax receivable | 7,270,835 | 371,105 | 348,939 | 14,396 | 2,170,532 | - | - | 10,175,807 |
| Replacement taxes receivable | 155,535 | - | 7,828 | - | - | - | - | 163,363 |
| Intergovernmental receivable | 753,399 | 373,105 | - | - | - | - | - | 1,126,504 |
| Other assets | 84,961 | - | - | - | - | - | 1,750 | 86,711 |
| Total assets | \$ 19,238,066 | \$ 1,758,486 | \$ 955,170 | \$ 225,093 | \$ 2,433,715 | \$ 23,813,641 | \$ 34,777 | \$ 48,458,948 |
| Liabilities, deferred inflows and fund balance | | | | | | | | |
| Liabilities | | | | | | | | |
| Accounts payable | \$ 228,751 | \$ 24,367 | \$ - | \$ - | \$ - | \$ 1,499,211 | \$ - | \$ 1,752,329 |
| Salaries and payroll deductions payable | 786,363 | - | 17,713 | - | - | - | - | 804,076 |
| Insurance claims payable | 177,438 | - | - | - | - | - | - | 177,438 |
| Unearned revenue | 216,282 | - | - | - | - | - | - | 216,282 |
| Total liabilities | 1,408,834 | 24,367 | 17,713 | - | - | 1,499,211 | - | 2,950,125 |
| Deferred Inflows | | | | | | | | |
| Property taxes | 7,101,694 | 362,475 | 340,830 | 14,061 | 2,119,662 | - | - | 9,938,722 |
| Unavailable grant revenue | 197,860 | 269,100 | - | - | - | - | - | 466,960 |
| Total deferred inflows | 7,299,554 | 631,575 | 340,830 | 14,061 | 2,119,662 | - | - | 10,405,682 |
| Fund balance | | | | | | | | |
| Restricted | | | | | | | | |
| Transportation | - | 964,543 | - | - | - | - | - | 964,543 |
| IMRF | - | - | 452,722 | - | - | - | - | 452,722 |
| Social security | - | - | 143,905 | - | - | - | - | 143,905 |
| Debt service | - | - | - | - | 314,053 | - | - | 314,053 |
| Capital projects | - | - | - | - | - | 22,314,430 | - | 22,314,430 |
| Fire prevention | - | - | - | - | - | - | 34,777 | 34,777 |
| Insurance | 502,928 | - | - | - | - | - | - | 502,928 |
| Stabilization | - | - | - | 211,032 | - | - | - | 211,032 |
| Assigned | | | | | | | | |
| Operations and maintenance | 2,155,010 | - | - | - | - | - | - | 2,155,010 |
| Transportation | - | 138,001 | - | - | - | - | - | 138,001 |
| Unassigned | 7,871,740 | - | - | - | - | - | - | 7,871,740 |
| Total fund balance | 10,529,678 | 1,102,544 | 596,627 | 211,032 | 314,053 | 22,314,430 | 34,777 | 35,103,141 |
| Total liabilities, deferred inflows and fund balance | \$ 19,238,066 | \$ 1,758,486 | \$ 955,170 | \$ 225,093 | \$ 2,433,715 | \$ 23,813,641 | \$ 34,777 | \$ 48,458,948 |

Reconciliation of the Governmental Funds
Balance Sheet to Statement of Net Position
June 30, 2021

| | | |
|--|---------------------|---------------------|
| Total fund balances - governmental funds | \$ | 35,103,141 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Some assets reported in the statement of net position do not require the use of current financial resources and therefore are not reported as assets in governmental funds. These assets consist of : | | |
| Net pension liability | \$ | 497,275 |
| | | 497,275 |
| Certain grants receivable are not available to pay for current period expenditures and therefore are unavailable in the governmental funds. | | |
| | | 466,960 |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds: | | |
| Capital assets | 74,476,574 | |
| Accumulated depreciation | <u>(24,688,803)</u> | |
| Net capital assets | | 49,787,771 |
| Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due. | | |
| | | (79,930) |
| Certain items related to pension measurements are deferred and recognized in future periods. | | |
| Deferred outflows of resources | 336,148 | |
| Deferred inflows of resource | <u>(1,016,111)</u> | |
| | | (679,963) |
| Certain items related to other post-employment liabilities measurements are deferred and recognized in future periods. | | |
| Deferred outflows of resources | 947,650 | |
| Deferred inflows of resource | <u>(1,975,777)</u> | |
| | | (1,028,127) |
| Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of : | | |
| Bonds payable | (51,530,000) | |
| Bond premiums | (2,959,189) | |
| Loss on bond refunding | 236,373 | |
| Leases payable | (381,567) | |
| Net pension liability | (904,195) | |
| Net other post-employment liabilities benefits obligation | <u>(9,751,782)</u> | |
| Total Long-term liabilities | | <u>(65,290,360)</u> |
| Net position of governmental activities | \$ | <u>18,776,767</u> |

SCHILLER PARK SCHOOL DISTRICT 81

Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2021

| | General Fund | Transportation Fund | IMRF/ Social Security Fund | Working Cash Fund | Debt Service Fund | Capital Projects Fund | Fire Prevention and Life Safety Fund | Total |
|---|----------------------|---------------------|-------------------------------|-------------------|-------------------|-----------------------|--------------------------------------|----------------------|
| Revenues | | | | | | | | |
| Local sources | | | | | | | | |
| Property taxes | \$ 11,024,509 | \$ 567,212 | \$ 541,177 | \$ 21,121 | \$ 2,760,663 | \$ - | \$ - | \$ 14,914,682 |
| Replacement taxes | 747,695 | - | 111,725 | - | - | - | - | 859,420 |
| Interest | 46,735 | 1,214 | 1,223 | 1,214 | 2,299 | 5,196 | - | 57,881 |
| Other local sources | 535,173 | - | - | - | - | - | - | 535,173 |
| State sources | 4,394,642 | 418,234 | - | - | - | - | - | 4,812,876 |
| Federal sources | 1,691,694 | - | - | - | - | - | - | 1,691,694 |
| On-behalf payments received from state | 1,052,802 | - | - | - | - | - | - | 1,052,802 |
| Total revenues | 19,493,250 | 986,660 | 654,125 | 22,335 | 2,762,962 | 5,196 | - | 23,924,528 |
| Expenditures | | | | | | | | |
| Current: | | | | | | | | |
| Instruction | | | | | | | | |
| Regular programs | 7,519,860 | - | 103,569 | - | - | - | - | 7,623,429 |
| Special ed programs | 2,080,522 | - | 83,648 | - | - | - | - | 2,164,170 |
| Student activity fund | 21,910 | - | - | - | - | - | - | 21,910 |
| Other instructional programs | 297,481 | - | 3,472 | - | - | - | - | 300,953 |
| State retirement contributions | 1,052,802 | - | - | - | - | - | - | 1,052,802 |
| Support services | | | | | | | | |
| Pupils | 1,076,403 | - | 52,798 | - | - | - | - | 1,129,201 |
| Instructional staff | 546,120 | - | 25,066 | - | - | - | - | 571,186 |
| General administration | 521,710 | - | 10,871 | - | - | - | - | 532,581 |
| School administration | 1,009,597 | - | 48,645 | - | - | - | - | 1,058,242 |
| Business | 718,495 | - | 44,826 | - | - | 1,506,454 | - | 2,269,775 |
| Central | 199,042 | - | - | - | - | - | - | 199,042 |
| Transportation | - | 551,758 | 18,571 | - | - | - | - | 570,329 |
| Operations and maintenance | 1,415,988 | - | 84,551 | - | - | - | 3,315 | 1,503,854 |
| Community services | 100,265 | - | 10,010 | - | - | - | - | 110,275 |
| Nonprogrammed charges | 322,469 | - | - | - | - | - | - | 322,469 |
| Debt service: | | | | | | | | |
| Principal | 25,433 | 73,764 | - | - | 1,295,000 | - | - | 1,394,197 |
| Interest and fees | 10,507 | 11,510 | - | - | 1,674,263 | 420,089 | - | 2,116,369 |
| Capital outlay | 201,216 | - | - | - | - | 5,751,660 | - | 5,952,876 |
| Total expenditures | 17,119,820 | 637,032 | 486,027 | - | 2,969,263 | 7,678,203 | 3,315 | 28,893,660 |
| Excess of revenues over expenditures | 2,373,430 | 349,628 | 168,098 | 22,335 | (206,301) | (7,673,007) | (3,315) | (4,969,132) |
| Other financing sources | | | | | | | | |
| Bond proceeds | - | - | - | - | 253,778 | 29,016,222 | - | 29,270,000 |
| Premium on bonds issued | - | - | - | - | - | 1,407,263 | - | 1,407,263 |
| Transfers in | 2,910,000 | - | - | - | - | 3,000,000 | - | 5,910,000 |
| Transfers out | (4,455,000) | - | - | - | - | (1,455,000) | - | (5,910,000) |
| Total other financing sources | (1,545,000) | - | - | - | 253,778 | 31,968,485 | - | 30,677,263 |
| Net change in fund balances | 828,430 | 349,628 | 168,098 | 22,335 | 47,477 | 24,295,478 | (3,315) | 25,708,131 |
| Fund balances at beginning of year | 9,620,148 | 752,916 | 428,529 | 188,697 | 266,576 | (1,981,048) | 38,092 | 9,313,910 |
| Change in accounting principle (See Note 14) | 81,100 | - | - | - | - | - | - | 81,100 |
| Fund balances at beginning of year, as restated | 9,701,248 | 752,916 | 428,529 | 188,697 | 266,576 | (1,981,048) | 38,092 | 9,395,010 |
| Fund balances at end of year | \$ 10,529,678 | \$ 1,102,544 | \$ 596,627 | \$ 211,032 | \$ 314,053 | \$ 22,314,430 | \$ 34,777 | \$ 35,103,141 |

See accompanying notes to financial statements.

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances to Statement of Activities
Year Ended June 30, 2021

| | | |
|---|--------------------|---------------------|
| Net change in total fund balances | | \$ 25,708,131 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds. The change from fiscal year 2020 to 2021 consists of: | | |
| Transportation Grants | \$ (155,756) | |
| Special Education Grants | <u>37,671</u> | (118,085) |
| Governmental funds report outlays for capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. | | |
| Capital outlay resulting in assets | 7,465,499 | |
| Depreciation expense | <u>(2,133,648)</u> | |
| Capital outlay in excess of depreciation | | 5,331,851 |
| The issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. | | |
| Bond principal retirements | 1,295,000 | |
| Amortization of premiums & deferred loss on refundings | 220,736 | |
| Lease payments | <u>99,197</u> | (29,062,330) |
| Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds. | | |
| Change in other post-employment benefits liabilities and deferred items | (293,239) | |
| Change in pension asset, liability, and deferred items | 225,204 | |
| Increase in interest payable on bonds | <u>4,317</u> | |
| Total | | <u>(63,718)</u> |
| Change in net position of governmental activities | | <u>\$ 1,795,849</u> |

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Schiller Park School District 81 (the “District”) operates as a public school system governed by a seven member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the significant accounting policies of the District.

Reporting Entity: Accounting principles generally accepted in the United States of America require that the financial statements of the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The criteria provided in Government Accounting Standards Board Statements Nos. 14, 39 and 61 have been considered and there are no agencies or entities which should be presented with the District. Using the same criteria, the District is not included as a component unit of any other governmental entity.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the primary government is financially accountable if it appoints a voting majority of the organization’s governing body, or (2) if the organization is fiscally dependent on the primary government and there is a potential for the organization either to provide specific financial benefits to, or to impose specific financial burdens on, the primary government, the primary government is financially accountable for the organization. Blended component units, although legally separate entities, are, in substance, part of the government’s operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government. The District does not have any component units to be reported.

Basis of Presentation

Government-Wide Financial Statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District’s operating activities are all considered “governmental activities,” that is, activities normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered “business activities.”

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

Governmental Funds Financial Statements: Governmental funds financial statements are organized and operated on the basis of funds and are used to account for the District’s general governmental activities. Fund accounting segregates funds according to their intended purpose, and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, deferred inflows, deferred outflows, reserves, fund balance, revenues, and expenditures. The minimum number of funds is maintained consistent with legal and managerial requirements.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting: The government-wide 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both “measurable and available.” “Measurable” means that the amount of the transaction can be determined, and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, expenditures for unmeasured principal and interest on general long-term debt are recognized when due; and certain compensated absences, claims, and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Major Governmental Funds

General Fund – the General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The District’s general fund consists of two accounts: the Educational Account, which records direct costs of instruction and administration and the Operating and Maintenance Account, which reports all costs of maintaining, improving, or operating school buildings and property.

Special Revenue Funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes, other than those accounted for in the Debt Service Fund, Capital Projects Funds, or Fiduciary Funds.

Transportation Fund - accounts for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

IMRF/Social Security Fund - accounts for the District’s portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for non-certified employees. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

Working Cash Fund - accounts for financial resources held by the District to be used as temporary interfund loans for working capital requirements to the General (Educational) Fund and the Special Revenue Fund’s Operation and Maintenance and Transportation Funds. Money loaned by the Working Cash Fund to other funds must be repaid within one year. As allowed by the School Code of Illinois, this fund may be permanently abolished and become a part of the General (Educational) Fund or it may be partially abated to the General (Educational) Fund, Special Revenue Funds, Debt Service Fund or the Fire Prevention and Life Safety Fund.

Debt Service Fund - accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service.

Capital Projects Fund - accounts for construction projects and renovations financed through serial bond issues and other restricted resources.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

In accordance with GASB No. 24, on-behalf payments (payments made by a third party for the benefit of the District, such as payments made by the state to the Teachers' Retirement System) have been recognized in the financial statements.

Property taxes, replacement taxes, certain state and federal aid, and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and recognized as revenue at that time. Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until earned.

Assets, Deferred Inflows of Resources, Liabilities, Deferred Outflows of Resources and Net Position or Fund Balance:

Deposits and Investments - State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments are stated at fair value using the market approach. Money markets and cash equivalents are reported at cost or amortized cost. Changes in fair value of investments are included as investment income.

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

Unavailable Revenue/Deferred Inflows of Resources: Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds may also defer revenue recognition in connection with resources that have been received, but not yet earned.

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has three types of item which arises only under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and grants. These amounts are recognized as an inflow of resources in the period that the amounts become available. The District also reports deferred inflows of resources for pension-related reporting due to the related inflows of pension related resources not being considered incurred, which is reported in the statement of net position. Finally, the District reports deferred inflows of resources for OPEB-related reporting due to the related inflows of OPEB related resources not being considered incurred, which is reported in the statement of net position.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows of Resources: In addition to assets, the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. The District has three items which arises only under the accrual basis of accounting that qualifies for reporting in this category. The first item is the deferred charge on refunding reported in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The District also reports deferred outflows of resources for pension-related reporting due to the related outflows of pension related resources not being considered incurred, which is reported in the statement of net position. Finally, the District reports deferred outflows of resources for OPEB-related reporting due to the related outflows of OPEB related resources not being considered incurred, which is reported in the statement of net position.

Property Tax Revenues: The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2020 levy resolution was approved during the December 16, 2020 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations: Individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

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

The property tax revenue recorded in the financial statements represents approximately half of the 2019 and half of the 2020 levies. The 2020 property tax levy is recognized as a receivable in fiscal 2021, net of estimated uncollectible amounts approximating 1%. The District considers that the first installment of the 2020 levy is to be used to finance operations in fiscal 2021. The District has determined that the second installment of the 2020 levy is to be used to finance operations in fiscal 2021 and has deferred the corresponding receivable.

Personal Property Replacement Taxes: Personal property replacement taxes are first allocated to the Municipal Retirement Social Security Fund, and the balance is allocated to the remaining funds at the discretion of the District.

