	<p>LINCOLNWOOD SCHOOL DISTRICT 74 BOARD OF EDUCATION Finance Committee Meeting AGENDA Thursday, November 21, 2024 at 6:30 PM</p>	<p>BOARD OF EDUCATION Kevin Daly, President Peter D. Theodore, Vice President John P. Vranas, Secretary Myra A. Foutris Ted Kwon Jay Oleniczak Rupal Shah Mandal</p> <p>ADMINISTRATION Dr. David L. Russo, Superintendent of Schools Dr. Dominick M. Lupo, Assistant Superintendent for Curriculum and Instruction Courtney Whited, Business Manager/CSBO</p>
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*Agenda of the Finance Committee Meeting of the Board of Education of Lincolnwood School District 74,
Cook County, Illinois, to be held in the Marvin Garlich Administration Building
6950 N. East Prairie Road
Lincolnwood, Illinois 60712,
on Thursday, November 21, 2024.*

IN-PERSON PARTICIPATION: It is expected that all members of the Finance Committee, plus several administrators, will be physically present at the Marvin Garlich Administration Building located at 6950 N. East Prairie Road, Lincolnwood, IL. The public is welcome.

1. CALL TO ORDER/ROLL CALL

FINANCE COMMITTEE MEMBERS

Peter D. Theodore (BOE), Chair
Jay Oleniczak (BOE), Co-Chair
John P. Vranas (BOE)
Michael Bartholomew, Community Member
Maja Kenjar, Community Member
Steven Pawlow, Community Member
Paul Stellatos, Community Member

ADMINISTRATORS/STAFF

Dr. David L. Russo, Superintendent of Schools
Dr. Dominick M. Lupo, Assistant Superintendent for Curriculum and Instruction
Courtney Whited, Business Manager/CSBO
Jordan Stephen, Director of Technology

2. AUDIENCE TO VISITORS

3. APPROVAL OF MINUTES

- | | |
|--|---|
| a. Finance Committee Meeting Minutes - JULY 18, 2024 | 3 |
| Motion by member: _____ Seconded by: _____ | |
| b. Finance Committee Meeting Minutes - SEPTEMBER 19, 2024 | 6 |
| Motion by member: _____ Seconded by: _____ | |
| c. Finance Committee Meeting Minutes - OCTOBER 24, 2024 | 8 |

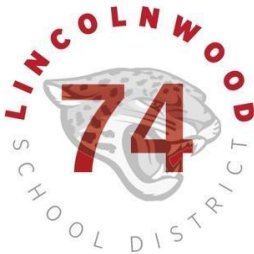
Motion by member: _____ Seconded by: _____

4. INFORMATION/DISCUSSION: FUND BALANCE REPORT
 - a. Fund Balance Report - **SEPTEMBER 2024** 11
5. OLD BUSINESS
 - a. INFORMATION/DISCUSSION/ACTION: Heartland School Solutions - Mosaic Platform 19
 - b. INFORMATION/DISCUSSION/ACTION: Final 2024 Levy 56
6. NEW BUSINESS
 - a. INFORMATION/DISCUSSION: FY24 Final Audit and The OPEB GASB 74/75 by Lauterbach & Amen, LLP 81
 - b. INFORMATION/DISCUSSION/ACTION: 2025-26 School Fees Draft 231
 - c. INFORMATION/DISCUSSION/ACTION: Annual Renewal of Building Automated Systems (BAS) Maintenance and Support 232
 - d. INFORMATION/DISCUSSION/ACTION: Donation of Floor Hockey Equipment from The Chicago Blackhawks 247
 - e. INFORMATION/DISCUSSION: Comprehensive District Software Inventory Report 249
7. INFORMATION/DISCUSSION: District Finance Update - *Courtney Whited, Business Manager/CSBO* 260
 - a. After consultation with Legal Counsel, the Niles Township transportation cohort (70, 71, 74, 219) agreed to negotiate with First Student, Inc. Bus Company for a one-year extension for regular education transportation spanning 08/01/2025 to 07/31/2026.
 - b. The District will hold a public hearing at the December 5, 2024 Board of Education meeting to receive public testimony from educators, parents, and students on a proposal to seek a waiver of a School Code mandate. Following the conclusion of the hearing, the Board of Education may take action to approve the waiver application. Approval of the proposal would seek a one-year waiver of School Code Section 17-1.5, which limits the increase in administrative expenditures for the current school year to not exceed 5% over the prior school year. Waivers may be granted due to circumstances beyond the control of the district where the district has exhausted all available and reasonable remedies to comply with the limitation. The attached notice is scheduled to appear in the 11/21/2024 Lincolnwood Review. 261
8. ADJOURNMENT

Motion by member: _____ Seconded by: _____

Dr. David L. Russo, Superintendent of Schools

Lincolnwood School District 74 is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of this meeting or facility, are requested to contact the District Office at 847-675-8234 promptly to allow Lincolnwood School District 74 to make reasonable accommodations for those persons.

	<p>LINCOLNWOOD SCHOOL DISTRICT 74 BOARD OF EDUCATION Finance Committee Meeting Minutes Thursday, July 18, 2024 at <u>6:30 PM</u></p>	<p>BOARD OF EDUCATION Kevin Daly, <i>President</i> Peter D. Theodore, <i>Vice President</i> John P. Vranas, <i>Secretary</i> Myra A. Foutris Ted Kwon Jay Oleniczak Rupal Shah Mandal</p> <p>ADMINISTRATION Dr. David L. Russo, <i>Superintendent of Schools</i> Dr. Dominick M. Lupo, <i>Assistant Superintendent for Curriculum and Instruction</i> Courtney Whited, <i>Business Manager/CSBO</i></p>
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Minutes of the Finance Committee Meeting of the Board of Education of Lincolnwood School District 74, Cook County, Illinois, was held in the Marvin Garlich Administration Building 6950 N. East Prairie Road, Lincolnwood, Illinois 60712, on Thursday, July 18, 2024.

1. CALL TO ORDER/ROLL CALL

Chair Theodore called the Finance Committee meeting to order at 6:33 p.m.

FINANCE COMMITTEE MEMBERS

Peter D. Theodore (BOE), Chair
Jay Oleniczak (BOE), Co-Chair (left the meeting at 7:55 p.m.)
John P. Vranas (BOE)
Steven Pawlow, Community Member

FINANCE COMMITTEE MEMBERS NOT PRESENT

Michael Bartholomew, Community Member
Maja Kenjar, Community Member
Paul Stellatos, Community Member

ADMINISTRATORS/STAFF

Dr. David L. Russo, Superintendent of Schools
Dr. Dominick M. Lupo, Assistant Superintendent for Curriculum and Instruction
Courtney Whited, Business Manager/CSBO

OTHERS PRESENT

Tammie Beckwith Schallmo, PMA Financial Network, LLC

2. AUDIENCE TO VISITORS

None

3. APPROVAL OF MINUTES

a. Finance Committee Meeting Minutes - **MARCH 21, 2024**

A motion was made, seconded, and passed to approve the minutes from the March 21, 2024, Finance Committee meeting.

b. Finance Committee Meeting Minutes - **APRIL 18, 2024**

A motion was made, seconded, and passed to approve the minutes from the April 18, 2024, Finance

Committee meeting.

c. Finance Committee Meeting Minutes - **MAY 23, 2024**

A motion was made, seconded, and passed to approve the minutes from the May 23, 2024, Finance Committee meeting.

d. Finance Committee Meeting Minutes - **JUNE 13, 2024**

A motion was made, seconded, and passed to approve the minutes from the June 13, 2024, Finance Committee meeting.

4. FUND BALANCE REPORT

a. Fund Balance Report - **MAY 2024**

Courtney Whited, Business Manager/CSBO, presented the Fund Balance Report for May 2024.

5. OLD BUSINESS

None

6. NEW BUSINESS

a. SD74 Debt Review with Tammie Beckwith Schallmo, PMA Financial Network, LLC - Senior Vice President, Managing Director

Tammie Beckwith Schallmo, PMA Financial Network, LLC outlined the amount of debt the District is allowed to carry by statute. She went on to summarize the existing debt amounts and reviewed those debt series that are callable and when the conditions become favorable to call bonds. The presentation next covered an explanation of the Debt Service Extension Base (DSEB). The District has a DSEB of \$1,974,100 for levy year 2024. The DSEB is increased by the CPI annually. Tammie outlined the steps in a timeline for the Board to sell bonds based upon law and illustrated how the District's current debt structure compares to the maximum DSEB amount. Tammie explained that a recent change in law allows the District to sell Life Safety bonds and those would fall outside the DSEB level. She reviewed a historical analysis of tax exempt rates.

Tammie reviewed scenarios to sell future bonds and to call Series 2016 bonds, outlining the payment structure and how that relates to the District's DSEB. The presentation concluded with a possible timeline to sell bonds should the Board of Education choose to do so. The Committee asked if a certain amount of money in a bond sale could be designated as Life Safety and the balance of the bond sale as Working Cash. Tammie indicated that would be allowable as long as the District had the documented Life Safety projects.

b. Tentative Budget for Fiscal Year 2025

Courtney reviewed the timeline for the Budget approval for FY25 and fund balance actuals for FY24. Courtney summarized tentative budget projections for FY25 with a breakdown of budget figures for FY24 actuals and FY25 budget amounts for each individual fund. The presentation continued with various graphic representations of expenditures by object and revenues by source. She concluded with a history of fund balances and the FY25 Tentative Budget summary along with an explanation of estimated limitation of administrative costs in the State budget sheets.

A motion was made, seconded and passed that the Finance Committee concurs with the Administration's recommendation to the Board of Education to support both the publication of the attached Legal Notice on July 25, 2024 and the presentation of the District's Fiscal Year 2025 Tentative Budget to the Board of Education on August 1, 2024.

c. SuperEval Subscription Proposal for 2024-2025 School Year

The Finance Committee members in attendance stated their support of the Administrative recommendation to the Board of Education to approve this Proposal in the amount of \$4,236 from SuperEval to provide a superintendent evaluation tool for the 2024-2025 school year.

d. Intergovernmental Agreement (IGA) Amendment Between the Village of Lincolnwood and Lincolnwood School District 74 Relevant to Crossing Guard Services with a Separate Traffic IGA

The Finance Committee members in attendance stated their support of the Administrative recommendation to the Board of Education to approve this Amendment to the Village IGA relevant to crossing guard services and this Traffic IGA as presented.

7. District Finance Update - *Courtney Whited, Business Manager/CSBO*
a. Chandani & Burns, LLC.

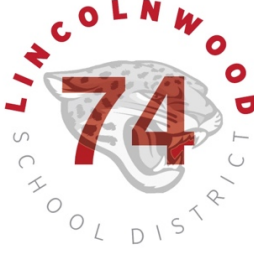
8. ADJOURNMENT.

The members in attendance stated their support to adjourn the Finance Committee meeting. The Finance Committee meeting was adjourned at 8:04 p.m.

The next Finance Committee meeting will be Thursday, August 22, 2024 at 6:30 p.m. The public is welcome.

Peter D. Theodore, Chair

Jay Oleniczak, Co-chair

	<p>LINCOLNWOOD SCHOOL DISTRICT 74 BOARD OF EDUCATION Finance Committee Meeting Minutes Thursday, September 19, 2024 at <u>6:30 PM</u></p>	<p>BOARD OF EDUCATION Kevin Daly, President Peter D. Theodore, Vice President John P. Vranas, Secretary Myra A. Foutris Ted Kwon Jay Oleniczak Rupal Shah Mandal</p> <p>ADMINISTRATION Dr. David L. Russo, Superintendent of Schools Dr. Dominick M. Lupo, Assistant Superintendent for Curriculum and Instruction Courtney Whited, Business Manager/CSBO</p>
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Minutes of the Finance Committee Meeting of the Board of Education of Lincolnwood School District 74, Cook County, Illinois, was held in the Marvin Garlich Administration Building 6950 N. East Prairie Road, Lincolnwood, Illinois 60712, on Thursday, September 19, 2024.

1. CALL TO ORDER/ROLL CALL

Chair Theodore called the Finance Committee meeting to order at 6:37 p.m.

FINANCE COMMITTEE MEMBERS

Peter D. Theodore (BOE), Chair

Jay Oleniczak (BOE), Co-Chair

Michael Bartholomew, Community Member

Steven Pawlow, Community Member

FINANCE COMMITTEE MEMBERS NOT PRESENT

John P. Vranas (BOE)

Maja Kenjar, Community Member

Paul Stellatos, Community Member

ADMINISTRATORS/STAFF

Dr. David L. Russo, Superintendent of Schools

Dr. Dominick M. Lupo, Assistant Superintendent for Curriculum and Instruction

Courtney Whited, Business Manager/CSBO

2. AUDIENCE TO VISITORS

None

3. APPROVAL OF MINUTES

a. Finance Committee Meeting Minutes - **August 22, 2024**

A motion was made, seconded, and passed to approve the minutes from the August 22, 2024, Finance Committee meeting.

4. FUND BALANCE REPORT

a. Fund Balance Report - **JULY 2024**

Courtney Whited, Business Manager/CSBO, presented the Fund Balance Report for July 2024.

5. OLD BUSINESS

None

6. NEW BUSINESS

a. Resolution Authorizing Appointment of Township Trustee of Schools Representative

A motion was made, seconded and passed that the Finance Committee concurs with the Administration's recommendation to the Board of Education to adopt this Resolution Authorizing Appointment of Township Trustee of Schools Representative, Courtney Whited, to the two-year term.

7. District Purchasing Update(s) - *Dr. David L. Russo, Dr. Dominick M. Lupo, Jordan Stephen*

a. SignUpGenius for 2024 – 2025


8. ADJOURNMENT

A motion was made, seconded and passed to adjourn the Finance Committee meeting. The Finance Committee meeting was adjourned at 6:42 p.m.

The next Finance Committee meeting will be Thursday, October 24, 2024 at 6:30 p.m. The public is welcome.

Peter D. Theodore, Chair

Jay Oleniczak, Co-chair

	<p>LINCOLNWOOD SCHOOL DISTRICT 74 BOARD OF EDUCATION Finance Committee Meeting Minutes Thursday, October 24, 2024 at 5:30 PM</p>	<p>BOARD OF EDUCATION Kevin Daly, <i>President</i> Peter D. Theodore, <i>Vice President</i> John P. Vranas, <i>Secretary</i> Myra A. Foutris Ted Kwon Jay Oleniczak Rupal Shah Mandal</p> <p>ADMINISTRATION Dr. David L. Russo, <i>Superintendent of Schools</i> Dr. Dominick M. Lupo, <i>Assistant Superintendent for Curriculum and Instruction</i> Courtney Whited, <i>Business Manager/CSBO</i></p>
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Minutes of the Finance Committee Meeting of the Board of Education of Lincolnwood School District 74, Cook County, Illinois, was held in the Marvin Garlich Administration Building 6950 N. East Prairie Road, Lincolnwood, Illinois 60712, on Thursday, October 24, 2024.

1. CALL TO ORDER/ROLL CALL.

Chair Theodore called the Finance Committee meeting to order at 5:35 p.m. Roll call was taken and a quorum was not present. No formal recommendations were taken, but members continued with their discussion.

FINANCE COMMITTEE MEMBERS

Peter D. Theodore (BOE), Chair
John P. Vranas (BOE)
Steven Pawlow, Community Member

FINANCE COMMITTEE MEMBERS NOT PRESENT

Jay Oleniczak (BOE), Co-Chair
Michael Bartholomew, Community Member
Maja Kenjar, Community Member
Paul Stellatos, Community Member

ADMINISTRATORS/STAFF

Dr. David L. Russo, Superintendent of Schools
Dr. Dominick M. Lupo, Assistant Superintendent for Curriculum and Instruction
Courtney Whited, Business Manager/CSBO
Jordan Stephen, Director of Technology

2. AUDIENCE TO VISITORS

None

3. APPROVAL OF MINUTES

a. Finance Committee Meeting Minutes - **JULY 18, 2024**

The Finance Committee did not take any action relative to the July 18, 2024 minutes due to the lack of a quorum.

b. Finance Committee Meeting Minutes - **SEPTEMBER 19, 2024**

The Finance Committee did not take any action relative to the September 19, 2024 minutes due to the lack of a quorum.

4. INFORMATION/DISCUSSION: FUND BALANCE REPORT

a. Fund Balance Report - **AUGUST 2024**

Courtney Whited, Business Manager/CSBO, presented the Fund Balance Report for August 2024.

5. OLD BUSINESS

None

6. NEW BUSINESS

a. 2024 Estimated Levy Draft

Courtney Whited, Business Manager/CSBO provided an overview of the 2024 Estimated Levy Draft. The 2024 Draft Levy is overall 0.87% more than the Cook County Clerk's 2023 extension. The Committee members in attendance made suggestions to explore shifting some dollars into the Health and Life Safety fund and away from O&M and IMRF. The Committee directed the Administration to continue finalizing the Levy with the aforementioned suggestions.

b. WasteNot, Inc. Service Contract

The Finance Committee members in attendance stated their support of the Administrative recommendation to the Board of Education to approve this Service Contract from WasteNot, Inc. for food waste removal/composting in the amount of \$36/week from November 8, 2024 to November 7, 2025.

c. Heartland School Solutions - Mosaic Platform

Jordan Stephen, Director of Technology asked to pull this item from the agenda and it will be presented at the November meeting.

7. District Purchasing Update(s) - *Dr. David L. Russo, Dr. Dominick M. Lupo, Jordan Stephen*

a. Flocabulary Renewal for 2024-2025

b. XtraMath Renewal for 2024-2025

c. BreakoutEDU Renewal for 2024-2025

d. Signup Genius Platinum Renewal for 2024-2025

e. BrainPop ELL Addition 2024-2025

District Finance Update - *Courtney Whited, Business Manager/CSBO*

f. On October 10th, District 219 indicated the intent to go out to bid for regular education transportation services for the District cohort including 70, 71, 74, and 219. After the 2015 contract and nine-year series of amendments to extend it, the Districts must issue a Request for Proposals.

g. Administration and District legal counsel are working through the process for the full Board's approval relative to the increase in Administrative Costs on the adopted FY2025 Budget.