Capital Assets: Capital assets, which include land, land improvements, buildings, equipment, and construction in progress, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life of 5 years or more. Such assets are recorded at cost at the date of acquisition if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

| <u>Assets</u> | <u>Years</u> |
|-------------------|--------------|
| Land improvements | 20 |
| Buildings | 20 - 75 |
| Equipment | 5 - 40 |

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

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

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

Net Position Classifications: Equity is classified as net position and displayed in three components:

- *Net investment in capital assets* - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets less any unspent debt proceeds.
- *Restricted net position* - Consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- *Unrestricted net position* - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

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

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

Use of Estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows and deferred outflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

For the purposes of financial reporting in the TRS plan, the State of Illinois and participating employers are considered to be under a special funding situation. A special funding situation is defined as a circumstance in which a non-employer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and either (1) the amount of the contributions for which the non-employer entity is legally responsible is not dependent upon one or more events unrelated to pensions or (2) the non-employer is the only entity with a legal obligation to make contributions directly to a pension plan. The State of Illinois is considered a non-employer contributing entity. Participating employers are considered employer contributing entities.

Other Post-Employment Benefits: For purposes of measuring the District's Post-Employment Benefits Other than Pensions ("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 State of Illinois Department of Central Management Services Teachers' Retirement Insurance Plan ("TRIP") and additions to/deductions from the TRIP's fiduciary net position have been determined on the same basis as they are reported by the TRIP. For this purpose, the TRIP recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

NOTE 2 - FUND BALANCES

The components of fund balance include the following line items:

- a. Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must remain intact. As of June 30, 2021, the District does not have any nonspendable fund balance.
- b. Restricted fund balance has externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation.
- c. Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the District, the Board of Education is the highest level of decision making. As of June 30, 2021, the District does not have any commitments of fund balance.
- d. Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the Board of Education designated for that purpose. The intended use is established by an official designated for that purpose.
- e. Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. Any negative fund balance in other funds would also be classified into this category.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 - FUND BALANCES (Continued)

If there is an expenditure incurred for purposes for which both restricted and unrestricted fund balance is available, the District will consider restricted fund balance to have been spent before unrestricted fund balance. Further, if there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the District will consider committed fund balance to be spent before assigned fund balance and consider assigned fund balance to be spent before unassigned fund balance.

During fiscal year 2013, the Board passed a resolution authorizing the Working Cash fund to be presented as a stabilization arrangement. Per the policy passed by the Board, the stabilization arrangement can include additions from property tax levy receipts, proceeds from working cash bonds and interest income on investments held in the Working Cash fund. Additions from property tax levy receipts and from proceeds from bonds are approved by the Board. Any interest earned and retained would be classified as assigned as it is not required to stay in the fund but can be transferred out provided it is properly allocated for other purposes. The Working Cash fund may be used under the following circumstances:

- Cash resources to fund regularly scheduled bi-weekly payroll not available due to:
 - Shortfalls of receipt of property taxes in which a tax anticipation warrant was not obtained
 - Shortfall of receipts from general state aid that is normally funded bi-monthly but is overdue by 30 days
- Cash resources to fund vendor payments that would force the District to pay a penalty of alter the cost of goods or services by more than 20% or the vendor payment is 120 days overdue.
- The Board of Education passes a resolution indicating the need of the District to make a loan from the Working Cash fund, the amount to be borrowed from the Working Cash Fund and the timeframe to repay the Working Cash Fund. Capital projects as committed by the Board
- Abolishment, abatement or partial abatement of the Fund pursuant to Section 20-8 of the School Code of Illinois.

As of June 30, 2021, the Working Cash fund had a balance of \$211,032.

The District has no minimum fund balance policy.

NOTE 3 - DEPOSITS AND INVESTMENTS

Cash: The carrying amount of cash was \$449,649 at June 30, 2021, while the bank balances were \$781,892. All account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000 or collateralized with securities of the U.S. Government or purchased through a commercial insurance company.

Certificates of Deposits: Certificates of deposits amounted to \$9,491,900 at June 30, 2021. Certificates of deposits were collateralized with securities of the U.S. government in an amount equal to 100% of the funds on deposit or purchased through a commercial insurance company. All investment collateral is held in safekeeping in the District's name by financial institutions acting as the District's agent.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Investments: The investments that the District may purchase are limited by Illinois Law and the District's investment policy to the following: (1) bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued by the United States of America, (2) interest bearing savings accounts, interest bearing certificates of deposits or interest bearing time deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act, (3) certificates of deposit with federally insured institutions that are collateralized or insured at levels acceptable, (4) collateralized repurchased agreements, (5) commercial paper meeting certain requirements, and (6) Illinois School District Liquid Asset fund.

The following schedule reports the values and maturities, using the segmented time distribution method, for the District investments at June 30, 2021:

| <u>Investment Type</u> | <u>Fair Value</u> | <u>Maturities Less Than One Year</u> |
|---|----------------------|--|
| Illinois School District Liquid Asset Fund Plus | <u>\$ 26,963,851</u> | <u>\$ 26,963,851</u> |
| Total | <u>\$ 26,963,851</u> | <u>\$ 26,963,851</u> |

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

Credit Risk - State statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSROs). The District's investment policy authorizes investments in any type of security permitted by Sections 2 through 6 of the Illinois Public Funds Investment Act. As of June 30, 2021, all of the District's other investments had "A-I +" ratings with their applicable rating agency.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) and the Illinois Institutional Investors Fund (IIIT) are not-for-profit investment trusts formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. Neither is registered with the SEC as an investment company. Investments are valued at share price, which is the price for which the investment could be sold.

Fair Value Measurement and Application – The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation of inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District did not have any investments subject to fair value measurement as of June 30, 2021.

Concentration of Credit Risk - The District's investment policy requires diversification of the investment portfolio to minimize risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District's Investment Officer to meet the District's ongoing need for safety, liquidity, and rate of return. At June 30, 2021, 100% of the District's other investments consisted of Illinois School District Liquid Asset Fund Plus.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

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

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

Reconciliation – Financial statements to footnote disclosure:

| | |
|--|----------------------|
| Financial Statements: | |
| Statement of Net Position: | |
| Cash and Investments | \$ 13,110,502 |
| Cash and Investments – Restricted | <u>23,794,898</u> |
| Total | <u>\$ 36,905,400</u> |
| Footnote disclosure above: | |
| Cash – book value of District deposits | \$ 449,649 |
| Certificates of deposits | 9,491,900 |
| Investments | <u>26,963,851</u> |
| Total | <u>\$ 36,905,400</u> |

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SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 4 - CAPITAL ASSETS

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

| | Beginning July 1, 2020 | Additions and Transfers | Deletions and Transfers | Ending June 30, 2021 |
|--|---------------------------|----------------------------|----------------------------|-------------------------|
| Capital Assets not being depreciated: | | | | |
| Land | \$ 1,279,858 | \$ - | \$ - | \$ 1,279,858 |
| Construction in progress | <u>1,747,414</u> | <u>6,047,867</u> | <u>1,712,509</u> | <u>6,082,772</u> |
| Total capital assets not being depreciated | <u>3,027,272</u> | <u>6,047,867</u> | <u>1,712,509</u> | <u>7,362,630</u> |
| Capital assets being depreciated: | | | | |
| Land improvements | 1,141,057 | 39,773 | - | 1,180,830 |
| Buildings | 58,517,514 | 2,785,626 | - | 61,303,140 |
| Vehicles | - | 35,665 | - | 35,665 |
| Equipment | <u>4,325,232</u> | <u>269,077</u> | <u>-</u> | <u>4,594,309</u> |
| Total capital assets being depreciated | <u>63,983,803</u> | <u>3,130,141</u> | <u>-</u> | <u>67,113,944</u> |
| Less accumulated depreciation for: | | | | |
| Land improvements | 712,432 | 56,641 | - | 769,073 |
| Buildings | 18,707,832 | 1,789,541 | - | 20,497,373 |
| Vehicles | - | 4,458 | - | 4,458 |
| Equipment | <u>3,134,891</u> | <u>283,008</u> | <u>-</u> | <u>3,417,899</u> |
| Total accumulated depreciation | <u>22,555,155</u> | <u>2,133,648</u> | <u>-</u> | <u>24,688,803</u> |
| Net capital assets being depreciated | <u>41,428,648</u> | <u>996,493</u> | <u>-</u> | <u>42,425,141</u> |
| Net governmental activities capital assets | <u>\$ 44,455,920</u> | <u>\$ 7,044,360</u> | <u>\$ 1,712,509</u> | <u>\$ 49,787,771</u> |

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

| <u>Governmental Activities</u> | <u>Depreciation</u> |
|--|---------------------|
| Regular programs | \$ 1,769,019 |
| Special programs | 14,868 |
| Other instructional programs | 35,383 |
| Pupils | 40 |
| Instruction staff | 153,323 |
| General administration | 30,218 |
| School administration | 17,185 |
| Site & construction | 91,194 |
| Business | 7,970 |
| Transportation | 1,196 |
| Operations and maintenance | 13,170 |
| Community service | 82 |
| Total depreciation expense - governmental activities | <u>\$ 2,133,648</u> |

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 5 - LONG-TERM LIABILITIES

Changes in General Long-Term Liabilities: The following is the long-term liability activity for the District for the year ended June 30, 2021:

| | Beginning Balance July 1, 2020 | Additions | Deletions | Ending Balance June 30, 2021 | Due Within One Year |
|---|--------------------------------------|----------------------|---------------------|------------------------------------|------------------------|
| Long-term liabilities - governmental activities: | | | | | |
| School bonds | \$ 23,555,000 | \$ 29,270,000 | \$ 1,295,000 | \$ 51,530,000 | \$ 1,880,000 |
| Unamortized premium | <u>1,796,300</u> | <u>1,407,263</u> | <u>244,374</u> | <u>2,959,189</u> | <u>-</u> |
| Total bonds payable | 25,351,300 | 30,677,263 | 1,539,374 | 54,489,189 | 1,880,000 |
| Other liabilities | | | | | |
| Capital leases payable | <u>480,763</u> | <u>-</u> | <u>99,196</u> | <u>381,567</u> | <u>244,786</u> |
| Total other liabilities | <u>480,763</u> | <u>-</u> | <u>99,196</u> | <u>381,567</u> | <u>244,786</u> |
| Total long-term liabilities - governmental activities | <u>\$ 25,832,063</u> | <u>\$ 30,677,263</u> | <u>\$ 1,638,570</u> | <u>\$ 54,870,756</u> | <u>\$ 2,124,786</u> |

Capital leases: The District has entered into various lease agreements as lessee for financing the acquisition of equipment. These assets have an acquisition cost of \$703,874, accumulated depreciation of \$350,697 and a net book value of \$353,177. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021 are as follows:

| Fiscal Year Ending June 30 | Capital Leases with scheduled interest payments | | |
|----------------------------------|--|------------------|-------------------|
| | Principal | Interest | Total |
| 2022 | \$ 244,786 | \$ 17,398 | \$ 262,184 |
| 2023 | 43,627 | 7,909 | 51,536 |
| 2024 | 72,765 | 4,808 | 77,573 |
| 2025 | <u>20,389</u> | <u>576</u> | <u>20,965</u> |
| Total | <u>\$ 381,567</u> | <u>\$ 30,691</u> | <u>\$ 412,258</u> |

General Obligation Refunding School Bonds, Series 2018:

Net proceeds of \$13,877,578 from the bond issue and \$343,256 from District funds were deposited into an irrevocable trust with an escrow agent to provide for debt service payments on the School Building Bonds, Series 2008 then outstanding are considered to be defeased and the related liability has been removed from the statement of net position. This reduced debt service payments by \$586,351 and resulted in an economic gain (Difference between the present values of the debt service payments on the old and new debt) of \$1,149,793.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 5 - LONG-TERM LIABILITIES (Continued)

General Obligation School Bonds, Series 2020:

The District issued \$29,270,000 in General Obligation School Bonds, Series 2020 ("Bonds"), on August 13, 2020. Proceeds of the bonds will be used to build and equip a school building to replace the Washington Elementary School Building, pay capitalized interest on the Bonds, and pay costs associated with the issuance of the Bonds. Interest on the bonds will be payable semi-annually each June 1 and December 1, commencing December 1, 2020. Principal will be payable annually on each December 1, commencing in 2021 with the final payment to be made in 2042. The Bonds are subject to redemption prior to maturity at the option of the District, as a whole or in part, on any date on or after December 1, 2029.

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

| Purpose | Maturity | | Face Amount | Carrying Amount |
|--|----------|---------------|--------------|----------------------|
| | Date | Interest Rate | | |
| Limited School Bonds, Series 2016A | 12/01/30 | 4.0% | \$ 7,025,000 | \$ 7,025,000 |
| Limited Refunding School Bonds, Series 2016B | 12/01/21 | 3.0 - 4.0 % | 2,505,000 | 340,000 |
| Limited School Bonds, Series 2017 | 12/01/36 | 4.0% | 3,500,000 | 3,500,000 |
| General Obligation Refunding School Bonds, Series 2018 | 12/01/31 | 4.0 - 5.0 % | 12,820,000 | 11,395,000 |
| General Obligation School Bonds (Referendum Bonds), 2020 | 12/01/41 | 2.125 - 4.0% | 29,270,000 | <u>29,270,000</u> |
| Total | | | | <u>\$ 51,530,000</u> |

The District's Debt Service Fund is used to pay the principal and interest on the bonds listed above.

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

| Fiscal Year | Principal | Interest | Total |
|-------------|----------------------|----------------------|----------------------|
| 2022 | \$ 1,880,000 | \$ 1,767,475 | \$ 3,647,475 |
| 2023 | 1,975,000 | 1,686,150 | 3,661,150 |
| 2024 | 2,080,000 | 1,596,400 | 3,676,400 |
| 2025 | 2,185,000 | 1,502,025 | 3,687,025 |
| 2026 | 2,300,000 | 1,402,775 | 3,702,775 |
| 2027-2031 | 13,350,000 | 5,362,400 | 18,712,400 |
| 2032-2036 | 13,855,000 | 2,788,175 | 16,643,175 |
| 2037-2041 | 13,205,000 | 839,819 | 14,044,819 |
| 2042 | 700,000 | 8,313 | 708,313 |
| Total | <u>\$ 51,530,000</u> | <u>\$ 16,953,531</u> | <u>\$ 68,483,531</u> |

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2021, the statutory debt limit for the District was \$28,108,006, providing a debt margin of \$(23,421,991). There are numerous covenants with which the District must comply in regard to these bond issues. As of June 30, 2021, the District was in compliance with all significant bond covenants, including federal arbitrage regulations.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2021

NOTE 6 – INTERFUNDS AND TRANSFERS

As of June 30, 2021, there were no outstanding interfund loans. During the year ended June 30, 2021, the District made transfers into the General Account, Capital Projects Fund, and Operations & Maintenance Account for \$1,455,000, \$3,000,000, and \$1,455,000, respectively. The District transferred the \$1,455,000 from the Capital Projects Fund and the \$4,455,000 from the General Fund. The purpose of these transfers was to abate the working cash fund to provide money for capital projects.

NOTE 7 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omission, injuries to employees, and natural disasters. During the fiscal year ended June 30, 2021, the District continued its risk management policies by purchasing commercial insurance to cover itself against these risks. The amount of coverage has neither decreased nor have the amount of settlements exceeded coverage in any of the past three fiscal years.

The District is self-insured for medical coverage that is provided to District personnel, a third party administrator administers claims for a monthly fee per participant. Expenditures are recorded as incurred in the form of direct contributions from the District to the third party administrator for payment of employee health claims and administration fees. The District's liability will not exceed \$60,000 per employee or \$1,000,000 in the aggregate, as provided by stop-loss provisions incorporated in the plan.

At June 30, 2021, total unpaid claims totaled \$177,438. The estimates are developed based on reports prepared by the administrative agent. For the two years ended June 30, 2021 and 2020, changes in the liability reported in the General (Educational) Fund for unpaid claims are summarized as follows:

| | Beginning of Year | Current Year Claims and Changes in Estimates | Payments | End of Year |
|------------------|----------------------|--|--------------|-------------|
| Fiscal Year 2021 | \$ 313,700 | \$ 1,945,064 | \$ 2,081,326 | \$ 177,438 |
| Fiscal Year 2020 | \$ 63,249 | \$ 3,411,747 | \$ 3,161,296 | \$ 313,700 |

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS

Teachers' Retirement Insurance Program

Plan description: The District participates in the Teachers' Retirement Insurance Program (TRIP) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The TRIP 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 sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The TRIP Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

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NOTE 8– OTHER POST EMPLOYMENT BENEFITS (Continued)

The publicly available financial report of the TRIP 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."