In general, the Board of Education needs three meetings to address all necessary legal steps for the sale of working cash bonds. This timeline enables the District to generate working cash bond proceeds by April 15, 2025:

January 9, 2025 – Board adopts resolution of intent & a resolution calling a BINA hearing at regular meeting

February 6, 2025 – Board holds BINA hearing at regular meeting

March 6, 2025 – Board adopts parameters resolution for the bond sale

Late March 2025 – Bonds sold; delegates approve results

April 15, 2025 – Bond issue closes; District receives proceeds

8. ADJOURNMENT

The members in attendance stated their support to adjourn the Finance Committee meeting. The Finance Committee meeting was adjourned at 6:30 p.m.

The next Finance Committee meeting will be Thursday, November 21, 2024 at 6:30 p.m. The public is welcome.

Peter D. Theodore, Chair

Lincolnwood School District 74

Fund Balances

Fiscal Year: 2024-2025

Month: September

Year: 2024

Fund Type:

☐ Include Cash Balance

☐ FY End Report

<u>Fund</u>	<u>Description</u>	<u>Beginning Balance</u>	<u>Revenue</u>	<u>Expense</u>	<u>Transfers</u>	<u>Fund Balance</u>
10	EDUCATIONAL	\$16,430,579.03	\$10,861,146.90	(\$3,337,381.23)	\$0.00	\$23,954,344.70
20	OPERATIONS & MAINTENANCE	\$2,129,075.85	\$983,484.10	(\$668,967.10)	\$0.00	\$2,443,592.85
30	DEBT SERVICE	\$820,485.25	\$810,616.56	\$0.00	\$0.00	\$1,631,101.81
40	TRANSPORTATION	\$1,844,953.06	\$483,119.62	(\$146,122.85)	\$0.00	\$2,181,949.83
50	MUNICIPAL RETIREMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
51	IMRF	\$796,532.07	\$53,462.23	(\$45,055.11)	\$0.00	\$804,939.19
52	SOCIAL SECURITY AND MEDICARE	\$388,614.04	\$141,786.56	(\$68,720.83)	\$0.00	\$461,679.77
60	CAPITAL PROJECTS	\$5,878,829.57	\$184,302.19	(\$2,271,459.56)	\$0.00	\$3,791,672.20
70	WORKING CASH	\$604,360.19	\$3,165.47	\$0.00	\$0.00	\$607,525.66
80	TORT IMMUNITY	\$477,855.04	\$92,374.28	\$0.00	\$0.00	\$570,229.32
90	FIRE PREVENTION & SAFETY	\$1,813,795.36	\$59,255.87	(\$1,603,402.44)	\$0.00	\$269,648.79
99	LINCOLNWOOD SCHOOLS ACTIVITY FUN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Grand Total:		\$31,185,079.46	\$13,672,713.78	(\$8,141,109.12)	\$0.00	\$36,716,684.12

End of Report

Lincolnwood School District 74

Treasurers Report FUND- All Funds As of 09/30/2024

Fiscal Year: 2024-2025

ASSETS

CASH & INVESTMENTS

Cash in Bank (+) \$36,384,262.17

Imprest Fund (+) \$13,813.63

Petty Cash (+) \$100.00

Sub-total : CASH & INVESTMENTS \$36,398,175.80

DUE FROM OTHER GOVERNMENTS

Inter-Governmental Loans (+) (\$467.03)

Sub-total : DUE FROM OTHER GOVERNMENTS (\$467.03)

Total : ASSETS \$36,397,708.77

LIABILITIES

ACCOUNTS PAYABLE

Accounts Payable (+) \$61,290.18

Sub-total : ACCOUNTS PAYABLE \$61,290.18

OTHER CURRENT LIABILITIES

Other Liabilities (+) \$36,823.91

Payroll Liabilities (+) (\$417,089.44)

Sub-total : OTHER CURRENT LIABILITIES (\$380,265.53)

Total : LIABILITIES (\$318,975.35)

FUND BALANCE

Unreserved Fund Balance

Fund Balance (+) \$31,185,079.46

Sub-total : Unreserved Fund Balance \$31,185,079.46

NET INCREASE (DECREASE)

NET INCREASE (DECREASE) (+) \$5,531,604.66

Sub-total : NET INCREASE (DECREASE) \$5,531,604.66

Total : FUND BALANCE \$36,716,684.12

Total LIABILITIES + FUND BALANCE \$36,397,708.77

End of Report

Lincolnwood School District 74

Treasurers Report FUND- All Funds For the Period 09/01/2024 through 09/30/2024

Fiscal Year: 2024-2025

	09/01/2024 - 09/30/2024	Year To Date	Budget	Budget Balance	
REVENUE					
LOCAL SOURCES					
Property Tax Receipts (+)	\$0.00	\$12,581,746.22	\$28,432,547.00	\$15,850,800.78	44.3%
Payments in Lieu of Taxes (+)	\$0.00	\$233,571.27	\$900,000.00	\$666,428.73	26.0%
Tuition Payments Received (+)	\$9,600.00	\$9,600.00	\$219,161.00	\$209,561.00	4.4%
Interest Revenue Received (+)	\$58,349.33	\$156,133.32	\$725,000.00	\$568,866.68	21.5%
Sales to Pupils & Adults (+)	\$9,123.70	\$8,691.06	\$210,000.00	\$201,308.94	4.1%
Activity Fees Received (+)	\$36,772.00	\$39,584.70	\$116,200.00	\$76,615.30	34.1%
Other Local Revenue (+)	(\$11,088.91)	\$143,309.43	\$382,647.00	\$239,337.57	37.5%
Rental Revenue (+)	\$37,744.00	\$38,576.00	\$103,015.00	\$64,439.00	37.4%
Sub-total : LOCAL SOURCES	\$140,500.12	\$13,211,212.00	\$31,088,570.00	\$17,877,358.00	42.5%
STATE SOURCES					
State Grants & Aid Received (+)	\$125,123.08	\$231,285.08	\$1,841,000.00	\$1,609,714.92	12.6%
Sub-total : STATE SOURCES	\$125,123.08	\$231,285.08	\$1,841,000.00	\$1,609,714.92	12.6%
FEDERAL SOURCES					
Federal Grants & Aid Received (+)	\$303.21	\$230,216.70	\$865,430.00	\$635,213.30	26.6%
Sub-total : FEDERAL SOURCES	\$303.21	\$230,216.70	\$865,430.00	\$635,213.30	26.6%
Total : REVENUE	\$265,926.41	\$13,672,713.78	\$33,795,000.00	\$20,122,286.22	40.5%
EXPENDITURES					
REGULAR K-12 PROGRAMS					
Salaries (-)	\$591,208.29	\$883,665.57	\$7,969,771.00	\$7,086,105.43	11.1%
Employee Benefits (-)	\$114,670.85	\$127,282.81	\$1,515,245.00	\$1,387,962.19	8.4%
Termination Benefits (-)	\$25,171.86	\$56,670.00	\$405,429.00	\$348,759.00	14.0%
Purchased Services (-)	\$5,758.93	\$122,340.74	\$353,380.00	\$231,039.26	34.6%
Supplies & Materials (-)	\$38,317.25	\$146,598.08	\$688,590.00	\$541,991.92	21.3%
Capital Expenditures (-)	\$30,518.90	\$80,499.56	\$265,600.00	\$185,100.44	30.3%
Other Objects (-)	\$0.00	\$0.00	\$750.00	\$750.00	0.0%
Non-Capitalized Equipment (-)	\$1,673.14	\$1,673.14	\$168,500.00	\$166,826.86	1.0%
Sub-total : REGULAR K-12 PROGRAMS	(\$807,319.22)	(\$1,418,729.90)	(\$11,367,265.00)	(\$9,948,535.10)	12.5%
PRE-K PROGRAMS					
Salaries (-)	\$20,407.36	\$30,556.60	\$251,109.00	\$220,552.40	12.2%
Employee Benefits (-)	\$7,123.19	\$9,792.32	\$82,717.00	\$72,924.68	11.8%
Purchased Services (-)	\$0.00	\$2,000.00	\$2,000.00	\$0.00	100.0%
Supplies & Materials (-)	(\$6.44)	\$87.24	\$5,200.00	\$5,112.76	1.7%
Non-Capitalized Equipment (-)	\$0.00	\$0.00	\$750.00	\$750.00	0.0%
Sub-total : PRE-K PROGRAMS	(\$27,524.11)	(\$42,436.16)	(\$341,776.00)	(\$299,339.84)	12.4%
SPECIAL ED PROGRAMS K-12					
Salaries (-)	\$122,035.87	\$182,918.76	\$1,572,954.00	\$1,390,035.24	11.6%
Employee Benefits (-)	\$32,249.56	\$41,797.89	\$377,575.00	\$335,777.11	11.1%
Purchased Services (-)	\$686.40	\$1,136.22	\$2,000.00	\$863.78	56.8%
Supplies & Materials (-)	\$491.17	\$1,151.95	\$3,750.00	\$2,598.05	30.7%
Capital Expenditures (-)	\$0.00	\$0.00	\$4,000.00	\$4,000.00	0.0%
Other Objects (-)	\$250.00	\$250.00	\$0.00	(\$250.00)	0.0%

Operating Statement with Budget

Printed: 10/24/2024 12:02:55 PM

Report: rptGLOperatingStatementwithBudget

2024.1.26

Page:

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Lincolnwood School District 74

Treasurers Report FUND- All Funds For the Period 09/01/2024 through 09/30/2024

Fiscal Year: 2024-2025

	<u>09/01/2024 - 09/30/2024</u>	<u>Year To Date</u>	<u>Budget</u>	<u>Budget Balance</u>	
Non-Capital Equipment (-)	\$0.00	\$0.00	\$3,000.00	\$3,000.00	0.0%
Sub-total : SPECIAL ED PROGRAMS K-12	(\$155,713.00)	(\$227,254.82)	(\$1,963,279.00)	(\$1,736,024.18)	11.6%
REMEDIAL & SUPPLEMENTAL K-12					
Salaries (-)	\$48,392.84	\$72,589.26	\$629,107.00	\$556,517.74	11.5%
Employee Benefits (-)	\$9,547.21	\$10,271.32	\$116,539.00	\$106,267.68	8.8%
Purchased Services (-)	\$9,639.00	\$31,228.87	\$90,000.00	\$58,771.13	34.7%
Supplies & Materials (-)	\$0.00	\$1,674.28	\$46,875.00	\$45,200.72	3.6%
Sub-total : REMEDIAL & SUPPLEMENTAL K-12	(\$67,579.05)	(\$115,763.73)	(\$882,521.00)	(\$766,757.27)	13.1%
INTERSCHOLASTIC PROGRAMS					
Salaries (-)	\$1,574.97	\$2,258.12	\$111,000.00	\$108,741.88	2.0%
Employee Benefits (-)	\$66.17	\$84.63	\$6,500.00	\$6,415.37	1.3%
Supplies & Materials (-)	\$0.00	\$0.00	\$7,250.00	\$7,250.00	0.0%
Capital Expenditures (-)	\$0.00	\$0.00	\$1,500.00	\$1,500.00	0.0%
Other Objects (-)	\$5,500.00	\$5,500.00	\$3,800.00	(\$1,700.00)	144.7%
Sub-total : INTERSCHOLASTIC PROGRAMS	(\$7,141.14)	(\$7,842.75)	(\$130,050.00)	(\$122,207.25)	6.0%
SUMMER SCHOOL PROGRAMS					
Salaries (-)	\$0.00	\$36,169.76	\$73,000.00	\$36,830.24	49.5%
Employee Benefits (-)	\$0.00	\$1,562.25	\$3,720.00	\$2,157.75	42.0%
Supplies & Materials (-)	\$47.04	\$2,311.38	\$3,000.00	\$688.62	77.0%
Sub-total : SUMMER SCHOOL PROGRAMS	(\$47.04)	(\$40,043.39)	(\$79,720.00)	(\$39,676.61)	50.2%
GIFTED PROGRAMS					
Salaries (-)	\$43,294.16	\$64,941.24	\$563,324.00	\$498,382.76	11.5%
Employee Benefits (-)	\$10,190.03	\$10,838.30	\$124,569.00	\$113,730.70	8.7%
Supplies & Materials (-)	\$1,653.41	\$1,653.41	\$4,375.00	\$2,721.59	37.8%
Sub-total : GIFTED PROGRAMS	(\$55,137.60)	(\$77,432.95)	(\$692,268.00)	(\$614,835.05)	11.2%
BILINGUAL PROGRAMS					
Salaries (-)	\$54,278.98	\$81,418.47	\$708,394.00	\$626,975.53	11.5%
Employee Benefits (-)	\$8,272.34	\$9,096.84	\$141,805.00	\$132,708.16	6.4%
Purchased Services (-)	\$0.00	\$0.00	\$3,750.00	\$3,750.00	0.0%
Supplies & Materials (-)	\$0.00	\$109.84	\$7,925.00	\$7,815.16	1.4%
Sub-total : BILINGUAL PROGRAMS	(\$62,551.32)	(\$90,625.15)	(\$861,874.00)	(\$771,248.85)	10.5%
ATTENDANCE & SOCIAL WORK					
Salaries (-)	\$32,679.78	\$49,019.67	\$424,837.00	\$375,817.33	11.5%
Employee Benefits (-)	\$3,600.28	\$4,089.86	\$45,177.00	\$41,087.14	9.1%
Purchased Services (-)	\$527.00	\$527.00	\$900.00	\$373.00	58.6%
Supplies & Materials (-)	\$0.00	\$264.02	\$2,785.00	\$2,520.98	9.5%
Sub-total : ATTENDANCE & SOCIAL WORK	(\$36,807.06)	(\$53,900.55)	(\$473,699.00)	(\$419,798.45)	11.4%
HEALTH SERVICES					
Salaries (-)	\$14,422.54	\$22,071.69	\$160,245.00	\$138,173.31	13.8%
Employee Benefits (-)	\$4,235.02	\$6,299.57	\$67,815.00	\$61,515.43	9.3%

Operating Statement with Budget

Lincolnwood School District 74

Treasurers Report FUND- All Funds For the Period 09/01/2024 through 09/30/2024

Fiscal Year: 2024-2025

	<u>09/01/2024 - 09/30/2024</u>	<u>Year To Date</u>	<u>Budget</u>	<u>Budget Balance</u>	
Purchased Services (-)	\$6,881.25	\$6,881.25	\$121,000.00	\$114,118.75	5.7%
Supplies & Materials (-)	\$0.00	\$32.69	\$5,400.00	\$5,367.31	0.6%
Capital Expenditures (-)	\$0.00	\$0.00	\$1,300.00	\$1,300.00	0.0%
Other Objects (-)	\$0.00	\$0.00	\$750.00	\$750.00	0.0%
Non-Capital Equipment (-)	\$0.00	\$0.00	\$1,500.00	\$1,500.00	0.0%
Sub-total : HEALTH SERVICES	(\$25,538.81)	(\$35,285.20)	(\$358,010.00)	(\$322,724.80)	9.9%
PSYCHOLOGICAL SERVICES					
Salaries (-)	\$14,755.18	\$22,132.77	\$191,817.00	\$169,684.23	11.5%
Employee Benefits (-)	\$1,423.78	\$1,644.57	\$17,874.00	\$16,229.43	9.2%
Purchased Services (-)	\$27.50	\$850.81	\$4,300.00	\$3,449.19	19.8%
Supplies & Materials (-)	\$0.00	\$0.00	\$1,575.00	\$1,575.00	0.0%
Sub-total : PSYCHOLOGICAL SERVICES	(\$16,206.46)	(\$24,628.15)	(\$215,566.00)	(\$190,937.85)	11.4%
SPEECH PATHOLOGY & AUDIOLOGY					
Salaries (-)	\$20,057.84	\$30,086.76	\$260,752.00	\$230,665.24	11.5%
Employee Benefits (-)	\$3,605.08	\$3,905.95	\$44,715.00	\$40,809.05	8.7%
Purchased Services (-)	\$5,086.72	\$6,231.30	\$58,700.00	\$52,468.70	10.6%
Supplies & Materials (-)	\$0.00	\$0.00	\$1,550.00	\$1,550.00	0.0%
Sub-total : SPEECH PATHOLOGY & AUDIOLOGY	(\$28,749.64)	(\$40,224.01)	(\$365,717.00)	(\$325,492.99)	11.0%
OTHER SUPPORT SERVICES - PUPILS					
Salaries (-)	\$7,023.19	\$7,846.87	\$90,000.00	\$82,153.13	8.7%
Employee Benefits (-)	\$446.76	\$479.60	\$8,040.00	\$7,560.40	6.0%
Sub-total : OTHER SUPPORT SERVICES - PUPILS	(\$7,469.95)	(\$8,326.47)	(\$98,040.00)	(\$89,713.53)	8.5%
IMPROVEMENT OF INSTRUCTION					
Salaries (-)	\$28,470.58	\$84,852.14	\$405,333.00	\$320,480.86	20.9%
Employee Benefits (-)	\$4,663.63	\$14,424.20	\$60,561.00	\$46,136.80	23.8%
Purchased Services (-)	\$2,008.22	\$7,944.48	\$58,600.00	\$50,655.52	13.6%
Supplies & Materials (-)	\$136.67	\$806.99	\$2,000.00	\$1,193.01	40.3%
Other Objects (-)	\$0.00	\$0.00	\$4,000.00	\$4,000.00	0.0%
Sub-total : IMPROVEMENT OF INSTRUCTION	(\$35,279.10)	(\$108,027.81)	(\$530,494.00)	(\$422,466.19)	20.4%
EDUCATIONAL MEDIA					
Salaries (-)	\$22,644.24	\$33,966.36	\$294,375.00	\$260,408.64	11.5%
Employee Benefits (-)	\$4,786.70	\$5,126.34	\$35,505.00	\$30,378.66	14.4%
Supplies & Materials (-)	\$2,030.95	\$2,030.95	\$19,900.00	\$17,869.05	10.2%
Sub-total : EDUCATIONAL MEDIA	(\$29,461.89)	(\$41,123.65)	(\$349,780.00)	(\$308,656.35)	11.8%
ASSESSMENT & TESTING					
Supplies & Materials (-)	\$0.00	\$0.00	\$100.00	\$100.00	0.0%
Sub-total : ASSESSMENT & TESTING	\$0.00	\$0.00	(\$100.00)	(\$100.00)	0.0%
ADMIN SERVICES - BOARD OF ED					
Employee Benefits (-)	\$5,642.34	\$5,642.34	\$5,000.00	(\$642.34)	112.8%
Purchased Services (-)	\$16,248.07	\$43,187.91	\$213,000.00	\$169,812.09	20.3%