Benefits provided: The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the TRIP Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS.

The State provides health, dental, vision, and life insurance benefits for retirees and their dependents in a program administered by the CMS. Substantially all State employees become eligible for post-employment benefits if they eventually become annuitants of one of the State sponsored pension plans. Health, dental, and vision benefits include basic benefits for annuitants and dependents under the State's self-insurance plan and insurance contracts currently in force. Annuitants may be required to contribute towards health, dental, and vision benefits with the amount based on factors such as date of retirement, years of credited service with the State, whether the annuitant is covered by Medicare, and whether the annuitant has chosen a managed health care plan. Annuitants who retired prior to January 1, 1998, and who are vested in the State Employees Retirement System do not contribute towards health, dental, and vision benefits. For annuitants who retired on or after January 1, 1998, the annuitant's contribution amount is reduced five percent for each year of credited service with the State allowing those annuitants with twenty or more years of credited service to not have to contribute towards health, dental, and vision benefits. Annuitants also receive life insurance coverage equal to the annual salary of the last day of employment until age 60, at which time the benefit becomes \$5,000.

The total cost of the State's portion of health, dental, vision, and life insurance benefits of all members, including post-employment health, dental, vision, and life insurance benefits, is recognized as an expense by the State in the Illinois Comprehensive Annual Financial Report. The State finances the costs on a pay-as-you-go basis. The total costs incurred for health, dental, vision, and life insurance benefits are not separated by department or component unit for annuitants and their dependents nor active employees and their dependents.

A summary of post-employment benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Central Management Services. A copy of the financial statements of the Department may be obtained by writing to the Department of Central Management Services, 401 South Spring, Springfield, Illinois, 62706.

Contributions: Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the TRIP Fund. The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year. The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the TRIP Fund from active members which were 1.24 percent of pay during the year ended June 30, 2021. State of Illinois contributions were \$112,084, and the District recognized revenue and expenditures of this amount during the year. The District also makes contributions to the TRIP Fund, which are defined by state statute. The District's TRIP Fund contribution was 0.92 percent during the year ended June 30, 2021. For the year ended June 30, 2020, the District paid \$83,159 to the TRIP Fund, which was 100 percent of the required contribution.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2021

NOTE 8– OTHER POST EMPLOYMENT BENEFITS (Continued)

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

At June 30, 2021, the District reported a liability of \$9,315,526 for its proportionate share of the collective net OPEB liability. This liability reflects a reduction for State OPEB Support:

| | |
|---|----------------------|
| District's proportionate share of the collective net OPEB liability | \$ 9,315,526 |
| State's proportionate share that is associated with the District | <u>12,305,417</u> |
| Total | <u>\$ 21,620,943</u> |

The collective net OPEB liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2019. The District's proportion of the collective net OPEB liability was based on the District's fiscal year 2020 contributions to the OPEB plan relative to the fiscal year 2020 contributions of all participating entities. The District's proportion of the collective net OPEB liability for June 30, 2020 was based on the District's fiscal year 2019 contributions to the OPEB plan relative to the fiscal year 2019 contributions of all participating entities. At June 30, 2020, the District's proportion was 0.034843 percent, which was a decrease of 0.00004 percent from its proportion measured as of June 30, 2019 (0.034882 percent). The proportion of the State's net OPEB liability attributable to the District was 0.080% which is the same as the prior year.

For the year ended June 30, 2021, the District recognized OPEB expense of \$376,391. The District's proportionate share of collective OPEB expense is recognized as an on-behalf payment as both revenue and expense in the District's financial statements. The basis of allocation used is the actual OPEB expense for contributing Districts. As a result, the District recognized on-behalf revenue and OPEB expense of \$471,608.

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ - | \$ 247,504 |
| Assumption changes | 3,154 | 1,536,584 |
| Net difference between projected and actual earnings on OPEB plan investments | - | 265 |
| Change in proportionate and difference between District contributions and proportionate share of contributions | 526,845 | 165,507 |
| Contributions made subsequent to the measurement date | 83,159 | - |
| | \$ 613,158 | \$ 1,949,860 |

Of the total amount reported as deferred outflows of resources related to OPEB, \$83,159 resulting from District 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 ended June 30, 2022.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 8– OTHER POST EMPLOYMENT BENEFITS (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

| | | |
|----------------------|----|-----------------------|
| Year ending June 30: | | |
| 2022 | \$ | (254,601) |
| 2023 | | (254,576) |
| 2024 | | (254,524) |
| 2025 | | (236,573) |
| 2026 | | (181,923) |
| Thereafter | | (237,664) |
| Total | | <u>\$ (1,419,861)</u> |

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| | |
|-----------------------------|--|
| Inflation | 2.50% |
| Salary increases | Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption. |
| Investment rate of return | 0%, net of OPEB plan investment expense, including inflation. |
| Healthcare cost trend rates | Actual trend used for fiscal year 2020. For fiscal years on and after 2021, trend starts at 8.25% and gradually decreases to an ultimate trend of 4.25%. |

Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table. For disabled annuitants mortality rates were based on the RP-2014 Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table, Tables were adjusted for SURS experience. All tables reflect future mortality improvements using Projection Scale MP-2017.

The actuarial assumptions used in the actuarial valuation as of June 30, 2019 were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2017.

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

The following changes were made in assumptions from the previous actuarial valuation of June 30, 2018. The discount rate was changed from 3.13% at June 30, 2019 and 2.45% at June 30, 2020. The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2019, projected plan cost for plan year end June 30, 2020, premium changes through plan year end 2021, and expectation of future trend increases after June 30, 2020. Since the Excise Tax was repealed, the Excise Tax trend adjustment was removed. Per capita claim costs for plan year end June 30, 2020, were updated based on projected claims and enrollment experience through June 30, 2020, and updated premium rates through plan year 2021. Healthcare plan participation rates by plan were updated based on observed experience.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 8– OTHER POST EMPLOYMENT BENEFITS (Continued)

Discount rate. Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan’s fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Under GASB 75, the discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax exempt general obligation municipal bonds with an municipal bond 20 year high grade rate index as reported in Fidelity Index’s “20-year municipal GO AA index” as of the measurement date. Since TRIP is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 3.13% as of June 30, 2019, and 2.45% as of June 30, 2020, a decrease of 0.78%.

During the Plan year ending June 30, 2020, the trust earned \$193,000 in interest and due to a significant benefit payable, the market value of assets at June 30, 2020, was a \$189 million. Given the significant benefit payable, low asset value and pay-as-you-go funding policy, the long-term expected rate of return was set to zero.

Sensitivity of the District’s proportionate share of the collective net OPEB liability to changes in the discount rate. The following presents the District’s proportionate share of the collective net OPEB liability, as well as what the District’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 (1.45 percent) or 1-percentage-point higher (3.45 percent) than the current discount rate:

| | 1% Decrease 1.45% | Current Discount Rate 2.45% | 1% Increase 3.45% |
|--|----------------------|-----------------------------------|----------------------|
| District’s proportionate share of the collective net OPEB Liability | \$ 11,195,980 | \$ 9,315,526 | \$ 7,825,766 |

Sensitivity of the District’s proportionate share of the collective net OPEB liability to changes in the healthcare cost trend rates. The following presents the District’s proportionate share of the collective net OPEB liability, as well as what the District’s proportionate share of the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point higher or lower than the current healthcare cost trend rates. The key trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037.

| | 1% Decrease ^(a) | Healthcare Cost Trend Rates Assumption | 1% Increase ^(b) |
|--|----------------------------|--|----------------------------|
| District’s proportionate share of the collective net OPEB Liability | \$ 7,492,524 | \$ 9,315,526 | \$ 11,779,892 |

(a) One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate trend rate of 3.25% in 2037

(b) One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037

OPEB plan fiduciary net position. Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued TRIP financial report.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 8– OTHER POST EMPLOYMENT BENEFITS (Continued)

Schiller Park School District 81 Postretirement Health Plan

Plan Description: This is a single employer plan administered by the District Board, with no separate report issued. The District Board has the authority to change the plan. The plan is not administered through a trust. Noncertified and classified staff members who retire from the District shall be eligible to remain in the District comprehensive hospitalization, surgical, major medical and dental plans at no expense to the employee until Medicare eligible, if he or she is at least 62 years of age at the time of retirement and has been employed by the District for a minimum of twenty years. Membership in the plan as of June 30, 2020, the most recent information available, consisted of the following:

| | |
|---|-------------------|
| Active employees | 208 |
| Inactive employees entitled to but not yet receiving benefits | - |
| Inactive employees currently receiving benefits | <u>3</u> |
| Total | <u><u>211</u></u> |

Contributions: The District follows a pay-as-you go funding policy. This means the District pays the costs of the benefits as they become due. The costs are equal to the benefits distributed or claimed in the year. The District is not required to, and currently does not advance fund the cost of benefits that will become due and payable in the future. The plan members do not have a required contribution as determined by the District Board.

Total OPEB Liability: The District's total OPEB liability was measured as of June 30, 2021 and the total OPEB liability was determined by an actuarial valuation as of the prior year using the following key actuarial methods and assumptions:

| | |
|---|---|
| Actuarial Valuation Date | June 30, 2020 |
| Measurement Date | June 30, 2021 |
| Actuarial Cost Method | Entry Age Normal |
| Asset Valuation Method | N/A - no assets |
| Assumptions: | |
| Discount Rate | 2.18% |
| Rate of Return | N/A - no assets |
| Payroll increases | 4.00% |
| Healthcare Trend Rate | 4.50% |
| Mortality, Retirement, Withdrawal, and Disability Rates | Rates of Mortality, Retirement, Withdrawal, Disability used are the December 31, 2019 IMRF Actuarial Valuation Report |

Discount Rate: The discount rate used to measure the total OPEB liability was 2.18% for determining the liability. The discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax-exempt general obligation municipal bonds. The underlying index used is the S&P Municipal Bond 20-Year High-Grade Rate Index.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 8– OTHER POST EMPLOYMENT BENEFITS (Continued)

Changes in Total OPEB Liability:

| | Increase (Decrease) |
|---|---------------------|
| | Total OPEB |
| | Liability |
| Balances at June 30, 2020 | \$ 442,279 |
| Changes for the year: | |
| Service cost | 11,699 |
| Interest | 11,206 |
| Difference between expected & actual experience | - |
| Actuarial experience | - |
| Assumptions changes | 13,079 |
| Benefit payments, including refunds | (42,007) |
| Other Changes | - |
| Net changes | (6,023) |
| Balances at June 30, 2021 | \$ 436,256 |

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB: For the year ended June 30, 2021, the District recognized OPEB expense of \$53,842. At June 30, 2021, the District reported deferred outflows or 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 | \$ - | \$ 12,021 |
| Changes of assumptions | 334,492 | 13,896 |
| Net difference between projected and actual earnings on investments | - | - |
| Total | \$ 334,492 | \$ 25,917 |

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

| Year Ended June 30 | | | |
|-----------------------|----|---------|--|
| 2022 | \$ | 30,938 | |
| 2023 | | 30,938 | |
| 2024 | | 30,938 | |
| 2025 | | 30,938 | |
| 2026 | | 30,938 | |
| Thereafter | | 153,885 | |
| Total | \$ | 308,575 | |

Rate Sensitivity: The following rate sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2021

NOTE 8– OTHER POST EMPLOYMENT BENEFITS (Continued)

The table below presents the total OPEB liability of the District calculated using the discount rate of 2.18% as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher that the current rate. The discount rate decreased 0.48% from 2.66% used in the June 30, 2020 valuation.

| | 1% Decrease 1.18% | Current Rate 2.18% | 1% Increase 3.18% |
|----------------------|----------------------|-----------------------|----------------------|
| Total OPEB Liability | \$ 464,001 | \$ 436,256 | \$ 410,746 |

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 4.50% as well as what the District’s total OPEB liability would be if it were calculated using a healthcare rate that is one percentage point lower or one percentage point higher that the current rate.

| | 1% Decrease 3.50% | Current Healthcare Cost Trend Rate 4.50% | 1% Increase 5.50% |
|----------------------|----------------------|---|----------------------|
| Total OPEB Liability | \$ 403,883 | \$ 436,256 | \$ 473,777 |

Summary of OPEB items:

| | Teacher Health Insurance Security Fund | District's Postemployment Retirement Plan | Total |
|--------------------------------|--|---|--------------|
| Net OPEB Liabilities | \$ 9,315,526 | \$ 436,256 | \$ 9,751,782 |
| Deferred Outflows of Resources | 613,158 | 334,492 | 947,650 |
| Deferred Inflows of Resources | 1,949,860 | 25,917 | 1,975,777 |
| OPEB Expense | 376,391 | 53,842 | 430,233 |

NOTE 9 - RETIREMENT SYSTEMS

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

Illinois Municipal Retirement System:

IMRF Plan Description: The District’s defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District’s plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. Details of all benefits are available from IMRF. Benefit and contribution 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.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 9 - RETIREMENT SYSTEMS (Continued)

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
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms: As of December 31, 2020, the following employees were covered by the benefit terms:

| | |
|--|------------|
| Retirees and Beneficiaries currently receiving benefits | 66 |
| Inactive Plan Members entitled to but not yet receiving benefits | 275 |
| Active Plan Members | <u>62</u> |
| Total | <u>403</u> |

Contributions: As set by statute, the District's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2020 was 8.25%. For the fiscal year ended June 30, 2021, the District contributed \$185,665 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

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

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2021

NOTE 9 - RETIREMENT SYSTEMS (Continued)

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

- 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 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- Mortality: For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2020 Illinois Municipal Retirement Fund annual actuarial valuation. The investment rate of return of 7.25% is the same rate used as the prior year. There were no other significant changes in assumptions. There were no benefit changes during the year. The District is not aware of any changes that have occurred subsequently to the measurement date that are expected to have a significant error on the net pension liability.

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

| Asset Class | Portfolio Target Percentage | Long-Term Expected Real Rate of Return |
|-------------------------|-----------------------------------|---|
| Domestic Equity | 37% | 5.00% |
| International Equity | 18% | 6.00% |
| Fixed Income | 28% | 1.30% |
| Real Estate | 9% | 6.20% |
| Alternative Investments | 7% | 2.85-6.95% |
| Cash Equivalents | <u>1%</u> | 0.70% |
| Total | 100% | |

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 9 - RETIREMENT SYSTEMS (Continued)

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

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

Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was not blended with the AA rated general obligation bond index at December 31, 2020 to arrive at the discount rates used to determine the total pension liability. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, which is the same rate from the prior year discount rate of 7.25%. The fund is expected to be fully funded through December 31, 2120.

Changes in the Net Pension (Asset)/Liability:

| | Increase (Decrease) | | |
|-------------------------------------|----------------------------|--------------------------------|----------------------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension (Asset)/Liability |
| | (a) | (b) | (a) - (b) |
| Primary government: | | | |
| Balances at December 31, 2019 | \$ 11,092,334 | \$ 10,901,556 | \$ 190,778 |
| Changes for the year: | | | |
| Service cost | 274,448 | - | 274,448 |
| Interest | 796,308 | - | 796,308 |
| Actuarial experience | 244,387 | - | 244,387 |
| Assumption changes | (142,616) | - | (142,616) |
| Contributions - Employer | - | 207,054 | (207,054) |
| Contributions - Employee | - | 112,939 | (112,939) |
| Net investment income | - | 1,488,628 | (1,488,628) |
| Benefit payments, including refunds | (492,000) | (492,000) | - |
| Other (net transfer) | - | 51,959 | (51,959) |
| Net changes | 680,527 | 1,368,580 | (688,053) |
| Balances at December 31, 2020 | <u>\$ 11,772,861</u> | <u>\$ 12,270,136</u> | <u>\$ (497,275)</u> |

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the 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:

| | Current | | |
|-------------------------------|-------------|---------------|----------------|
| | 1% Decrease | Discount Rate | 1% Increase |
| | 6.25% | 7.25% | 8.25% |
| Net Pension Liability/(Asset) | \$ 896,792 | \$ (497,275) | \$ (1,564,661) |

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2021

NOTE 9 - RETIREMENT SYSTEMS (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions:
 For the year ended June 30, 2021, the District recognized pension income of \$18,817. At June 30, 2021, the District reported deferred outflows or 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 | \$ 120,990 | \$ - |
| Changes of assumptions | - | 70,606 |
| Net difference between projected and actual earnings on pension plan investments | - | 860,222 |
| Pension contributions made subsequent to the measurement date | 96,439 | - |
| Total Deferred Amounts Related to Pensions | \$ 217,429 | \$ 930,828 |

During the year ended June 30, 2021, there was \$96,439 reported as deferred outflows of resources related to pension contributions made subsequent to the measurement date that will be recognized as a reduction of the net pension liability during the year ended June 30, 2022. 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:

| Year ending December 31 | |
|----------------------------|--------------|
| 2021 | \$ (218,302) |
| 2022 | (105,951) |
| 2023 | (345,060) |
| 2024 | (140,525) |
| Total | \$ (809,838) |

Teachers' Retirement System of the State of Illinois

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

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

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

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SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 9 - RETIREMENT SYSTEMS (Continued)

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. 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 began in 2019 and are funded by bonds issued by the state of Illinois.

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

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

On behalf contributions to TRS: The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2021, state of Illinois contributions recognized by the employer were based on the state's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$940,744 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, 2021, were \$52,623, and are deferred because they were paid after the June 30, 2020 measurement date.

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

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.

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SCHILLER PARK SCHOOL DISTRICT 81
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2021

NOTE 9 - RETIREMENT SYSTEMS (Continued)

For the year ended June 30, 2021, the District pension contribution was 10.41 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2021, salaries totaling \$0 were paid from federal and special trust funds that required employer contributions of \$0.

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

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2020, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follows:

| | | |
|--|----|----------------------|
| District's proportionate share of the net pension liability | \$ | 904,195 |
| State's proportionate share of the net pension liability associated with the District | | <u>70,821,266</u> |
| Total | | <u>\$ 71,725,461</u> |

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2020, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2020, the District's proportion was 0.00104876 percent, which was a decrease of 0.0000493 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$72,410 and revenue of \$7,542,511 for support provided by the state.

At June 30, 2021, the employer 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 | \$ 8,763 | \$ 241 |
| Net difference between projected and actual earnings on pension plan investments | 26,998 | - |
| Changes of assumptions | 3,705 | 9,487 |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 26,630 | 75,555 |
| District contributions subsequent to the measurement date | <u>52,623</u> | <u>-</u> |
| | <u>\$ 118,719</u> | <u>\$ 85,283</u> |

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 9 - RETIREMENT SYSTEMS (Continued)

\$52,623 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year ended June 30:</u> | |
|----------------------------|--------------------|
| 2021 | \$ (10,382) |
| 2022 | 1,282 |
| 2023 | (2,615) |
| 2024 | (4,416) |
| 2025 | <u>(3,056)</u> |
| Total | <u>\$ (19,187)</u> |

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

| | |
|---------------------------|---|
| Census Date | June 30, 2019 with total pension liability projected to June 30, 2020 |
| Actuarial Cost Method | Entry age normal |
| Asset Valuation Method | Fair value as of valuation date |
| Inflation | 2.50 percent |
| Salary increases | 4.00% - 9.50%, varies by amount of service credit |
| Investment rate of return | 7.00 percent, net of pension plan investment expense, including inflation |
| Post-retirement increase | Tier 1: 3%, compounded; Tier 2: 1.25%, not compounded |

Mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully-generational basis using projection table MP-2017.

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

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(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 9 - RETIREMENT SYSTEMS (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|------------------------------|-------------------|--|
| U.S. Large Cap | 16.5 % | 6.1 % |
| U.S. Small Cap | 2.3 | 7.2 |
| International Equities | 12.2 | 7.0 |
| Emerging Market Equities | 3.0 | 9.4 |
| U.S. Bonds Core | 7.0 | 2.2 |
| U.S. Bonds High Yield | 2.5 | 4.1 |
| International Debt Developed | 3.1 | 1.5 |
| Emerging International Debt | 3.2 | 4.5 |
| Real Estate | 16.0 | 5.7 |
| Private Debt | 5.2 | 6.3 |
| Hedge Funds | 10.0 | 4.3 |
| Private Equity | 15.0 | 10.5 |
| Infrastructure | 4.0 | 6.2 |
| Total | 100.0 % | |

Discount Rate: At June 30, 2020, the discount rate used to measure the total pension liability was 7.00 percent, which did not change from the June 30, 2019 rate of 7.00 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

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

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

| 1% Decrease 6.00% | Current Discount Rate 7.00% | 1% Increase 8.00% |
|----------------------|--------------------------------|----------------------|
| \$ 1,097,528 | \$ 904,195 | \$ 745,026 |

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

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 9 - RETIREMENT SYSTEMS (Continued)

Below is a summary of the various pension items:

| | <u>IMRF</u> | <u>TRS</u> | <u>Total</u> |
|---------------------------------|---------------------|-------------------|---------------------|
| Deferred Outflows of Resources: | | | |
| Employer Contributions | \$ 96,439 | \$ 52,623 | \$ 149,062 |
| Experience | 120,990 | 8,763 | 129,753 |
| Assumptions | - | 3,705 | 3,705 |
| Investments | - | 26,998 | 26,998 |
| Proportionate Share | - | 26,630 | 26,630 |
| Total | <u>\$ 217,429</u> | <u>\$ 118,719</u> | <u>\$ 336,148</u> |
| Net Pension Liability/(Asset) | <u>\$ (497,275)</u> | <u>\$ 904,195</u> | <u>\$ 406,920</u> |
| Deferred Inflows of Resources: | | | |
| Experience | \$ - | \$ 241 | \$ 241 |
| Assumptions | 70,606 | 9,487 | 80,093 |
| Investments | 860,222 | - | 860,222 |
| Proportionate Share | - | 75,555 | 75,555 |
| Total | <u>\$ 930,828</u> | <u>\$ 85,283</u> | <u>\$ 1,016,111</u> |
| Pension Expense/(Income) | <u>\$ (18,817)</u> | <u>\$ 72,410</u> | <u>\$ 53,593</u> |

NOTE 10 - STATE AND FEDERAL AID CONTINGENCIES

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. As of June 30, 2021, the District is not aware of any audit reimbursement requests. Management believes such disallowances, if any, would be immaterial.

NOTE 11 – TAX ABATEMENTS

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The District is affected by Cook County's Class 6b property tax incentive program. The purpose of the Class 6b program is to encourage industrial development throughout Cook County by offering a real estate tax incentive for the development of new industrial facilities, the rehabilitation of existing industrial structures, and the industrial reutilization of abandoned buildings. The goal of the program is to attract new industry, stimulate expansion and retention of existing industry, and increase employment opportunities.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 11 – TAX ABATEMENTS (Continued)

Properties receiving a Class 6b incentive are assessed at 10% of market value for the first 10 years, 15% in the 11th year, and 20% in the 12th year. This constitutes a substantial reduction in the level of assessment and results in significant tax savings. In the absence of this incentive, industrial real estate would normally be assessed at 25% of its market value.

Municipalities within the District area have granted Class 6b incentives to businesses that, as a result, have occupied abandoned properties, constructed new buildings, or expanded existing facilities. In many instances, the program has produced more property tax revenue for the District and the other impacted taxing districts than would have been generated if the development had not occurred. The District's tax revenues are reduced due to the agreements entered into by these municipalities.

For the fiscal year ending June 30, 2021, the District's share of tax revenues lost because of abatement granted to the Class 6b properties was approximately \$2,600,000.

NOTE 12 - NEW ACCOUNTING PRONOUNCEMENTS

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Upon the District's adoption of GASB Statement No 95, effective date for the Statement was delayed for the District until their fiscal year ended June 30, 2022. Management has not determined what impact, if any, this statement will have on its financial statements.

In June 2018, GASB issued Statement No. 89 *Accounting for Interest Cost Incurred Before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Upon the District's adoption of GASB Statement No 95, effective date for the Statement was delayed for the District until their fiscal year ended June 30, 2022. Management has not yet determined the impact of this statement on the basic financial statements.

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. Upon the District's adoption of GASB Statement No 95, effective date for the Statement was delayed for the District until their fiscal year ended June 30, 2023. Management has not yet determined the impact of this statement on the District's financial statements.

(Continued)

NOTE 12 - NEW ACCOUNTING PRONOUNCEMENTS (Continued)

In January 2020, GASB issued Statement No. 92, *Ominibus 2020*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. The topics within this Statement that were not effective for the District's fiscal year ended June 30, 2020 were, upon the District's adoption of GASB Statement No. 95, delayed for the District until the fiscal year ended June 30, 2022. Management has not yet determined the impact of this statement on the District's financial statements.

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objectives of this Statement is improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. This Statement also provides guidance for accounting and financial reporting for availability payments arrangements. The requirements of this Statement are effective for the District's fiscal year ended June 30, 2023. Management has not yet determined the impact of this statement on the District's financial statements.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for the District's fiscal year ended June 30, 2023. Management has not yet determined the impact of this statement on the District's financial statements.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - An amendment of GASB Statements No. 14 and No 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units when a potential component unit does not have a governing board and the primary government performs those duties; (2) mitigate costs associated with the reporting; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans. The requirements of this Statement are effective for the District's fiscal year-ended June 30, 2022. Management has not yet determined the impact of this statement on the District's financial statements.

NOTE 13 – RISKS AND UNCERTAINTIES

The Coronavirus (COVID-19) pandemic developed rapidly in 2020, with a significant number of cases globally. In response to the pandemic and in compliance with various state and local ordinances, the District moved to an all remote teaching environment for a number of months, with administrative functions on-going. The District was awarded \$1,184,876 of Elementary and Secondary School Emergency Relief Funds from the U.S. Department of Education, due to the pandemic. The extent to which the coronavirus may impact revenues, expenses, or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus or treat its impact, among others. Additionally, significant estimates, as discussed in note 1, which include but are not limited to valuation of net pension asset and liabilities, total OPEB liability, and others may be materially and adversely impacted by further impacts related to the COVID-19 pandemic.

(Continued)

SCHILLER PARK SCHOOL DISTRICT 81
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

NOTE 14 - ADOPTION OF NEW ACCOUNTING PRINCIPLE

During the fiscal year ended June 30, 2021, the District implemented the requirements of GASB Statement No. 84, "Fiduciary Activities". Statement 84 established criteria for identifying fiduciary activities. A specific change to the District's financial statements relates to the presentation of the Student Activity transactions within the General Fund instead of an agency fund. A reconciliation of net position and fund balances from the June 30, 2020 financial statements to beginning net position as reported on the 2021 financial statements is as follows:

Governmental Activities:

| | |
|---|-----------------------------|
| Net Position, July 1, 2020, as previously reported | \$ 16,899,818 |
| Change in Accounting Principle, GASB Statement No. 84 | <u>81,100</u> |
| Net Position, July 1, 2020, as restated | <u><u>\$ 16,980,918</u></u> |

General Fund:

| | |
|---|----------------------------|
| Fund Balance, July 1, 2020, as previously reported | \$ 9,620,148 |
| Change in Accounting Principle, GASB Statement No. 84 | <u>81,100</u> |
| Fund Balance, July 1, 2020, as restated | <u><u>\$ 9,701,248</u></u> |

NOTE 15 – COMMITMENTS

The District has entered into a contract for construction of the school building. The outstanding remaining commitment on the contract is approximately \$18,800,000.

Required Supplementary Information
 Illinois Municipal Retirement Fund
 Schedule of Changes in the Net Pension Liability and Related Ratios
 For the Prior Seven Fiscal Years

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|----------------------|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
| Total Pension Liability | | | | | | | |
| Service Cost | \$ 274,448 | \$ 265,794 | \$ 286,091 | \$ 291,042 | \$ 291,295 | \$ 244,108 | \$ 271,693 |
| Interest on the Total Pension Liability | 796,308 | 749,315 | 710,276 | 687,011 | 640,238 | 605,093 | 555,965 |
| Changes of Benefit Terms | - | - | - | - | - | - | - |
| Differences Between Expected and Actual Experience of the Total Pension Liability | 244,387 | 94,259 | 37,335 | 46,232 | 57,840 | (73,733) | (208,524) |
| Changes of Assumptions | (142,616) | - | 288,640 | (315,160) | (11,165) | 10,674 | 330,464 |
| Benefit Payments, Including Refunds of Employee Contributions | (492,000) | (439,041) | (455,280) | (337,614) | (394,049) | (265,436) | (296,099) |
| Net Change in Total Pension Liability | 680,527 | 670,327 | 867,062 | 371,511 | 584,159 | 520,706 | 653,499 |
| Total Pension Liability - Beginning | <u>11,092,334</u> | <u>10,422,007</u> | <u>9,554,945</u> | <u>9,183,434</u> | <u>8,599,275</u> | <u>8,078,569</u> | <u>7,425,070</u> |
| Total Pension Liability - Ending | <u>\$ 11,772,861</u> | <u>\$ 11,092,334</u> | <u>\$ 10,422,007</u> | <u>\$ 9,554,945</u> | <u>\$ 9,183,434</u> | <u>\$ 8,599,275</u> | <u>\$ 8,078,569</u> |
| Plan Fiduciary Net Position | | | | | | | |
| Contributions - Employer | \$ 207,054 | \$ 194,039 | \$ 216,532 | \$ 240,072 | \$ 245,559 | \$ 220,236 | \$ 203,020 |
| Contributions - Employees | 112,939 | 125,351 | 115,450 | 122,767 | 124,257 | 107,758 | 101,397 |
| Net Investment Income | 1,488,628 | 1,693,677 | (461,933) | 1,443,953 | 534,008 | 39,972 | 461,259 |
| Benefit Payments, Including Refunds of Employee Contributions | (492,000) | (439,041) | (455,280) | (337,614) | (394,049) | (265,436) | (296,099) |
| Other (Net Transfer) | 51,959 | 25,278 | 88,888 | (123,843) | 103,897 | (226,046) | (63,940) |
| Net Change in Plan Fiduciary Net Position | 1,368,580 | 1,599,304 | (496,343) | 1,345,335 | 613,672 | (123,516) | 405,637 |
| Plan Fiduciary Net Position - Beginning | <u>10,901,556</u> | <u>9,302,252</u> | <u>9,798,595</u> | <u>8,453,260</u> | <u>7,839,588</u> | <u>7,963,104</u> | <u>7,557,467</u> |
| Plan Fiduciary Net Position - Ending | <u>\$ 12,270,136</u> | <u>\$ 10,901,556</u> | <u>\$ 9,302,252</u> | <u>\$ 9,798,595</u> | <u>\$ 8,453,260</u> | <u>\$ 7,839,588</u> | <u>\$ 7,963,104</u> |
| Net Pension (Asset) Liability - Ending | \$ (497,275) | \$ 190,778 | \$ 1,119,755 | \$ (243,650) | \$ 730,174 | \$ 759,687 | \$ 115,465 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 104.22% | 98.28% | 89.26% | 102.55% | 92.05% | 91.17% | 98.57% |
| Covered Payroll | \$ 2,509,751 | \$ 2,756,038 | \$ 2,565,546 | \$ 2,728,148 | \$ 2,728,443 | \$ 2,370,674 | \$ 2,253,269 |
| Net Pension Liability as a Percentage of Covered Payroll | -19.81% | 6.92% | 43.65% | -8.93% | 26.76% | 32.05% | 5.12% |

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.