Operating Statement with Budget

Lincolnwood School District 74

Treasurers Report FUND- All Funds For the Period 09/01/2024 through 09/30/2024

Fiscal Year: 2024-2025

	<u>09/01/2024 - 09/30/2024</u>	<u>Year To Date</u>	<u>Budget</u>	<u>Budget Balance</u>	
Supplies & Materials (-)	\$0.00	\$500.89	\$2,500.00	\$1,999.11	20.0%
Other Objects (-)	\$0.00	\$0.00	\$16,000.00	\$16,000.00	0.0%
Sub-total : ADMIN SERVICES - BOARD OF ED	(\$21,890.41)	(\$49,331.14)	(\$236,500.00)	(\$187,168.86)	20.9%
SUPERINTENDENT					
Salaries (-)	\$20,879.12	\$74,065.93	\$282,419.00	\$208,353.07	26.2%
Employee Benefits (-)	\$3,889.44	\$22,328.39	\$57,281.00	\$34,952.61	39.0%
Purchased Services (-)	\$0.00	\$16.34	\$4,000.00	\$3,983.66	0.4%
Supplies & Materials (-)	\$62.12	\$145.32	\$2,000.00	\$1,854.68	7.3%
Other Objects (-)	\$0.00	\$382.99	\$3,000.00	\$2,617.01	12.8%
Sub-total : SUPERINTENDENT	(\$24,830.68)	(\$96,938.97)	(\$348,700.00)	(\$251,761.03)	27.8%
ADMIN SERVICES - SPECIAL ED					
Salaries (-)	\$12,145.86	\$42,510.51	\$157,897.00	\$115,386.49	26.9%
Employee Benefits (-)	\$3,968.61	\$12,234.93	\$48,032.00	\$35,797.07	25.5%
Purchased Services (-)	\$0.00	\$0.00	\$1,350.00	\$1,350.00	0.0%
Other Objects (-)	\$0.00	\$0.00	\$300.00	\$300.00	0.0%
Sub-total : ADMIN SERVICES - SPECIAL ED	(\$16,114.47)	(\$54,745.44)	(\$207,579.00)	(\$152,833.56)	26.4%
WORKERS COMPENSATION INSURANCE					
Purchased Services (-)	\$0.00	\$0.00	\$72,000.00	\$72,000.00	0.0%
Sub-total : WORKERS COMPENSATION INSURANCE	\$0.00	\$0.00	(\$72,000.00)	(\$72,000.00)	0.0%
PROPERTY INSURANCE					
Purchased Services (-)	\$0.00	\$0.00	\$122,000.00	\$122,000.00	0.0%
Sub-total : PROPERTY INSURANCE	\$0.00	\$0.00	(\$122,000.00)	(\$122,000.00)	0.0%
PRINCIPAL					
Salaries (-)	\$56,848.04	\$195,586.29	\$739,568.00	\$543,981.71	26.4%
Employee Benefits (-)	\$16,884.88	\$51,492.00	\$224,022.00	\$172,530.00	23.0%
Purchased Services (-)	\$178.75	\$943.52	\$6,000.00	\$5,056.48	15.7%
Supplies & Materials (-)	\$442.00	\$456.87	\$4,000.00	\$3,543.13	11.4%
Capital Expenditures (-)	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.0%
Other Objects (-)	\$0.00	\$54.00	\$2,400.00	\$2,346.00	2.3%
Sub-total : PRINCIPAL	(\$74,353.67)	(\$248,532.68)	(\$976,990.00)	(\$728,457.32)	25.4%
OTHER SUPPORT SERVICES - SCH ADMIN					
Salaries (-)	\$8,918.00	\$31,213.00	\$115,935.00	\$84,722.00	26.9%
Employee Benefits (-)	\$2,725.31	\$8,347.71	\$33,050.00	\$24,702.29	25.3%
Sub-total : OTHER SUPPORT SERVICES - SCH ADMIN	(\$11,643.31)	(\$39,560.71)	(\$148,985.00)	(\$109,424.29)	26.6%
OPERATION OF BUSINESS SERVICES					
Salaries (-)	\$15,849.54	\$55,473.39	\$206,044.00	\$150,570.61	26.9%
Employee Benefits (-)	\$2,894.89	\$8,991.20	\$35,351.00	\$26,359.80	25.4%
Other Objects (-)	\$0.00	\$131.79	\$1,500.00	\$1,368.21	8.8%

Operating Statement with Budget

Lincolnwood School District 74

Treasurers Report FUND- All Funds For the Period 09/01/2024 through 09/30/2024

Fiscal Year: 2024-2025

	<u>09/01/2024 - 09/30/2024</u>	<u>Year To Date</u>	<u>Budget</u>	<u>Budget Balance</u>	
Sub-total : OPERATION OF BUSINESS SERVICES	(\$18,744.43)	(\$64,596.38)	(\$242,895.00)	(\$178,298.62)	26.6%
FISCAL SERVICES					
Salaries (-)	\$19,460.19	\$68,012.79	\$252,774.00	\$184,761.21	26.9%
Employee Benefits (-)	\$8,617.54	\$27,382.45	\$106,938.00	\$79,555.55	25.6%
Purchased Services (-)	\$684.50	\$941.17	\$117,400.00	\$116,458.83	0.8%
Supplies & Materials (-)	\$154.74	\$2,141.45	\$5,500.00	\$3,358.55	38.9%
Other Objects (-)	\$3,399.62	\$3,304.38	\$30,000.00	\$26,695.62	11.0%
Sub-total : FISCAL SERVICES	(\$32,316.59)	(\$101,782.24)	(\$512,612.00)	(\$410,829.76)	19.9%
FACILITY ACQUISITION & CONSTRUCTION					
Purchased Services (-)	\$32,151.22	\$51,492.95	\$358,818.00	\$307,325.05	14.4%
Capital Expenditures (-)	(\$4,300.00)	\$2,270,745.05	\$2,923,502.00	\$652,756.95	77.7%
Sub-total : FACILITY ACQUISITION & CONSTRUCTION	(\$27,851.22)	(\$2,322,238.00)	(\$3,282,320.00)	(\$960,082.00)	70.7%
OPERATION & MAINTENANCE OF PLANT					
Salaries (-)	\$43,800.80	\$150,527.39	\$573,222.00	\$422,694.61	26.3%
Employee Benefits (-)	\$14,017.31	\$45,084.47	\$179,849.00	\$134,764.53	25.1%
Purchased Services (-)	\$116,861.68	\$299,962.57	\$1,151,700.00	\$851,737.43	26.0%
Supplies & Materials (-)	\$46,857.50	\$154,618.61	\$515,950.00	\$361,331.39	30.0%
Capital Expenditures (-)	\$30,103.07	\$1,592,227.07	\$1,919,270.00	\$327,042.93	83.0%
Other Objects (-)	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.0%
Non-Capitalized Equipment (-)	\$1,446.05	\$2,053.97	\$5,000.00	\$2,946.03	41.1%
Sub-total : OPERATION & MAINTENANCE OF PLANT	(\$253,086.41)	(\$2,244,474.08)	(\$4,345,991.00)	(\$2,101,516.92)	51.6%
PUPIL TRANSPORTATION					
Purchased Services (-)	\$0.00	\$146,122.85	\$1,650,000.00	\$1,503,877.15	8.9%
Sub-total : PUPIL TRANSPORTATION	\$0.00	(\$146,122.85)	(\$1,650,000.00)	(\$1,503,877.15)	8.9%
FOOD SERVICES					
Salaries (-)	\$26,116.05	\$56,593.92	\$303,973.00	\$247,379.08	18.6%
Employee Benefits (-)	\$10,297.37	\$21,643.59	\$120,107.00	\$98,463.41	18.0%
Purchased Services (-)	\$1,700.00	\$1,819.31	\$5,000.00	\$3,180.69	36.4%
Supplies & Materials (-)	\$35,447.63	\$38,169.93	\$282,000.00	\$243,830.07	13.5%
Capital Expenditures (-)	\$2,264.49	\$2,264.49	\$7,000.00	\$4,735.51	32.3%
Other Objects (-)	\$1,230.66	\$1,428.66	\$1,500.00	\$71.34	95.2%
Non-Capitalized Equipment (-)	\$0.00	\$0.00	\$4,000.00	\$4,000.00	0.0%
Sub-total : FOOD SERVICES	(\$77,056.20)	(\$121,919.90)	(\$723,580.00)	(\$601,660.10)	16.8%
INTERNAL SERVICES					
Purchased Services (-)	\$2,010.74	\$3,694.70	\$27,000.00	\$23,305.30	13.7%
Supplies & Materials (-)	\$0.00	\$0.00	\$1,500.00	\$1,500.00	0.0%
Sub-total : INTERNAL SERVICES	(\$2,010.74)	(\$3,694.70)	(\$28,500.00)	(\$24,805.30)	13.0%
INFORMATION SERVICES					
Salaries (-)	\$6,846.56	\$31,816.36	\$96,859.00	\$65,042.64	32.8%
Employee Benefits (-)	\$4,097.32	\$14,057.75	\$50,938.00	\$36,880.25	27.6%

Operating Statement with Budget

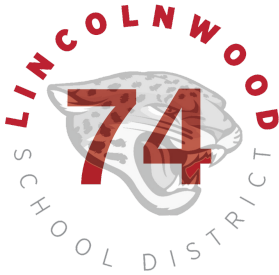
Lincolnwood School District 74

Treasurers Report FUND- All Funds For the Period 09/01/2024 through 09/30/2024

Fiscal Year: 2024-2025

	<u>09/01/2024 - 09/30/2024</u>	<u>Year To Date</u>	<u>Budget</u>	<u>Budget Balance</u>	
Purchased Services (-)	\$3,004.37	\$3,965.87	\$24,500.00	\$20,534.13	16.2%
Supplies & Materials (-)	\$20.98	\$892.74	\$6,500.00	\$5,607.26	13.7%
Other Objects (-)	\$714.89	\$1,134.77	\$750.00	(\$384.77)	151.3%
Sub-total : INFORMATION SERVICES	(\$14,684.12)	(\$51,867.49)	(\$179,547.00)	(\$127,679.51)	28.9%
OTHER SUPPORT SERVICES - ADMIN					
Salaries (-)	\$44,093.60	\$145,461.07	\$569,435.00	\$423,973.93	25.5%
Employee Benefits (-)	\$12,779.62	\$39,613.63	\$176,370.00	\$136,756.37	22.5%
Purchased Services (-)	\$0.00	\$0.00	\$500.00	\$500.00	0.0%
Capital Expenditures (-)	\$0.00	\$0.00	\$700.00	\$700.00	0.0%
Other Objects (-)	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.0%
Sub-total : OTHER SUPPORT SERVICES - ADMIN	(\$56,873.22)	(\$185,074.70)	(\$748,005.00)	(\$562,930.30)	24.7%
COMMUNITY SERVICES					
Purchased Services (-)	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.0%
Supplies & Materials (-)	\$0.00	\$0.00	\$800.00	\$800.00	0.0%
Sub-total : COMMUNITY SERVICES	\$0.00	\$0.00	(\$1,800.00)	(\$1,800.00)	0.0%
PAYMENTS TO OTHER LEAs					
Purchased Services (-)	\$0.00	\$0.00	\$211,629.00	\$211,629.00	0.0%
Other Objects (-)	\$22,553.19	\$78,585.15	\$2,896,708.00	\$2,818,122.85	2.7%
Sub-total : PAYMENTS TO OTHER LEAs	(\$22,553.19)	(\$78,585.15)	(\$3,108,337.00)	(\$3,029,751.85)	2.5%
DEBT SERVICE - INTEREST					
Interest on Bonds Outstanding (-)	\$0.00	\$0.00	\$565,000.00	\$565,000.00	0.0%
Sub-total : DEBT SERVICE - INTEREST	\$0.00	\$0.00	(\$565,000.00)	(\$565,000.00)	0.0%
DEBT SERVICE - PRINCIPAL					
Principal Payments on Bonds Outstanding (-)	\$0.00	\$0.00	\$1,150,000.00	\$1,150,000.00	0.0%
Sub-total : DEBT SERVICE - PRINCIPAL	\$0.00	\$0.00	(\$1,150,000.00)	(\$1,150,000.00)	0.0%
DEBT SERVICE - OTHER					
Debt Service Fees (-)	\$0.00	\$0.00	\$2,500.00	\$2,500.00	0.0%
Sub-total : DEBT SERVICE - OTHER	\$0.00	\$0.00	(\$2,500.00)	(\$2,500.00)	0.0%
Total : EXPENDITURES	(\$2,016,534.05)	(\$8,141,109.12)	(\$37,364,000.00)	(\$29,222,890.88)	21.8%
NET INCREASE (DECREASE)	(\$1,750,607.64)	\$5,531,604.66	(\$3,569,000.00)	(\$9,100,604.66)	155.0%

End of Report



Executive Summary Finance Committee Meeting

DATE: November 21, 2024

TOPIC: Heartland School Solutions - Mosaic Platform

PREPARED BY: Jordan Stephen

Recommended for:

X Action

X Discussion

X Information

Purpose/Background:

Over the past year, our Food Service Director has been running the program as efficiently as possible with the past lunch records that were available. Traditionally, much of this work was done using notebooks, spreadsheets, and handwritten recipes. Recognizing this, the Food Service Director approached our technology department for assistance in developing a more sophisticated spreadsheet to track recipes, analyze food waste, make ingredient substitutions, all along with controlling costs and overhead.

Through discussions with Heartland School Systems, we were introduced to the Mosaic BOH (Back of House) platform product. This product offers comprehensive management for the easy creation and scaling of menus, cost control by tracking product expenses and projecting future meals. It provides extensive reporting options on nutrient analysis or production quantities, as well as the reduction of waste and overproduction through automated forecasting. The system is cloud-based access, allowing users to update menus from the office, home, or on-the-go from nearly any internet-connected device.

District Legal Counsel reviewed the vendor Terms and Conditions and Privacy Policy. Counsel proposed the District's standard Amendment to the Agreement addressing terms such as Governing Law and Venue, and SOPPA language to ensure compliance with state law. The Amendment was agreed upon and accepted by the vendor.

Fiscal Impact:

The financial impact of implementing Mosaic would be \$4,246 for the first year. Annual recurring costs for this software would be \$2,250 per year.

Recommendation:

The Finance Committee concurs with the Administration's recommendation to the Board of Education to approve the Heartland School Systems quote in the amount of \$4,246 for services and implementation between December of 2024 through December 2025.

Heartland Data Security & Privacy Plan

Purpose

The purpose of this document is to describe the plan for ensuring that confidential data entrusted to Heartland School Solutions (“HSS”) remains secure.

Scope

This plan applies to the District’s confidential data that is stored within the MySchoolBucks and Hosted MCS and Mosaic systems. To the extent District has the installed version of HSS software, District is responsible for the information security of its data.

Executive Summary

HSS maintains industry standard administrative, technical and physical safeguards to protect the confidentiality of information transmitted online, including but not limited to encryption, firewalls, password protection, and SSL (Secure Sockets Layer). HSS has implemented policies and practices that reflect a variety of security standards, as well as applicable laws and regulations, relating to the security and safeguarding of confidential data. However, no precautions, means, transmission using the internet, or storage system is absolutely 100% secure. For these reasons, HSS cannot guarantee absolute security of the District’s confidential data.

Sharing Confidential Data

HSS complies with the limitations in FERPA, and does not share student data with any third party for marketing or advertising purposes. HSS uses confidential data only for the purposes identified in the agreement with the District. Such purposes may require that the confidential data be shared with third parties, including financial entities that facilitate the flow of funds to/from the District. HSS also complies with all applicable state laws, including New York’s Education Law and the California Consumer Privacy Act.

Parents’ Bill of Rights

HSS may enter into agreements with District-authorized parents, guardians, or other users accessing the MySchoolBucks site (collectively “MySchoolBucks Parents”). Notwithstanding any provision of the agreement between MySchoolBucks Parents and HSS to the contrary, HSS adheres to the following Parents’ Bill of Rights:

1. HSS will not sell or release a student’s personally identifiable information for any commercial purpose.
2. Parents have the right to inspect and review the complete contents of their child’s education record.
3. State and federal laws protect the confidentiality of personally identifiable information, and HSS uses safeguards associated with industry standards and best practices, including but not limited to, encryption, firewalls, and password protection, when data is stored or transferred by HSS.
4. A complete list of all student data elements stored within the relevant software will be made available upon request.
5. Parents have the right to make complaints about possible breaches of student data. Such complaints should be sent to the postal address listed under Contact Us in the Privacy Policy on the MySchoolBucks website, located at <https://www.myschoolbucks.com/ver2/etc/getprivacy>.

Implementation – Data Security

HSS has implemented numerous security initiatives designed to ensure compliance with applicable laws and contracts regarding data security. Our internal control processes are audited for SSAE 18 certification, and we are certified as a Level 1 Service Provider with the Payment Card Industry Data Security Standards (“PCI DSS”). PCI DSS was developed to encourage and enhance cardholder data security and facilitate the broad adoption of consistent data security measures globally. HSS engages a third-party Qualified Security Assessor for annual PCI compliance audits. Both the District and HSS need to certify PCI-DSS compliance to accept and process credit and debit card payments.

PCI DSS includes the following requirements:

1. Install and keep updated a firewall between the public network and the confidential information.
2. Change vendor-supplied passwords that come with network and information processing systems.
3. Safeguard the confidential data stored for business purposes or regulatory purposes.
4. Encrypt all transmissions of customer data over any public network.
5. Maintain robust antivirus software in all systems.
6. Develop and maintain secure systems and applications.
7. Limit access to the confidential data to as few people as possible on the “need-to-know” basis within your business.
8. Identify and authenticate access to system components.
9. Restrict physical access to the systems.
10. Track and monitor access to network resources and confidential data.
11. Regularly test security systems and processes.
12. Maintain a policy that addresses information security for all personnel.

Other Data

MySchoolBucks Parents may supply data, including confidential data, to utilize the MySchoolBucks service. The MySchoolBucks Terms of Use and Privacy Policies govern the sharing of data supplied by MySchoolBucks Parents.



Heartland School Solutions Quote

Account: Lincolnwood School District 74
HSS ID: 4327852-017693
Date: 7/2/2024
Contact: Jordan Stephen
Sales Rep: Kimberly Lane

Heartland School Solutions
765 Jefferson Road Suite #400
Rochester, NY 14623
Phone: (800) 724-9853
Email: kimberly.lane@e-hps.com

First Year Costs Summary

For detailed listing of the items contained within the grand total below, please review the detail starting on page 2.