The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

Required Supplementary Information
Illinois Municipal Retirement Fund
Schedule of Employer Contributions
For the Prior Ten Fiscal Years

| Fiscal Year Ending | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Payroll | Actual Contribution as a Percentage of Covered Payroll |
|--------------------|-------------------------------------|---------------------|----------------------------------|-----------------|--|
| 6/30/2021 | \$ 185,665 | \$ 185,665 | \$ - | \$ 2,261,929 | 8.21% |
| 6/30/2020 | 211,030 | 211,030 | - | 2,769,215 | 7.62% |
| 6/30/2019 | 201,866 | 201,866 | - | 2,653,008 | 7.61% |
| 6/30/2018 | 223,320 | 223,320 | - | 2,639,643 | 8.46% |
| 6/30/2017 | 235,740 | 235,740 | - | 2,714,131 | 8.69% |
| 6/30/2016 | 239,947 | 239,947 | - | 2,643,965 | 9.08% |
| 6/30/2015 | 203,020 | 203,020 | - | 2,253,269 | 9.01% |
| 6/30/2014 | 225,912 | 225,912 | - | 2,279,638 | 9.91% |
| 6/30/2013 | 234,793 | 234,793 | - | 2,310,955 | 10.16% |
| 6/30/2012 | 243,590 | 243,590 | - | 2,423,779 | 10.05% |

Notes to Schedule:

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2020 Contribution Rate*

Valuation Date:

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

Methods and Assumptions Used to Determine 2020 Contribution Rates:

| | |
|--------------------------------|--|
| Actuarial Cost Method: | Aggregate entry age normal |
| Amortization Method: | Level percentage of payroll, closed |
| Remaining Amortization Period: | Taxing bodies (Regular, SLEP and ECO groups): 23-year closed period |
| Asset Valuation Method: | 5-year smoothed market; 20% corridor |
| Wage Growth: | 3.25% |
| Price Inflation: | 2.50% |
| Salary Increases: | 3.35% to 14.25%, including inflation |
| Investment Rate of Return: | 7.25% |
| Retirement Age: | Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016. |
| Mortality: | For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience. |

Other Information:

Notes: There were no benefit changes during the year.

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

Required Supplementary Information
Teacher's Retirement System
Schedule of the District's Proportionate Share of the Net Pension Liability
For the Prior Seven Fiscal Years

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| District's Proportion of the Net Pension Liability | 0.00104876% | 0.00109809% | 0.00117457% | 0.00109321% | 0.00111977% | 0.00123680% | 0.00115266% |
| District's Proportionate Share of the Net Pension Liability | \$ 904,195 | \$ 890,637 | \$ 915,517 | \$ 835,193 | \$ 883,899 | \$ 810,227 | \$ 701,486 |
| State's Proportionate Share of the Net Pension Liability associated with the District | <u>70,821,266</u> | <u>63,385,675</u> | <u>62,716,739</u> | <u>57,496,379</u> | <u>59,346,569</u> | <u>45,654,966</u> | <u>43,745,393</u> |
| Total | <u>\$ 71,725,461</u> | <u>\$ 64,276,312</u> | <u>\$ 63,632,256</u> | <u>\$ 58,331,572</u> | <u>\$ 60,230,468</u> | <u>\$ 46,465,193</u> | <u>\$ 44,446,879</u> |
| Covered payroll | \$ 8,814,758 | \$ 8,456,845 | \$ 8,425,862 | \$ 7,760,280 | \$ 7,472,473 | \$ 7,405,166 | N/A* |
| District's proportionate share of the net pension liability as a percentage of its employee payroll | 10.26% | 10.53% | 10.87% | 10.76% | 11.83% | 10.94% | N/A* |
| Plan fiduciary net position as a percentage of the total pension liability | 37.80% | 39.60% | 40.00% | 39.30% | 36.40% | 41.50% | 43.00% |

Notes to Schedule:

1. 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.

2. The amounts presented were determined as of the prior fiscal year end.

3. Changes of assumptions: For the 2020 measurement year, there were no changes in assumptions from the 2019 measurement year. For the 2019 measurement year, there were no changes in assumptions from the 2018 measurement year. For the 2018 measurement year, salary increases changed from 9.25% at one year of service to 3.25% at 20 and more years of service to 9.50% at one year of service to 4.00% at 20 and more years of service. Furthermore, mortality tables changed from the MP-2014 Scale to the MP-2017 Scale. For the 2017 measurement year, there were no changes in assumptions from the 2016 measurement year. For the 2016 measurement year, 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. 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.

4. The amounts presented were determined as of the prior fiscal year end.

* Information is not available.

Required Supplementary Information
 Teacher's Retirement System
 Schedule of Employer Contributions
 For the Prior Seven Fiscal Years

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Contractually required contribution | \$ 52,623 | \$ 51,126 | \$ 72,465 | \$ 48,870 | \$ 45,011 | \$ 43,340 | \$ 43,329 |
| Contributions in relation to the contractually required contribution | <u>52,623</u> | <u>51,126</u> | <u>72,465</u> | <u>48,870</u> | <u>45,011</u> | <u>43,340</u> | <u>43,329</u> |
| Contribution Deficiency (Excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered payroll | \$ 9,036,930 | \$ 8,814,758 | \$ 8,456,845 | \$ 8,425,862 | \$ 7,760,280 | \$ 7,472,473 | \$ 7,405,166 |
| Contributions as a Percentage of Employee Payroll | 0.58% | 0.58% | 0.86% | 0.58% | 0.58% | 0.58% | 0.59% |

Notes to Schedule:

1. 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.
2. Changes of assumptions: For the 2020 measurement year, there were no changes in assumptions from the 2020 measurement year.

For the 2019 measurement year, there were no changes in assumptions from the 2019 measurement year.

For the 2018 measurement year, salary increases changed from 9.25% at one year of service to 3.25% at 20 and more years of service to 9.50% at one year of service to 4.00% at 20 and more years of service. Furthermore, mortality tables change from the MP-2014 Scale to the MP-2017 Scale.

For the 2017 measurement year, there were no changes in assumptions from the 2016 measurement year.

For the 2016 measurement year, the

For the 2015 measurement year, the 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.

Required Supplementary Information
 District's Postemployment Benefit Health Plan
 Schedule of Changes in the District's Total Other Post-employment Benefits Liability and Related Ratios
 For the Prior Four Fiscal Years

| | 2021 | 2020 | 2019 | 2018 |
|---|-------------------|-------------------|-------------------|-------------------|
| <u>Total OPEB Liability</u> | | | | |
| Service Cost | \$ 11,699 | \$ 12,002 | \$ 11,204 | \$ 10,029 |
| Interest on the Total OPEB Liability | 11,206 | 6,512 | 9,123 | 3,729 |
| Changes of Benefit Terms | - | - | - | - |
| Differences Between Expected and Actual Experience of the Total OPEB Liability | - | (6,987) | - | (9,020) |
| Changes of Assumptions | 13,079 | 14,270 | 10,018 | (3,685) |
| Benefit Payments, Including Refunds of Employee Contributions | (42,007) | (42,980) | (36,342) | (32,530) |
| Other Changes | - | 204,574 | (5,191) | 179,969 |
| Net Change in Total Pension Liability | (6,023) | 187,391 | (11,188) | 148,492 |
| Total OPEB Liability - Beginning | 442,279 | 254,888 | 266,076 | 117,584 |
| Total OPEB Liability - Ending | <u>\$ 436,256</u> | <u>\$ 442,279</u> | <u>\$ 254,888</u> | <u>\$ 266,076</u> |
| Covered payroll | \$ 10,658,674 | \$ 10,658,674 | \$ 9,548,194 | \$ 9,548,194 |
| Total OPEB Liability as a Percentage of Covered Valuation Payroll | 4.09% | 4.15% | 2.67% | 2.79% |

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. This plan is not administered through a trust.

Note: There is no separate trust established for this Plan.

Required Supplementary Information
 Teachers' Retirement Insurance Program
 Schedule of the District's Proportionate Share of the Net Other Post-employment Benefits Liability
 For the Prior Four Fiscal Years

| | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|----------------------|----------------------|----------------------|----------------------|
| District's Proportion of the Net OPEB Liability | 0.03484276% | 0.03488231% | 0.03554400% | 0.03370800% |
| District's Proportionate Share of the Collective Net OPEB Liability | \$ 9,315,526 | \$ 9,654,508 | \$ 9,364,246 | \$ 8,746,958 |
| State's Proportionate Share of the Collective Net OPEB Liability associated with the District | <u>12,305,417</u> | <u>12,736,370</u> | <u>12,080,267</u> | <u>9,469,213</u> |
| Total | <u>\$ 21,620,943</u> | <u>\$ 22,390,878</u> | <u>\$ 21,444,513</u> | <u>\$ 18,216,171</u> |
| Covered payroll | \$ 8,814,758 | \$ 8,456,845 | \$ 8,425,862 | \$ 7,760,280 |
| District's proportionate share of the net opeb liability as a percentage of its employee payroll | 105.68% | 114.16% | 111.14% | 112.71% |
| Plan fiduciary net position as a percentage of the total opeb liability | 0.70% | 0.25% | -0.07% | -0.17% |

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.

Required Supplementary Information
 Teachers' Retirement Insurance Program
 Schedule of Employer Contributions
 For the Prior Four Fiscal Years

| | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|---------------|---------------|---------------|---------------|
| Contractually required contribution | \$ 83,159 | \$ 81,095 | \$ 79,538 | \$ 74,143 |
| Contributions in relation to the contractually required contribution | <u>83,159</u> | <u>81,095</u> | <u>79,538</u> | <u>74,143</u> |
| Contribution Deficiency (Excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered payroll | \$ 9,036,930 | \$ 8,814,758 | \$ 8,456,845 | \$ 8,425,862 |
| Contributions as a Percentage of Employee Payroll | 0.92% | 0.92% | 0.94% | 0.88% |

Notes to Schedule:

1. 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.

Required Supplementary Information
 General Fund and Major Special Revenue Funds
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2021

| | General Fund | | | Variance from final budget over (under) |
|--|-----------------------|-----------------------|----------------------|--|
| | Original Budget | Final Budget | Actual | |
| Revenues | | | | |
| Local sources | | | | |
| Property taxes | \$ 11,750,000 | \$ 11,750,000 | \$ 11,024,509 | \$ (725,491) |
| Replacement taxes | 522,000 | 522,000 | 747,695 | 225,695 |
| Interest | 14,000 | 14,000 | 46,735 | 32,735 |
| Other local sources | 358,000 | 358,000 | 522,894 | 164,894 |
| Student activity funds revenue | 100,000 | 100,000 | 12,279 | (87,721) |
| State sources | 4,490,000 | 4,490,000 | 4,394,642 | (95,358) |
| Federal sources | 1,505,000 | 1,505,000 | 1,691,694 | 186,694 |
| Total revenues | <u>18,739,000</u> | <u>18,739,000</u> | <u>18,440,448</u> | <u>(298,552)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction | | | | |
| Regular programs | 7,750,000 | 7,750,000 | 7,519,860 | 230,140 |
| Special ed programs | 2,419,000 | 2,419,000 | 2,080,522 | 338,478 |
| Other instructional programs | 545,000 | 545,000 | 319,391 | 225,609 |
| Support services | | | | |
| Pupils | 1,220,500 | 1,220,500 | 1,076,403 | 144,097 |
| Instructional staff | 714,000 | 714,000 | 546,120 | 167,880 |
| General administration | 603,000 | 603,000 | 521,710 | 81,290 |
| School administration | 1,045,000 | 1,045,000 | 1,009,597 | 35,403 |
| Business | 937,000 | 937,000 | 718,495 | 218,505 |
| Central | 215,400 | 215,400 | 199,042 | 16,358 |
| Operations and maintenance | 1,735,000 | 1,735,000 | 1,415,988 | 319,012 |
| Community services | 288,000 | 288,000 | 100,265 | 187,735 |
| Payments to other governmental units | 300,000 | 300,000 | 322,469 | (22,469) |
| Debt service: | | | | |
| Principal | - | - | 25,433 | (25,433) |
| Interest and fees | - | - | 10,507 | (10,507) |
| Capital outlay | 435,000 | 435,000 | 201,216 | 233,784 |
| Total expenditures | <u>18,206,900</u> | <u>18,206,900</u> | <u>16,067,018</u> | <u>2,139,882</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>532,100</u> | <u>532,100</u> | <u>2,373,430</u> | <u>1,841,330</u> |
| Other financing sources (uses) | | | | |
| Transfers in | 2,910,000 | 2,910,000 | 2,910,000 | - |
| Transfers out | (4,455,000) | (4,455,000) | (4,455,000) | - |
| Total other financing sources (uses) | <u>(1,545,000)</u> | <u>(1,545,000)</u> | <u>(1,545,000)</u> | <u>-</u> |
| Net change in fund balance | <u>\$ (1,012,900)</u> | <u>\$ (1,012,900)</u> | <u>828,430</u> | <u>\$ 1,841,330</u> |
| Fund balances at beginning of year | | | 9,620,148 | |
| Change in accounting principle (See Note 14) | | | <u>81,100</u> | |
| Fund balances at beginning of year, as restated | | | <u>9,701,248</u> | |
| Fund balance at end of year | | | <u>\$ 10,529,678</u> | |

Required Supplementary Information
 General Fund and Major Special Revenue Funds
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2021

| | Transportation Fund | | | Variance from final budget over (under) |
|-----------------------------------|---------------------|-------------------|---------------------|--|
| | Original budget | Final budget | Actual | |
| Revenues | | | | |
| Local sources | | | | |
| Property taxes | \$ 620,000 | \$ 620,000 | \$ 567,212 | \$ (52,788) |
| Interest | 1,000 | 1,000 | 1,214 | 214 |
| Other local sources | 3,000 | 3,000 | - | (3,000) |
| State sources | <u>360,000</u> | <u>360,000</u> | <u>418,234</u> | <u>58,234</u> |
| Total revenues | <u>984,000</u> | <u>984,000</u> | <u>986,660</u> | <u>2,660</u> |
| Expenditures | | | | |
| Current: | | | | |
| Support services | | | | |
| Transportation | 842,000 | 842,000 | 551,758 | 290,242 |
| Debt service: | | | | |
| Principal | - | - | 73,764 | (73,764) |
| Interest | <u>-</u> | <u>-</u> | <u>11,510</u> | <u>(11,510)</u> |
| Total expenditures | <u>842,000</u> | <u>842,000</u> | <u>637,032</u> | <u>204,968</u> |
| Net change in fund balance | <u>\$ 142,000</u> | <u>\$ 142,000</u> | 349,628 | <u>\$ 207,628</u> |
| Fund balance at beginning of year | | | <u>752,916</u> | |
| Fund balance at end of year | | | <u>\$ 1,102,544</u> | |

Required Supplementary Information
 General Fund and Major Special Revenue Funds
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2021

| | IMRF/Social Security Fund | | | Variance from final budget over (under) |
|-----------------------------------|---------------------------|-------------------|-------------------|--|
| | Original budget | Final budget | Actual | |
| Revenues | | | | |
| Local sources | | | | |
| Property taxes | \$ 550,000 | \$ 550,000 | \$ 541,177 | \$ (8,823) |
| Replacement taxes | 78,000 | 78,000 | 111,725 | 33,725 |
| Interest | 1,000 | 1,000 | 1,223 | 223 |
| Total revenues | <u>629,000</u> | <u>629,000</u> | <u>654,125</u> | <u>25,125</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction | | | | |
| Regular programs | 85,000 | 85,000 | 103,569 | (18,569) |
| Special ed programs | 88,000 | 88,000 | 83,648 | 4,352 |
| Other instructional programs | 8,500 | 8,500 | 3,472 | 5,028 |
| Support services | | | | |
| Pupils | 56,000 | 56,000 | 52,798 | 3,202 |
| Instructional staff | 28,000 | 28,000 | 25,066 | 2,934 |
| General administration | 14,000 | 14,000 | 10,871 | 3,129 |
| School administration | 47,000 | 47,000 | 48,645 | (1,645) |
| Business | 42,000 | 42,000 | 44,826 | (2,826) |
| Transportation | 16,000 | 16,000 | 18,571 | (2,571) |
| Operations and maintenance | 100,000 | 100,000 | 84,551 | 15,449 |
| Community services | 19,000 | 19,000 | 10,010 | 8,990 |
| Total expenditures | <u>503,500</u> | <u>503,500</u> | <u>486,027</u> | <u>17,473</u> |
| Net change in fund balance | <u>\$ 125,500</u> | <u>\$ 125,500</u> | 168,098 | <u>\$ 42,598</u> |
| Fund balance at beginning of year | | | <u>428,529</u> | |
| Fund balance at end of year | | | <u>\$ 596,627</u> | |

Required Supplementary Information
 General Fund and Major Special Revenue Funds
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Year Ended June 30, 2021

| | Working Cash Fund | | | Variance from final budget over (under) |
|-----------------------------------|--------------------|------------------|-------------------|--|
| | Original budget | Final budget | Actual | |
| Revenues | | | | |
| Local sources | | | | |
| Property taxes | \$ 21,000 | \$ 21,000 | \$ 21,121 | \$ 121 |
| Interest | 1,000 | 1,000 | 1,214 | 214 |
| Total revenues | <u>22,000</u> | <u>22,000</u> | <u>22,335</u> | <u>335</u> |
| Expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 22,000</u> | <u>\$ 22,000</u> | 22,335 | <u>\$ 335</u> |
| Fund balance at beginning of year | | | <u>188,697</u> | |
| Fund balance at end of year | | | <u>\$ 211,032</u> | |

SCHILLER PARK SCHOOL DISTRICT 81
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2021

NOTE 1 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Data: Except for the exclusion of on-behalf payments from other governments, discussed below, the budgeted amounts for the Governmental Funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

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

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.
4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.
5. Formal budgetary integration is employed as a management control device during the year for all governmental funds. All governmental funds, except for the capital projects fund, had Board approved budgets.
6. All budget appropriations lapse at the end of the fiscal year.