Software as a Service Total - \$2,250.00

Professional Services Total - \$1,996.00

Total : \$4,246.00

Grand Total : \$4,246.00

Annual Subscription Costs (year 2 and beyond)

The effective start date of your Subscription begins on the first day of delivery of service which will be considered the anniversary date for the subsequent year. Annual Subscription includes all subscription enhancements and technical phone support to customers who are in good financial standing with Heartland School Solutions.

Support, Subscription, Warranty Total: \$2,250.00



Heartland School Solutions
765 Jefferson Road Suite #400
Rochester, NY 14623
Phone: (800) 724-9853
Email: kimberly.lane@e-hps.com

Account: Lincolnwood School District 74
HSS ID: 4327852-017693
Date: 7/2/2024
Contact: Jordan Stephen
Sales Rep: Kimberly Lane
Quote: Q-21737

Valid for 30 days from the date of this quote. It is provided for informational and/or budgetary purposes only.

Product Code	SAAS Products	Quantity	Price	Total
HSS1016B	SAAS: Mosaic Multi Site Back of the House Standard	3	\$ 750.00	\$ 2,250.00
SAAS Total				\$2,250.00

Product Code	Professional Services	Quantity	Price	Total
HSS1360	PSV: Mosaic Menu Planning - Program Introduction and Setup Online	1	\$ 499.00	\$ 499.00
HSS1362	PSV: Mosaic Menu Planning - Menu Planning Training Online	1	\$ 499.00	\$ 499.00
HSS1361	PSV: Mosaic Menu Planning - Ingredients and Recipes Training Online	1	\$ 499.00	\$ 499.00
HSS1363	PSV: Mosaic Menu Planning - Production Training Online	1	\$ 499.00	\$ 499.00
Professional Services Total				\$1,996.00

Total:	\$4,246.00
Grand Total:	\$4,246.00

Annual Subscription

The effective start date of your Subscription begins on the first day of delivery of service which will be considered the anniversary date for the subsequent year. Annual Subscription includes all subscription enhancements and technical phone support to customers who are in good financial standing with Heartland School Solutions.

Product Code	Subscription Products	Quantity	Price	Total
HSS1081B	SUB: Mosaic Multi Site Back of the House Standard	3	\$ 750.00	\$ 2,250.00
Subscription Total				\$2,250.00

Support, Subscription, Warranty Total:	\$2,250.00
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Agreement between said Account and Heartland School Solutions

1. Upon agreement to proceed, Heartland School Solutions requests said Account provide an original Purchase Order and signed proposal for the purchase of the products and/or services described in this proposal.
2. The Purchase Order must include both a Bill to and Ship to address. When a valid Purchase Order is provided, there is no requirement to fill out the Address and Contact information below.
3. In lieu of a Purchase Order, this signed document may serve as the confirmation that said Account has committed the necessary funds for the purchase of the products and/or services described in this proposal.
4. In lieu of a Purchase Order, Address and Contact information must be provided below.
5. When applicable, provide a current Tax Exempt Certificate for our files, otherwise sales tax will be included on your invoice.
6. When applicable, implementation dates will be confirmed by the Heartland School Solutions Implementation Coordinator.
7. When applicable, travel expenses (air, lodging, rental car, meals, mileage, other related charges) incurred while conducting onsite services will be included on your invoice.
8. Annual Subscription: The effective start date of your Annual Subscription begins on the first day of service upon the completion of your project implementation.
9. Unless otherwise indicated, the ongoing Annual Subscription fee will be invoiced to said Account that signed this agreement.***
10. Your signature on this proposal confirms you understand the agreement.

This Proposal is subject to written acceptance by an authorized Purchaser and Heartland School Solutions. By signing this proposal you are agreeing to the terms and conditions set forth in this Proposal and the agreement(s) included with this Proposal or attached hereto and made a part hereof.

Signature _____ **Date** _____

Print Name _____ **Title** _____

*** Annual Subscription: If Annual Subscription fee is invoiced to an Account other than said Account that signed this Agreement, list the Account here.

Account Name Lincolnwood School District #74

Billing Contact Sylvia Hernandez

Email shernandez@sd74.org

If no valid Purchase Order is provided, the following Account Address and Contact Information are Required.

Bill to Account Address and Contact Information

Name Lincolnwood School District #74

Phone 847-682-3250

Email Pete Lembessis- plembessis@sd74.org

Address 6950 N. East Prairie Road

City Lincolnwood

State IL

Zip Code 60712

If possible please include +4 digits

Ship to Account Address and Contact Information (Ship to Address must not be a PO Box)

Name Lincolnwood School District #74

Phone 847-682-3250

Email Pete Lembessis- plembessis@sd74.org

Address 6950 N. East Prairie Road

City Lincolnwood

State IL

Zip Code 60712

If possible please include +4 digits

Heartland School Solutions Master Software Services Agreement

Updated February 7, 2022

This Master Software Services Agreement (the “Agreement”), together with all software-specific attachments, is made and entered into this day September 19 of 2024 (“Effective Date”), by and between by and between Heartland Payment Systems, LLC (d/b/a Heartland School Solutions) a Delaware limited liability company, with an office at 765 Jefferson Rd #400, Rochester, NY 14623 (“Heartland”), and Lincolnwood School District 74, having its principal place of business located at 6950 N East Prairie Road, Lincolnwood, IL (“Customer”). Heartland and Customer may individually be referred to herein as “Party” or collectively as “Parties”.

1. Definitions

1. **Affiliate** means a business entity that controls or is controlled by another business entity or is associated with other business entities under common ownership or control of a business entity, such as a subsidiary or parent company.
2. **Error** means a reproducible failure of the Software to perform in substantial conformity with the Documentation. An Error does not include a nonconformity resulting from customer’s improper use, alteration of or damage to the Software, or Customer’s combining or merging the Software with any Equipment or Software not approved by Heartland.
3. **Customer Data** means all information, files, content, figures, images, text, files or other data, including data concerning school lunch purchases, as well as student Personal Identifiable Information, provided by the Customer to Heartland in connection with the Services.
4. **Documentation** means all manuals, instructions, writings electronic or other media provided by Heartland relating to the Software.
5. **End User(s)** means the Customer’s employees and agents using the Software on Customer’s behalf.
6. **Feedback** means suggestions, enhancement requests, recommendations, corrections, or other feedback provided by Customer or End Users relating to Heartland’s products or services.
7. **FERPA** means the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g and its implementing regulations at 34 CFR Part 99.
8. **Heartland Data** means all Heartland-created information, files, content, figures, images, text, files or other data provided by Heartland to Customer in connection with Customer’s or its End Users’ use of the Services.
9. **Major Enhancement** means any major functional revision to the Subscription released by Heartland during the Term.
10. **Minor Enhancement** means any minor release, update, modification or “bug fix” that does not necessarily provide materially new functionality, as determined by Heartland in its reasonable discretion, and made generally available to Customer.

- 11. Personally Identifiable Information or PII** means information provided to Heartland by Customer that consists of (a) student names; (b) students' parent and family members' names; (c) students and students' families' address; (d) personal identifiers, such as social security numbers, student number, or biometric record; (e) indirect identifiers, such as the student's date of birth, place of birth, and mother's maiden name; or (f) other information that, alone or in combination, is linked or linkable to a specific student that would allow a reasonable person, who does not have personal knowledge of the relevant circumstances, to identify the student with reasonable certainty, as defined by the regulations governing FERPA, 34 CFR § 99.3.
- 12. Proposal** means the Heartland proposal identifying the Software and Subscriptions that Customer is purchasing.
- 13. Services** mean the Software, Support Services, websites, mobile applications, or online services owned or operated by Heartland and its Affiliates, and provided to Customer.
- 14. Software** means the specific Heartland software program(s) that Customer is using as shown on the Proposal.
- 15. Subscription** means the continued provision of Software after the Initial Term.
- 16. Support Services** means the services that Heartland provides Customer in connection with the Software.
- 17. Support Incident** is defined as one specific Error or other technical issue that begins when Customer calls Heartland Technical Support and ends when either the single specific Error or other technical issue is resolved or deemed non-resolvable. Each Support Incident generates a "ticket", which will be opened, tracked and closed separately.
- 18. Support Times** means Monday through Friday, 7:00 a.m. through 7:00 p.m. ET, excluding the following holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; and Christmas Day. Hours may be limited on other bank holidays.
- 19. Updates** means modifications, enhancements, changes and alterations to the Software provided by Heartland during the Subscription, including all Major Enhancements and Minor Enhancements.