Budget Reconciliations: The Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds (GAAP basis) includes "on-behalf" payments received and made for the amounts contributed by the State of Illinois for the employer's share of the Teachers Retirement System pension. The District does not budget for these amounts. The differences between the budget and GAAP basis are as follows:

| | <u>Revenues</u> | <u>Expenditures</u> |
|---|----------------------|----------------------|
| General Fund – Budgetary Basis | \$ 18,440,448 | \$ 16,067,018 |
| To adjust for on-behalf payments received | 1,052,802 | - |
| To adjust for on-behalf payments made | - | 1,052,802 |
| General Fund GAAP Basis | <u>\$ 19,493,250</u> | <u>\$ 17,119,820</u> |

General Fund
Balance Sheet - by Account
Year Ended June 30, 2021

| | Educational Account | Operations and Maintenance Account | Total |
|---|-----------------------------|--|-----------------------------|
| Assets | | | |
| Cash and investments | \$ 8,842,162 | \$ 2,130,408 | \$ 10,972,570 |
| Receivables: | | | |
| Interest receivable | 636 | 130 | 766 |
| Property tax receivable | 6,218,760 | 1,052,075 | 7,270,835 |
| Replacement taxes receivable | 155,535 | - | 155,535 |
| Intergovernmental receivable | 753,399 | - | 753,399 |
| Other assets | 84,961 | - | 84,961 |
| Total assets | <u>\$ 16,055,453</u> | <u>\$ 3,182,613</u> | <u>\$ 19,238,066</u> |
| Liabilities, deferred inflows and fund balance | | | |
| Liabilities | | | |
| Accounts payable | \$ 228,751 | \$ - | \$ 228,751 |
| Salaries and deductions payable | 786,363 | - | 786,363 |
| Insurance claims payable | 177,438 | - | 177,438 |
| Unearned revenue | 216,282 | - | 216,282 |
| Total liabilities | <u>1,408,834</u> | <u>-</u> | <u>1,408,834</u> |
| Deferred inflows | | | |
| Property taxes | 6,074,091 | 1,027,603 | 7,101,694 |
| Unavailable grant revenue | 197,860 | - | 197,860 |
| Total deferred inflows | <u>6,271,951</u> | <u>1,027,603</u> | <u>7,299,554</u> |
| Fund balance | | | |
| Restricted | | | |
| Insurance | 502,928 | - | 502,928 |
| Assigned | | | |
| Operations and maintenance | - | 2,155,010 | 2,155,010 |
| Unassigned | 7,871,740 | - | 7,871,740 |
| Total fund balance | <u>8,374,668</u> | <u>2,155,010</u> | <u>10,529,678</u> |
| Total liabilities, deferred inflows and fund balance | <u>\$ 16,055,453</u> | <u>\$ 3,182,613</u> | <u>\$ 19,238,066</u> |

General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - by Account
 Year Ended June 30, 2021

| | Educational Account | Operations and Maintenance Account | Total |
|--|------------------------|--|----------------------|
| Revenues | | | |
| Local sources | | | |
| Property taxes | \$ 9,426,051 | \$ 1,598,458 | \$ 11,024,509 |
| Replacement taxes | 400,041 | 347,654 | 747,695 |
| Interest | 42,650 | 4,085 | 46,735 |
| Other local sources | 535,089 | 84 | 535,173 |
| State sources | 4,394,642 | - | 4,394,642 |
| Federal sources | 1,691,694 | - | 1,691,694 |
| On-behalf payments received from state | 1,052,802 | - | 1,052,802 |
| Total revenues | 17,542,969 | 1,950,281 | 19,493,250 |
| Expenditures | | | |
| Current: | | | |
| Instruction | | | |
| Regular programs | 7,519,860 | - | 7,519,860 |
| Special ed programs | 2,080,522 | - | 2,080,522 |
| Student activity fund | 21,910 | - | 21,910 |
| Other instructional programs | 297,481 | - | 297,481 |
| State retirement contributions | 1,052,802 | - | 1,052,802 |
| Support services | | | |
| Pupils | 1,076,403 | - | 1,076,403 |
| Instructional staff | 546,120 | - | 546,120 |
| General administration | 521,710 | - | 521,710 |
| School administration | 1,009,597 | - | 1,009,597 |
| Business | 716,095 | 2,400 | 718,495 |
| Central | 199,042 | - | 199,042 |
| Operations and maintenance | - | 1,415,988 | 1,415,988 |
| Community services | 100,265 | - | 100,265 |
| Nonprogrammed charges | 322,469 | - | 322,469 |
| Debt service: | | | |
| Principal | 25,433 | - | 25,433 |
| Interest and fees | 10,507 | - | 10,507 |
| Capital outlay | 142,551 | 58,665 | 201,216 |
| Total expenditures | 15,642,767 | 1,477,053 | 17,119,820 |
| Excess (deficiency) of revenues over (under) expenditures | 1,900,202 | 473,228 | 2,373,430 |
| Other financing sources (uses) | | | |
| Transfers in | 1,455,000 | 1,455,000 | 2,910,000 |
| Transfers out | (3,000,000) | (1,455,000) | (4,455,000) |
| Total other financing sources (uses) | (1,545,000) | - | (1,545,000) |
| Net change in fund balances | 355,202 | 473,228 | 828,430 |
| Fund balances at beginning of year | 7,938,366 | 1,681,782 | 9,620,148 |
| Change in accounting principle (See Note 14) | 81,100 | - | 81,100 |
| Fund balances at beginning of year, as restated | 8,019,466 | 1,681,782 | 9,701,248 |
| Fund balances at end of year | \$ 8,374,668 | \$ 2,155,010 | \$ 10,448,578 |

General Fund - Educational Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from budget over (under) |
|--|--------------------|-------------------|-------------------|--|
| Revenues | | | | |
| Local sources | | | | |
| Property taxes | | | | |
| General levy | \$ 9,700,000 | \$ 9,700,000 | \$ 9,103,734 | \$ (596,266) |
| Special education levy | 350,000 | 350,000 | 322,317 | (27,683) |
| Replacement taxes | 261,000 | 261,000 | 400,041 | 139,041 |
| Interest | 10,000 | 10,000 | 42,650 | 32,650 |
| Sales to pupils - lunch | 20,000 | 20,000 | 2,572 | (17,428) |
| Sales to pupils - breakfast | 2,000 | 2,000 | - | (2,000) |
| Sales to pupils - ala carte | 3,000 | 3,000 | 259 | (2,741) |
| Sales to adults | 1,000 | 1,000 | 907 | (93) |
| Student fees | 119,000 | 119,000 | 158,856 | 39,856 |
| Student activity funds revenue | 100,000 | 100,000 | 12,279 | (87,721) |
| Miscellaneous | 101,000 | 101,000 | 360,216 | 259,216 |
| Total local sources | <u>10,667,000</u> | <u>10,667,000</u> | <u>10,403,831</u> | <u>(263,169)</u> |
| State sources | | | | |
| General state aid | 3,700,000 | 3,700,000 | 3,709,396 | 9,396 |
| Special education - private facility tuition | 100,000 | 100,000 | 133,946 | 33,946 |
| Special education - orphanage | - | - | 21,267 | 21,267 |
| State free lunch & breakfast | 5,000 | 5,000 | 9,266 | 4,266 |
| Early childhood - block grant | 600,000 | 600,000 | 420,556 | (179,444) |
| Medicaid matching funds - fee for service | 35,000 | 35,000 | 42,135 | 7,135 |
| Other state grants | 50,000 | 50,000 | 58,076 | 8,076 |
| Total state sources | <u>4,490,000</u> | <u>4,490,000</u> | <u>4,394,642</u> | <u>(95,358)</u> |
| Federal sources | | | | |
| National school lunch program | 320,000 | 320,000 | 325,024 | 5,024 |
| School breakfast program | 80,000 | 80,000 | 166,538 | 86,538 |
| Title I - low income | 340,000 | 340,000 | 347,266 | 7,266 |
| Special education - IDEA - flow through/low incidence | 290,000 | 290,000 | 338,817 | 48,817 |
| Special education - IDEA - Preschool flow through/low incidence | 10,000 | 10,000 | 1,570 | (8,430) |
| Medicaid matching funds - administrative outreach | 45,000 | 45,000 | 77,382 | 32,382 |
| Title IV - safe & drug free schools | 20,000 | 20,000 | 28,110 | 8,110 |
| Title III - english language acquisition | 30,000 | 30,000 | 36,393 | 6,393 |
| Title II - teacher quality | 70,000 | 70,000 | 46,359 | (23,641) |
| Emergency relief fund | 300,000 | 300,000 | 324,235 | 24,235 |
| Total federal sources | <u>1,505,000</u> | <u>1,505,000</u> | <u>1,691,694</u> | <u>186,694</u> |
| Total revenues | <u>16,662,000</u> | <u>16,662,000</u> | <u>16,490,167</u> | <u>(171,833)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction | | | | |
| Regular programs | | | | |
| Salaries | 5,400,000 | 5,400,000 | 5,337,580 | 62,420 |
| Employee benefits | 1,600,000 | 1,600,000 | 1,428,637 | 171,363 |

(Continued)

63.

General Fund - Educational Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from budget over (under) |
|--|--------------------|-------------------|-------------------|--|
| Purchased services | \$ 500,000 | \$ 500,000 | \$ 604,171 | \$ (104,171) |
| Supplies and materials | 250,000 | 250,000 | 149,472 | 100,528 |
| Capital outlay | 130,000 | 130,000 | 135,277 | (5,277) |
| Total regular programs | <u>7,880,000</u> | <u>7,880,000</u> | <u>7,655,137</u> | <u>224,863</u> |
| Pre-k programs | | | | |
| Salaries | 285,000 | 285,000 | 236,044 | 48,956 |
| Employee benefits | 97,000 | 97,000 | 65,116 | 31,884 |
| Purchased services | 7,000 | 7,000 | 2,902 | 4,098 |
| Supplies and materials | 20,000 | 20,000 | 11,807 | 8,193 |
| Capital outlay | 5,000 | 5,000 | - | 5,000 |
| Total pre-k programs | <u>414,000</u> | <u>414,000</u> | <u>315,869</u> | <u>98,131</u> |
| Special education programs | | | | |
| Salaries | 1,450,000 | 1,450,000 | 1,341,673 | 108,327 |
| Employee benefits | 460,000 | 460,000 | 393,445 | 66,555 |
| Purchased services | 30,000 | 30,000 | 1,133 | 28,867 |
| Supplies and materials | 50,000 | 50,000 | 19,153 | 30,847 |
| Total special education programs | <u>1,990,000</u> | <u>1,990,000</u> | <u>1,755,404</u> | <u>234,596</u> |
| Educationally deprived/remedial programs | | | | |
| Supplies and materials | 20,000 | 20,000 | 9,249 | 10,751 |
| Total educationally deprived/remedial programs | <u>20,000</u> | <u>20,000</u> | <u>9,249</u> | <u>10,751</u> |
| Interscholastic programs | | | | |
| Salaries | 70,000 | 70,000 | 12,663 | 57,337 |
| Employee benefits | 6,000 | 6,000 | 223 | 5,777 |
| Purchased services | 18,000 | 18,000 | 3,248 | 14,752 |
| Supplies and materials | 20,000 | 20,000 | 61 | 19,939 |
| Total interscholastic programs | <u>114,000</u> | <u>114,000</u> | <u>16,195</u> | <u>97,805</u> |
| Bilingual programs | | | | |
| Salaries | 250,000 | 250,000 | 215,763 | 34,237 |
| Employee benefits | 70,000 | 70,000 | 55,912 | 14,088 |
| Purchased services | 11,000 | 11,000 | 9,611 | 1,389 |
| Total bilingual programs | <u>331,000</u> | <u>331,000</u> | <u>281,286</u> | <u>49,714</u> |
| Student activity fund | | | | |
| Expenditures | 100,000 | 100,000 | 21,910 | 78,090 |
| Total student activity fund | <u>100,000</u> | <u>100,000</u> | <u>21,910</u> | <u>78,090</u> |
| Total instruction | <u>10,849,000</u> | <u>10,849,000</u> | <u>10,055,050</u> | <u>793,950</u> |
| Support services | | | | |
| Pupils | | | | |
| Attendance and social work services | | | | |
| Salaries | 133,000 | 133,000 | 125,902 | 7,098 |

(Continued)

64.

General Fund - Educational Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from budget over (under) |
|---|--------------------|------------------|------------------|--|
| Employee benefits | \$ 40,000 | \$ 40,000 | \$ 35,003 | \$ 4,997 |
| Purchased services | 1,000 | 1,000 | - | 1,000 |
| Supplies and materials | 500 | 500 | - | 500 |
| Total attendance and social work services | <u>174,500</u> | <u>174,500</u> | <u>160,905</u> | <u>13,595</u> |
| Health services | | | | |
| Salaries | 347,000 | 347,000 | 346,876 | 124 |
| Employee benefits | 60,000 | 60,000 | 53,479 | 6,521 |
| Purchased services | 100,000 | 100,000 | 29,399 | 70,601 |
| Supplies and materials | 3,000 | 3,000 | 2,170 | 830 |
| Total health services | <u>510,000</u> | <u>510,000</u> | <u>431,924</u> | <u>78,076</u> |
| Psychological services | | | | |
| Salaries | 210,000 | 210,000 | 203,682 | 6,318 |
| Employee benefits | 55,000 | 55,000 | 48,642 | 6,358 |
| Purchased services | 31,000 | 31,000 | 7,594 | 23,406 |
| Supplies and materials | 1,000 | 1,000 | 31 | 969 |
| Total psychological services | <u>297,000</u> | <u>297,000</u> | <u>259,949</u> | <u>37,051</u> |
| Speech pathology and audiology services | | | | |
| Salaries | 170,000 | 170,000 | 168,134 | 1,866 |
| Employee benefits | 50,000 | 50,000 | 44,539 | 5,461 |
| Purchased services | 5,000 | 5,000 | 709 | 4,291 |
| Supplies and materials | 14,000 | 14,000 | 10,243 | 3,757 |
| Total speech pathology and audiology services | <u>239,000</u> | <u>239,000</u> | <u>223,625</u> | <u>15,375</u> |
| Total pupils | <u>1,220,500</u> | <u>1,220,500</u> | <u>1,076,403</u> | <u>144,097</u> |
| Instructional staff | | | | |
| Improvement of instruction services | | | | |
| Salaries | 225,000 | 225,000 | 224,863 | 137 |
| Employee benefits | 135,000 | 135,000 | 110,963 | 24,037 |
| Purchased services | 100,000 | 100,000 | 19,574 | 80,426 |
| Supplies and materials | 5,000 | 5,000 | - | 5,000 |
| Other | - | - | 300 | (300) |
| Total improvement of instruction services | <u>465,000</u> | <u>465,000</u> | <u>355,700</u> | <u>109,300</u> |
| Educational media services | | | | |
| Salaries | 155,000 | 155,000 | 135,902 | 19,098 |
| Employee benefits | 45,000 | 45,000 | 28,213 | 16,787 |
| Purchased services | 4,000 | 4,000 | 2,234 | 1,766 |
| Supplies and materials | 5,000 | 5,000 | 585 | 4,415 |
| Total educational media services | <u>209,000</u> | <u>209,000</u> | <u>166,934</u> | <u>42,066</u> |
| Assessment and testing | | | | |
| Purchased services | 35,000 | 35,000 | 19,423 | 15,577 |
| Supplies and materials | 5,000 | 5,000 | 4,063 | 937 |
| Total assessment and testing | <u>40,000</u> | <u>40,000</u> | <u>23,486</u> | <u>16,514</u> |
| Total instructional staff | <u>714,000</u> | <u>714,000</u> | <u>546,120</u> | <u>167,880</u> |

General Fund - Educational Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from budget over (under) |
|--|--------------------|------------------|------------------|--|
| General Administration | | | | |
| Board of education services | | | | |
| Purchased services | \$ 125,000 | \$ 125,000 | \$ 114,281 | \$ 10,719 |
| Supplies and materials | 15,000 | 15,000 | 11,217 | 3,783 |
| Other objects | 15,000 | 15,000 | - | 15,000 |
| Total board of education services | <u>155,000</u> | <u>155,000</u> | <u>125,498</u> | <u>29,502</u> |
| Executive administration services | | | | |
| Salaries | 252,000 | 252,000 | 234,923 | 17,077 |
| Employee benefits | 70,000 | 70,000 | 60,583 | 9,417 |
| Purchased services | 78,000 | 78,000 | 8,547 | 69,453 |
| Supplies and materials | 45,000 | 45,000 | 36,170 | 8,830 |
| Other | 3,000 | 3,000 | 3,359 | (359) |
| Total executive administration services | <u>448,000</u> | <u>448,000</u> | <u>343,582</u> | <u>104,418</u> |
| Special area administrative services | | | | |
| Purchased services | - | - | 52,630 | (52,630) |
| Total special area administrative services | <u>-</u> | <u>-</u> | <u>52,630</u> | <u>(52,630)</u> |
| Total general administration | <u>603,000</u> | <u>603,000</u> | <u>521,710</u> | <u>81,290</u> |
| School Administration | | | | |
| Office of the principal services | | | | |
| Salaries | 800,000 | 800,000 | 804,016 | (4,016) |
| Employee benefits | 212,000 | 212,000 | 197,833 | 14,167 |
| Purchased services | 5,000 | 5,000 | - | 5,000 |
| Supplies and materials | 20,000 | 20,000 | 4,793 | 15,207 |
| Other | 8,000 | 8,000 | 2,955 | 5,045 |
| Total school administration | <u>1,045,000</u> | <u>1,045,000</u> | <u>1,009,597</u> | <u>35,403</u> |
| Business | | | | |
| Direction of business support services | | | | |
| Purchased services | 8,000 | 8,000 | 5,288 | 2,712 |
| Other objects | 1,500 | 1,500 | - | 1,500 |
| Total direction of business support services | <u>9,500</u> | <u>9,500</u> | <u>5,288</u> | <u>4,212</u> |
| Fiscal services | | | | |
| Salaries | 160,000 | 160,000 | 136,390 | 23,610 |
| Employee benefits | 32,000 | 32,000 | 22,427 | 9,573 |
| Purchased services | 60,000 | 60,000 | 33,906 | 26,094 |
| Supplies and materials | 2,000 | 2,000 | 698 | 1,302 |
| Total fiscal services | <u>254,000</u> | <u>254,000</u> | <u>193,421</u> | <u>60,579</u> |
| Operation and maintenance of plant services | | | | |
| Purchased services | 500 | 500 | - | 500 |
| Total operation and maintenance of plant services | <u>500</u> | <u>500</u> | <u>-</u> | <u>500</u> |

General Fund - Educational Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from budget over (under) |
|---|--------------------|-------------------|-------------------|--|
| Food services | | | | |
| Salaries | \$ 175,000 | \$ 175,000 | \$ 150,682 | \$ 24,318 |
| Employee benefits | 135,000 | 135,000 | 62,314 | 72,686 |
| Purchased services | 12,000 | 12,000 | 57,822 | (45,822) |
| Supplies and materials | 350,000 | 350,000 | 246,568 | 103,432 |
| Other objects | 1,000 | 1,000 | - | 1,000 |
| Capital outlay | 25,000 | 25,000 | - | 25,000 |
| Total food services | <u>698,000</u> | <u>698,000</u> | <u>517,386</u> | <u>180,614</u> |
| Total business | <u>962,000</u> | <u>962,000</u> | <u>716,095</u> | <u>245,905</u> |
| Central | | | | |
| Data processing services | | | | |
| Purchased services | 130,000 | 130,000 | 145,058 | (15,058) |
| Supplies and materials | 85,000 | 85,000 | 53,984 | 31,016 |
| Capital outlay | 75,000 | 75,000 | 7,274 | 67,726 |
| Total data processing services | <u>290,000</u> | <u>290,000</u> | <u>206,316</u> | <u>83,684</u> |
| Other support services | | | | |
| Supplies and materials | 400 | 400 | - | 400 |
| Total other support services | <u>400</u> | <u>400</u> | <u>-</u> | <u>400</u> |
| Total central | <u>290,400</u> | <u>290,400</u> | <u>206,316</u> | <u>84,084</u> |
| Total support services | <u>4,834,900</u> | <u>4,834,900</u> | <u>4,076,241</u> | <u>758,659</u> |
| Community services | | | | |
| Salaries | 171,000 | 171,000 | 79,571 | 91,429 |
| Benefits | 62,000 | 62,000 | 16,788 | 45,212 |
| Purchased services | 35,000 | 35,000 | - | 35,000 |
| Supplies and materials | 20,000 | 20,000 | 3,906 | 16,094 |
| Total community services | <u>288,000</u> | <u>288,000</u> | <u>100,265</u> | <u>187,735</u> |
| Payments to other governmental units | | | | |
| Payments for special education programs | <u>300,000</u> | <u>300,000</u> | <u>322,469</u> | <u>(22,469)</u> |
| Total payments for special education programs | <u>300,000</u> | <u>300,000</u> | <u>322,469</u> | <u>(22,469)</u> |
| Debt service | | | | |
| Principal | - | - | 25,433 | (25,433) |
| Interest and fees | - | - | 10,507 | (10,507) |
| Total debt service | <u>-</u> | <u>-</u> | <u>35,940</u> | <u>(35,940)</u> |
| Total expenditures | <u>16,271,900</u> | <u>16,271,900</u> | <u>14,589,965</u> | <u>1,681,935</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>390,100</u> | <u>390,100</u> | <u>1,900,202</u> | <u>1,510,102</u> |

(Continued)

General Fund - Educational Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from budget over (under) |
|---|-----------------------|-----------------------|---------------------|--|
| Other financing sources (uses) | | | | |
| Transfers in | \$ 1,455,000 | \$ 1,455,000 | \$ 1,455,000 | \$ - |
| Transfers out | (3,000,000) | (3,000,000) | (3,000,000) | - |
| Total other financing sources (uses) | <u>(1,545,000)</u> | <u>(1,545,000)</u> | <u>(1,545,000)</u> | <u>-</u> |
| Net change in fund balance | <u>\$ (1,154,900)</u> | <u>\$ (1,154,900)</u> | 355,202 | <u>\$ 1,510,102</u> |
| Fund balance at beginning of year | | | 7,938,366 | |
| Change in accounting principle (See Note 14) | | | <u>81,100</u> | |
| Fund balances at beginning of year, as restated | | | <u>8,019,466</u> | |
| Fund balance at end of year | | | <u>\$ 8,374,668</u> | |

General Fund - Operations and Maintenance Account
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from budget over (under) |
|---|--------------------|------------------|---------------------|--|
| Revenues | | | | |
| Local sources | | | | |
| Property taxes | | | | |
| General levy | \$ 1,700,000 | \$ 1,700,000 | \$ 1,598,458 | \$ (101,542) |
| Replacement taxes | 261,000 | 261,000 | 347,654 | 86,654 |
| Interest | 4,000 | 4,000 | 4,085 | 85 |
| Other miscellaneous | 12,000 | 12,000 | 84 | (11,916) |
| Total local sources | <u>1,977,000</u> | <u>1,977,000</u> | <u>1,950,281</u> | <u>(26,719)</u> |
| Total revenues | <u>1,977,000</u> | <u>1,977,000</u> | <u>1,950,281</u> | <u>(26,719)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Facilities construction and acquisition | | | | |
| Purchased services | 100,000 | 100,000 | 2,400 | 97,600 |
| Capital outlay | 100,000 | 100,000 | - | 100,000 |
| Total facilities construction and acquisition | <u>200,000</u> | <u>200,000</u> | <u>2,400</u> | <u>197,600</u> |
| Operations and maintenance of plant services | | | | |
| Salaries | 615,000 | 615,000 | 536,275 | 78,725 |
| Employee benefits | 140,000 | 140,000 | 104,675 | 35,325 |
| Purchased services | 550,000 | 550,000 | 496,595 | 53,405 |
| Supplies and materials | 330,000 | 330,000 | 278,023 | 51,977 |
| Capital outlay | 100,000 | 100,000 | 58,665 | 41,335 |
| Other | - | - | 420 | (420) |
| Total operations and maintenance of plant services | <u>1,735,000</u> | <u>1,735,000</u> | <u>1,474,653</u> | <u>260,347</u> |
| Total expenditures | <u>1,935,000</u> | <u>1,935,000</u> | <u>1,477,053</u> | <u>457,947</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>42,000</u> | <u>42,000</u> | <u>473,228</u> | <u>431,228</u> |
| Other financing sources (uses) | | | | |
| Transfers in | 1,455,000 | 1,455,000 | 1,455,000 | - |
| Transfers out | (1,455,000) | (1,455,000) | (1,455,000) | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 42,000</u> | <u>\$ 42,000</u> | 473,228 | <u>\$ 431,228</u> |
| Fund balance at beginning of year | | | <u>1,681,782</u> | |
| Fund balance at end of year | | | <u>\$ 2,155,010</u> | |

Transportation Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from final budget over (under) |
|-------------------------------------|--------------------|-------------------|---------------------|--|
| Revenues | | | | |
| Local sources | | | | |
| Property taxes | | | | |
| General levy | \$ 620,000 | \$ 620,000 | \$ 567,212 | \$ (52,788) |
| Interest | 1,000 | 1,000 | 1,214 | 214 |
| Local fees | 3,000 | 3,000 | - | (3,000) |
| Total local sources | <u>624,000</u> | <u>624,000</u> | <u>568,426</u> | <u>(55,574)</u> |
| State sources | | | | |
| Transportation - regular/vocational | 130,000 | 130,000 | 168,971 | 38,971 |
| Transportation - special education | 230,000 | 230,000 | 249,263 | 19,263 |
| Total state sources | <u>360,000</u> | <u>360,000</u> | <u>418,234</u> | <u>58,234</u> |
| Total revenues | <u>984,000</u> | <u>984,000</u> | <u>986,660</u> | <u>2,660</u> |
| Expenditures | | | | |
| Support services | | | | |
| Pupil transportation services | | | | |
| Salaries | 260,000 | 260,000 | 213,347 | 46,653 |
| Employee benefits | 90,000 | 90,000 | 52,987 | 37,013 |
| Purchased services | 450,000 | 450,000 | 270,621 | 179,379 |
| Supplies and materials | 32,000 | 32,000 | 14,803 | 17,197 |
| Capital outlay | 10,000 | 10,000 | - | 10,000 |
| Total pupil transportation services | <u>842,000</u> | <u>842,000</u> | <u>551,758</u> | <u>290,242</u> |
| Debt service: | | | | |
| Principal | - | - | 73,764 | (73,764) |
| Interest | - | - | 11,510 | (11,510) |
| Total debt service | <u>-</u> | <u>-</u> | <u>85,274</u> | <u>(85,274)</u> |
| Total expenditures | <u>842,000</u> | <u>842,000</u> | <u>637,032</u> | <u>204,968</u> |
| Net change in fund balance | <u>\$ 142,000</u> | <u>\$ 142,000</u> | 349,628 | <u>\$ 207,628</u> |
| Fund balance at beginning of year | | | <u>752,916</u> | |
| Fund balance at end of year | | | <u>\$ 1,102,544</u> | |

IMRF/Social Security Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from final budget over (under) |
|--|--------------------|-----------------|----------------|--|
| Revenues | | | | |
| Local sources | | | | |
| Property taxes | | | | |
| General levy | \$ 170,000 | \$ 170,000 | \$ 210,168 | \$ 40,168 |
| Social security/medicare levy | 380,000 | 380,000 | 331,009 | (48,991) |
| Replacement taxes | 78,000 | 78,000 | 111,725 | 33,725 |
| Interest | 1,000 | 1,000 | 1,223 | 223 |
| Total revenues | <u>629,000</u> | <u>629,000</u> | <u>654,125</u> | <u>25,125</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction | | | | |
| Regular programs | 85,000 | 85,000 | 69,342 | 15,658 |
| Pre-k programs | 13,000 | 13,000 | 40,042 | (27,042) |
| Special ed programs | 75,000 | 75,000 | 75,051 | (51) |
| Remedial and supplemental programs | - | - | 2,782 | (2,782) |
| Interscholastic programs | 1,500 | 1,500 | 184 | 1,316 |
| Bilingual programs | 7,000 | 7,000 | 3,288 | 3,712 |
| Total instruction | <u>181,500</u> | <u>181,500</u> | <u>190,689</u> | <u>(9,189)</u> |
| Support services | | | | |
| Pupils | | | | |
| Attendance and social work services | 2,000 | 2,000 | 1,889 | 111 |
| Health services | 47,000 | 47,000 | 44,983 | 2,017 |
| Psychological services | 4,000 | 4,000 | 3,246 | 754 |
| Speech pathology and audiology services | 3,000 | 3,000 | 2,680 | 320 |
| Total pupils | <u>56,000</u> | <u>56,000</u> | <u>52,798</u> | <u>3,202</u> |
| Instructional staff | | | | |
| Improvement of instruction services | 4,000 | 4,000 | 3,506 | 494 |
| Educational media services | 24,000 | 24,000 | 21,560 | 2,440 |
| Total instructional staff | <u>28,000</u> | <u>28,000</u> | <u>25,066</u> | <u>2,934</u> |
| General administration | | | | |
| Executive administration services | 14,000 | 14,000 | 10,871 | 3,129 |
| Total general administration | <u>14,000</u> | <u>14,000</u> | <u>10,871</u> | <u>3,129</u> |
| School administration | | | | |
| Office of the principal services | 47,000 | 47,000 | 48,645 | (1,645) |
| Business | | | | |
| Fiscal services | 22,000 | 22,000 | 21,629 | 371 |
| Operations and maintenance of plant services | 100,000 | 100,000 | 84,551 | 15,449 |
| Pupil transportation services | 16,000 | 16,000 | 18,571 | (2,571) |
| Food services | 20,000 | 20,000 | 23,197 | (3,197) |
| Total business | <u>158,000</u> | <u>158,000</u> | <u>147,948</u> | <u>10,052</u> |
| Total support services | <u>303,000</u> | <u>303,000</u> | <u>285,328</u> | <u>17,672</u> |
| Community services | <u>19,000</u> | <u>19,000</u> | <u>10,010</u> | <u>8,990</u> |

(Continued)

71.

IMRF/Social Security Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from final budget over (under) |
|-----------------------------------|--------------------|-------------------|-------------------|--|
| Total expenditures | \$ 503,500 | \$ 503,500 | \$ 486,027 | \$ 17,473 |
| Net change in fund balance | <u>\$ 125,500</u> | <u>\$ 125,500</u> | 168,098 | <u>\$ 42,598</u> |
| Fund balance at beginning of year | | | <u>428,529</u> | |
| Fund balance at end of year | | | <u>\$ 596,627</u> | |

Working Cash Fund
 Schedule of Revenues and Changes in Fund Balance -
 Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from budget over (under) |
|-----------------------------------|--------------------|-------------------|-------------------|--|
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Revenues | | | | |
| Local sources | | | | |
| Property taxes | | | | |
| General levy | \$ 21,000 | \$ 21,000 | \$ 21,121 | \$ 121 |
| Interest | <u>1,000</u> | <u>1,000</u> | <u>1,214</u> | <u>214</u> |
| Total revenues | <u>22,000</u> | <u>22,000</u> | <u>22,335</u> | <u>335</u> |
| Net change in fund balance | <u>\$ 22,000</u> | <u>\$ 22,000</u> | 22,335 | <u>\$ 335</u> |
| Fund balance at beginning of year | | | <u>188,697</u> | |
| Fund balance at end of year | | | <u>\$ 211,032</u> | |

Debt Service Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from budget over (under) |
|--|--------------------|-------------------|-------------------|--|
| Revenues | | | | |
| Local sources | | | | |
| Property taxes | | | | |
| General levy | \$ 3,000,000 | \$ 3,000,000 | \$ 2,760,663 | \$ (239,337) |
| Interest | 2,000 | 2,000 | 2,299 | 299 |
| Total local sources | <u>3,002,000</u> | <u>3,002,000</u> | <u>2,762,962</u> | <u>(239,038)</u> |
| Total revenues | <u>3,002,000</u> | <u>3,002,000</u> | <u>2,762,962</u> | <u>(239,038)</u> |
| Expenditures | | | | |
| Debt service: | | | | |
| Interest and fees | 1,676,791 | 1,676,791 | 1,674,263 | 2,528 |
| Principal | 1,295,000 | 1,295,000 | 1,295,000 | - |
| Total expenditures | <u>2,971,791</u> | <u>2,971,791</u> | <u>2,969,263</u> | <u>2,528</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>30,209</u> | <u>30,209</u> | <u>(206,301)</u> | <u>(236,510)</u> |
| Other financing sources (uses) | | | | |
| Bond proceeds | 253,777 | 253,777 | 253,778 | 1 |
| Total other financing sources (uses) | <u>253,777</u> | <u>253,777</u> | <u>253,778</u> | <u>1</u> |
| Net change in fund balance | <u>\$ 283,986</u> | <u>\$ 283,986</u> | 47,477 | <u>\$ (236,509)</u> |
| Fund balance at beginning of year | | | <u>266,576</u> | |
| Fund balance at end of year | | | <u>\$ 314,053</u> | |

Capital Projects Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from budget over (under) |
|--|----------------------|----------------------|----------------------|--|
| Revenues | | | | |
| Local sources | | | | |
| Interest | \$ 1,000 | \$ 1,000 | \$ 5,196 | \$ 4,196 |
| Total local sources | <u>1,000</u> | <u>1,000</u> | <u>5,196</u> | <u>4,196</u> |
| Total revenues | <u>1,000</u> | <u>1,000</u> | <u>5,196</u> | <u>4,196</u> |
| Expenditures | | | | |
| Current: | | | | |
| Support services | | | | |
| Facilities acquisition & construction services | | | | |
| Purchased services | 1,500,000 | 1,500,000 | 1,506,454 | (6,454) |
| Capital outlay | 5,000,000 | 5,000,000 | 5,751,660 | (751,660) |
| Debt service: | | | | |
| Interest and fees | - | - | 420,089 | (420,089) |
| Total expenditures | <u>6,500,000</u> | <u>6,500,000</u> | <u>7,678,203</u> | <u>(1,178,203)</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(6,499,000)</u> | <u>(6,499,000)</u> | <u>(7,673,007)</u> | <u>(1,174,007)</u> |
| Other financing sources | | | | |
| Bond proceeds | 30,003,400 | 30,003,400 | 29,016,222 | (987,178) |
| Premium on bonds issued | - | - | 1,407,263 | 1,407,263 |
| Transfer in | 3,000,000 | 3,000,000 | 3,000,000 | - |
| Transfer out | <u>(1,455,000)</u> | <u>(1,455,000)</u> | <u>(1,455,000)</u> | <u>-</u> |
| Total other financing sources | <u>31,548,400</u> | <u>31,548,400</u> | <u>31,968,485</u> | <u>420,085</u> |
| Net change in fund balance | <u>\$ 25,049,400</u> | <u>\$ 25,049,400</u> | 24,295,478 | <u>\$ (753,922)</u> |
| Fund balance at beginning of year | | | <u>(1,981,048)</u> | |
| Fund balance at end of year | | | <u>\$ 22,314,430</u> | |

Fire Prevention and Life Safety Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget and Actual
 Year Ended June 30, 2021

| | Original budget | Final budget | Actual | Variance from budget over (under) |
|-----------------------------------|--------------------|-----------------|-----------|--|
| Revenues | | | | |
| Local sources | | | | |
| General levy | \$ - | \$ - | \$ - | \$ - |
| Total revenues | - | - | - | - |
| Expenditures | | | | |
| Current: | | | | |
| Support services | | | | |
| Operations and maintenance | 3,400 | 3,400 | 3,315 | 85 |
| Total expenditures | 3,400 | 3,400 | 3,315 | 85 |
| Net change in fund balance | \$ (3,400) | \$ (3,400) | (3,315) | \$ (85) |
| Fund balance at beginning of year | | | 38,092 | |
| Fund balance at end of year | | | \$ 34,777 | |

Five Year Summary of Assessed Valuations (Unaudited)
Tax Rates and Extensions
June 30, 2021

| Tax levy year | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Assessed valuation | \$ 407,362,411 | \$ 410,912,113 | \$ 330,771,408 | \$ 338,832,431 | \$ 333,967,365 | \$ 292,868,466 | \$ 302,810,026 |
| Tax rates: | | | | | | | |
| Educational | \$ 2.6293 | \$ 2.5041 | \$ 3.0259 | \$ 2.8502 | \$ 2.8191 | \$ 3.2019 | \$ 3.0538 |
| Special education | 0.0921 | 0.0897 | 0.1070 | 0.1029 | 0.1017 | 0.0910 | 0.0896 |
| Operations and maintenance | 0.4604 | 0.4410 | 0.5248 | 0.5072 | 0.4540 | 0.5071 | 0.4919 |
| Bond and interest | 0.9499 | 0.5983 | 0.7436 | 0.7263 | 0.7371 | 0.8149 | 0.9570 |
| Transportation | 0.1624 | 0.1575 | 0.1931 | 0.1739 | 0.2269 | 0.2643 | 0.2577 |
| Municipal retirement | 0.0582 | 0.0606 | 0.0149 | 0.0638 | 0.0610 | 0.0711 | 0.0706 |
| Social security | 0.0945 | 0.0922 | 0.1129 | 0.0950 | 0.0697 | 0.0812 | 0.0807 |
| Working cash | 0.0063 | 0.0056 | 0.0061 | 0.0056 | 0.0055 | 0.0065 | 0.0064 |
| Total | \$ 4.4531 | \$ 3.9490 | \$ 4.7283 | \$ 4.5249 | \$ 4.4750 | \$ 5.0380 | \$ 5.0077 |
| Tax extension: | | | | | | | |
| Educational | \$ 10,710,779 | \$ 10,289,650 | \$ 10,008,812 | \$ 9,657,401 | \$ 9,414,873 | \$ 9,377,355 | \$ 9,247,117 |
| Special education | 375,180 | 368,588 | 353,925 | 348,658 | 339,644 | 266,510 | 271,220 |
| Operations and maintenance | 1,875,496 | 1,812,122 | 1,735,888 | 1,718,558 | 1,516,211 | 1,485,135 | 1,489,464 |
| Bond and interest | 3,869,329 | 2,458,666 | 2,459,416 | 2,461,263 | 2,461,683 | 2,386,569 | 2,898,030 |
| Transportation | 661,556 | 647,186 | 638,719 | 589,229 | 757,771 | 774,051 | 780,217 |
| Municipal retirement | 237,084 | 249,012 | 49,284 | 216,175 | 203,720 | 208,229 | 213,870 |
| Social security | 384,957 | 378,860 | 373,440 | 321,890 | 232,775 | 237,809 | 244,422 |
| Working cash | 25,663 | 23,011 | 20,177 | 18,974 | 18,368 | 19,036 | 19,489 |
| Total | \$ 18,140,044 | \$ 16,227,095 | \$ 15,639,661 | \$ 15,332,148 | \$ 14,945,045 | \$ 14,754,694 | \$ 15,163,829 |

Operating Cost and Tuition Charge (Unaudited)
June 30, 2021

Operating cost per pupil:

| | |
|--|---------------|
| Average daily attendance (ADA): | 1,304 |
| Operating costs: | |
| Educational | \$ 14,568,055 |
| Operations and maintenance | 1,477,053 |
| Transportation | 637,032 |
| Bond and interest | 2,969,263 |
| Municipal retirement/social security | 486,027 |
| Total | 20,137,430 |
| Less revenues/expenditures of nonregular programs: | |
| Summer school | - |
| Pre-K programs | 355,911 |
| Capital outlay | 201,216 |
| Non-capitalized equipment | 3,359 |
| Debt principal retired | 1,368,764 |
| Regular transportation fees from other districts | - |
| Special education transportation fees from other districts | - |
| Community services | 110,275 |
| Payments to other governmental units | 322,469 |
| Total | 2,361,994 |
| Operating costs: | \$ 17,775,436 |
| Operating cost per pupil - based on ADA | \$ 13,627 |
| Tuition charge: | |
| Operating costs: | \$ 17,775,436 |
| Less revenues from specific programs, such as special education or lunch programs | 3,284,047 |
| Net operating costs | 14,491,389 |
| Depreciation allowance | 2,133,984 |
| Allowable tuition costs | \$ 16,625,373 |
| Tuition charge per pupil - based on ADA | \$ 12,746 |

Schedule of Bonds Outstanding (Unaudited)
June 30, 2021

Limited School Bonds, Series 2016A

Paying agent: Amalgamated Bank of Chicago
 Principal payment date: December 1
 Interest payment dates: June 1 and December 1
 Interest rates: 4.0%

| Year Ended June 30, | Principal | Interest | Total |
|------------------------|---------------------|---------------------|---------------------|
| 2022 | \$ 205,000 | \$ 276,900 | \$ 481,900 |
| 2023 | 585,000 | 261,100 | 846,100 |
| 2024 | 625,000 | 236,900 | 861,900 |
| 2025 | 665,000 | 211,100 | 876,100 |
| 2026 | 710,000 | 183,600 | 893,600 |
| 2027 | 755,000 | 154,300 | 909,300 |
| 2028 | 800,000 | 123,200 | 923,200 |
| 2029 | 850,000 | 90,200 | 940,200 |
| 2030 | 900,000 | 55,200 | 955,200 |
| 2031 | 930,000 | 18,600 | 948,600 |
| Total | <u>\$ 7,025,000</u> | <u>\$ 1,611,100</u> | <u>\$ 8,636,100</u> |

Schedule of Bonds Outstanding (Unaudited)
June 30, 2021

Limited Refunding School Bonds, Series 2016B

Paying agent: Amalgamated Bank of Chicago
 Principal payment date: December 1
 Interest payment dates: June 1 and December 1
 Interest rates: 3.0 - 4.0%

| Year Ended June 30, | Principal | Interest | Total |
|------------------------|------------|----------|------------|
| 2022 | \$ 340,000 | \$ 6,800 | \$ 346,800 |
| Total | \$ 340,000 | \$ 6,800 | \$ 346,800 |

Schedule of Bonds Outstanding (Unaudited)
June 30, 2021

Limited School Bonds, Series 2017

Paying agent: Amalgamated Bank of Chicago
 Principal payment date: December 1
 Interest payment dates: June 1 and December 1
 Interest rates: 4.0%

| Year Ended June 30, | Principal | Interest | Total |
|------------------------|---------------------|---------------------|---------------------|
| 2022 | \$ - | \$ 140,000 | \$ 140,000 |
| 2023 | - | 140,000 | 140,000 |
| 2024 | - | 140,000 | 140,000 |
| 2025 | - | 140,000 | 140,000 |
| 2026 | - | 140,000 | 140,000 |
| 2027 | - | 140,000 | 140,000 |
| 2028 | - | 140,000 | 140,000 |
| 2029 | - | 140,000 | 140,000 |
| 2030 | - | 140,000 | 140,000 |
| 2031 | - | 140,000 | 670,000 |
| 2032 | 530,000 | 129,400 | 679,400 |
| 2033 | 550,000 | 107,800 | 677,800 |
| 2034 | 570,000 | 85,400 | 680,400 |
| 2035 | 595,000 | 62,100 | 677,100 |
| 2036 | 615,000 | 37,900 | 677,900 |
| 2037 | 640,000 | 12,800 | 652,800 |
| Total | \$ 3,500,000 | \$ 1,835,400 | \$ 5,975,400 |

Schedule of Bonds Outstanding (Unaudited)
June 30, 2021

General Obligation Refunding School Bonds, Series 2018

Paying agent: Amalgamated Bank of Chicago
 Principal payment date: December 1
 Interest payment dates: June 1 and December 1
 Interest rates: 4.0 - 5.0%

| Year Ended June 30, | Principal | Interest | Total |
|------------------------|----------------------|---------------------|----------------------|
| 2022 | \$ 810,000 | \$ 508,350 | \$ 1,318,350 |
| 2023 | 845,000 | 471,025 | 1,316,025 |
| 2024 | 885,000 | 427,775 | 1,312,775 |
| 2025 | 930,000 | 382,400 | 1,312,400 |
| 2026 | 980,000 | 334,650 | 1,314,650 |
| 2027 | 1,025,000 | 284,525 | 1,309,525 |
| 2028 | 1,080,000 | 231,900 | 1,311,900 |
| 2029 | 1,130,000 | 176,650 | 1,306,650 |
| 2030 | 1,190,000 | 124,600 | 1,314,600 |
| 2031 | 1,235,000 | 76,100 | 1,311,100 |
| 2032 | 1,285,000 | 25,700 | 1,310,700 |
| Total | <u>\$ 11,395,000</u> | <u>\$ 3,043,675</u> | <u>\$ 14,438,675</u> |

Schedule of Bonds Outstanding (Unaudited)
June 30, 2021

General Obligation School Bonds, Series 2020

Paying agent: Amalgamated Bank of Chicago
Principal payment date: December 1
Interest payment dates: June 1 and December 1
Interest rates: 2.1 - 4.0%

| Year Ended June 30, | Principal | Interest | Total |
|------------------------|----------------------|----------------------|----------------------|
| 2022 | \$ 525,000 | \$ 835,425 | \$ 1,360,425 |
| 2023 | 545,000 | 814,025 | 1,359,025 |
| 2024 | 570,000 | 791,725 | 1,361,725 |
| 2025 | 590,000 | 768,525 | 1,358,525 |
| 2026 | 610,000 | 744,525 | 1,354,525 |
| 2027 | 640,000 | 719,525 | 1,359,525 |
| 2028 | 660,000 | 693,525 | 1,353,525 |
| 2029 | 690,000 | 666,525 | 1,356,525 |
| 2030 | 715,000 | 638,425 | 1,353,425 |
| 2031 | 750,000 | 609,125 | 1,359,125 |
| 2032 | 775,000 | 582,500 | 1,357,500 |
| 2033 | 2,135,000 | 538,850 | 2,673,850 |
| 2034 | 2,200,000 | 473,825 | 2,673,825 |
| 2035 | 2,265,000 | 406,850 | 2,671,850 |
| 2036 | 2,335,000 | 337,850 | 2,672,850 |
| 2037 | 2,405,000 | 277,272 | 2,682,272 |
| 2038 | 2,455,000 | 224,100 | 2,679,100 |
| 2039 | 2,510,000 | 168,244 | 2,678,244 |
| 2040 | 2,565,000 | 109,547 | 2,674,547 |
| 2041 | 2,630,000 | 47,856 | 2,677,856 |
| 2042 | 700,000 | 8,313 | 708,313 |
| Total | <u>\$ 29,270,000</u> | <u>\$ 10,456,556</u> | <u>\$ 39,726,556</u> |