2. Grant of License

- 1. Limited License.** Subject to the terms and conditions in this Agreement, and any applicable software-specific attachments, Heartland grants Customer a non-exclusive, non-transferable, non-sublicenseable license to access and use the Services on a remote-access, subscription basis via the Internet solely in support of Customer's operations. This limited license includes standard maintenance, hosting and Support Services, patches, version releases, and upgrades that Heartland may provide or make available after initial implementation, together with any applicable additional or different terms..
- 2. Prohibited Uses.** Customer will not, and will not permit any third party to, (a) download, copy, sell, rent, lease, license, distribute, provide access to, sublicense, or otherwise make available any Service to a third party except as may be expressly set forth in this MSA and its attachments; (b) intentionally access or use any portion of the Software delivered by Heartland but not expressly licensed and paid for by Customer (c) use any Service to provide, or incorporate any Service into, any general purpose data warehousing service for the benefit of a third party; (c) reverse engineer, decompile, disassemble, or otherwise seek to obtain the source code or Heartland APIs to any Service, (d) disclose or publish performance benchmark results for the Software (as delivered or subsequently modified)

without Heartland's prior written consent; (e) transfer the Software to a different database platform or operating system, except as may be specifically allowed by Heartland in writing; (f) export or use the Software or Documentation in violation of United States, Canadian, or other applicable laws or regulations; (g) remove or obscure any proprietary or other notices contained in any Service; or (h) use any Service in violation of the terms and conditions of this Agreement or applicable law.

3. **Heartland Technology.** Customer agrees that Heartland retains all right, title and interest (including all patent, copyright, trademark, trade secret and other intellectual property rights) in and to the Service, all Documentation and Software, and any and all related and underlying technology; and any derivative works, modifications, or improvements of any of the foregoing, including any Feedback that may be incorporated (collectively, "**Heartland Technology**"). Except for the express limited rights set forth in this Agreement, no right, title or interest in any Heartland Technology is granted to Customer. Further, Customer acknowledges that the Service is offered as an online, hosted solution, and that Customer has no right to obtain a copy of the underlying computer code for any Service.
4. **Delivery.** Delivery shall be deemed complete when Heartland provides notification to Customer that Customer has the ability to access the Software.
5. **Commercial Computer Software.** The Software was developed at private expense, is commercial, and is published and copyrighted. The Software may be transferred to the U.S. government only with the prior written consent of Heartland and solely with "Restricted Rights" as that term is defined in 48 CFR § 52.227-19. In no event will the Software be licensed to Customer with rights greater than those set forth in 48 CFR § 52.227-19.

3. Privacy and Data Security

1. **Data Security.** Heartland maintains compliance with industry standard information security and privacy standards, and complies with all applicable data privacy laws, including FERPA, the Children's Online Privacy Protection Rule ("COPPA"), the California Consumer Privacy Act ("CCPA"), the California Privacy Rights Act ("CPRA"), the Payment Card Industry Data Security Standards ("PCI DSS"), and the National Automated Clearing House Association Standards ("Nacha"), as amended, together with regulations promulgated thereunder. Heartland's security controls substantially comply with the NIST Cybersecurity Framework, and are reviewed by independent third parties for compliance with SSAE standards. Heartland has also implemented security controls, including using firewall technology, encrypting data, regularly updating antivirus software, restricting access to data based on business need, identifying and authenticating access to system components, restricting physical access to data, testing security systems and processes, and maintaining internal policies that address information security.
2. **School Official.** Heartland complies with all FERPA requirements and uses PII only to provide the Services. If Customer's Confidential Information is subject to FERPA, Customer, pursuant to 34 C.F.R. § 99.31(a)(1), hereby designates Heartland as an "official" with a legitimate educational interest in the Confidential Information. Heartland's designation as an "official" of Customer is solely for the purposes of FERPA compliance and for no other purpose whatsoever, and to the extent Customer has policies, rules, and procedures binding on Customer "officials" generally, such policies, rules, and procedures will apply to Heartland only insofar as such compliance is directly relevant to compliance by Heartland and Customer with FERPA. Heartland agrees to: (i) abide by FERPA's limitations on re-disclosure of Personally Identifying Information in education records; (ii) not use or

disclose education records created or received from, by, or on behalf of Customer or its students for any purpose other than the purpose for which such disclosure is made; and, (iii) not use or disclose education records except as permitted by this Agreement, as required by law, or as authorized by Customer in writing.

3. **Heartland's Use of PII.** To the extent necessary to provide the Heartland Services, Customer authorizes Heartland to collect, access, use, transmit and/or otherwise process PII. Customer remains at all times in control of and the owner of PII that Heartland processes. By submitting or providing Heartland access to PII, Customer agrees that Heartland and its affiliates may process the PII for the sole purposes of (i) providing Heartland Services, (ii) maintaining, supporting, evaluating, improving and/or developing Heartland Services and developing new products or services, (iii) enforcing Heartland's rights under this Agreement, (iv) as permitted by applicable law, and (v) as permitted with the End User's consent, as communicated by Customer or End User to Heartland, solely with respect to their own PII. Heartland does not and will not use PII for targeted advertising.
4. **Data Breach.** Heartland agrees to comply with the requirements of all applicable laws that require the notification of individuals in the event of unauthorized release of PII or other event requiring notification. In the event of a breach of any of Heartland's security obligations or other event requiring notification under applicable law, Heartland will notify Customer as expediently as possible and without unreasonable delay, if legally permitted to do so, and assume responsibility for informing all such individuals in accordance with applicable law.

4. Software Support

1. **Software Support Services.** During the Initial Support Term and any Renewal Support Term, Heartland shall provide Support Services to Customer subject to: Customer's payment of the Support Fees set forth in Exhibit A, attached hereto, and (ii) Customer's compliance with its obligations set forth in this Agreement.
 1. **Help Desk.** Heartland will provide Customer with reasonable Help Desk assistance during the Support Times regarding the installation and implementation of the Subscription, and the identification, diagnosis and correction of Errors. Heartland will attempt to resolve any support questions posed by Customer. If Heartland reasonably determines that it would be appropriate to do so, Heartland may defer resolution of a support question until a later time. At its discretion, Heartland may provide Customer with Help Desk support during times other than the Support Time and/or beyond the maximum number of monthly and/or annual Support Incident limits (if applicable) at Heartland's then standard rates. Customer shall be responsible for paying charges for such additional Help Desk support.
 2. **Web Site.** Heartland will provide Customer with access to technical information via its web site(s) on the internet.
 3. **Enhancements.** Heartland will provide Customer with copies of all Minor Enhancements at no additional cost. Major Enhancements are not included unless specifically agreed herein. Heartland may, but is not obligated to, offer Major Enhancements to Customer at a reduced fee.
 4. **Excluded Services.** Support Services do not include training, installation, consultant services, or on-site support. However, these services are available at an additional charge to the customer.

2. Procedures for Submitting Support Incidents or Subscription Enhancements.

1. Notification. Customer must notify Heartland immediately of any suspected Error, and must provide reasonable detail of the nature of and circumstances surrounding the Error. "Reasonable detail" includes complete Subscription, hardware and network configuration information as requested by Heartland. **Notification means (listed in order of preference and efficiency):**

- a. Logging a case directly into customer portal website;
- b. Sending a detailed email to the support center; or
- c. Calling into Heartland's technical Help Desk via Heartland's toll-free number.

2. Remote Diagnostics. Heartland may perform any Error diagnostic or correction work via remote communication. If such remote support is unable to resolve the Error, Heartland may require Customer to provide data files on removable media via overnight courier (or other shipping method that provides end-to-end tracking) or other mutually agreed upon electronic medium at Customer's expense.

3. Error Correction. Heartland will make reasonable efforts to resolve reported, reproducible Errors. Customer will promptly provide Heartland with all information requested by Heartland to reproduce and resolve Errors. For each Error, Heartland will use reasonable efforts to provide Customer with (a) a work-around, (b) a Software patch or, (c) if Heartland cannot provide Customer with either (a) or (b), a specific action plan, including a good faith timing estimate, for resolving the Error.

3. Error Priorities and Response Times. Heartland will use reasonable efforts to communicate with Customer, by telephone, e-mail, or Heartland's website as described below, regarding Errors that are reported during the Support Times. For purposes of this Agreement, a "response" means Heartland's acknowledgment of an Error, and does not indicate that a resolution will be reached.

1. Level One Response: Where a major fault occurs such that a business critical function is not operational, and major user inconvenience is being caused then, during Support Times, Heartland shall endeavor to respond within two hours.

2. Level Two Response: Where a fault occurs such that a function is not operational, and while a workaround is available, the fault is causing significant user inconvenience then, during Support Times, Heartland shall respond within four hours.

3. Level Three Response: Where a fault occurs such that a non-critical function is not operational, which is causing an inconvenient problem but is not causing significant user inconvenience then, during Support Times, Heartland shall respond within one business day; or

4. Level Four Response: Where a fault occurs such that a cosmetic, non-urgent problem is being caused, e.g. a field is in the wrong position, then, during Support Times, Heartland shall respond within three business days.

4. Limitations on Support Services. Notwithstanding anything to the contrary elsewhere in this Agreement, Heartland will have no obligation to provide any support services to Customer if:

- 1.** Such support relates to or involves any products, data, features, devices or equipment not provided or specified as compatible by Heartland;

2. Customer or a third party has altered or modified any portion of the Software in any manner without the prior written consent of Heartland;
 3. Customer has not installed or used the Software in accordance with instructions provided by Heartland, including failure to follow implementation procedures;
 4. Customer has failed to replace or update previous versions of the Software with Enhancements Heartland made available;
 5. A party other than Heartland has serviced the Software and the Software no longer conforms to its specifications; or
 6. Customer is not in full compliance with the other terms of this Agreement, or any other agreement between Heartland and Customer.
5. **Hardware.** Support Services do not include computer hardware, computer network, electrical, telephone, interconnection, or the installation or repair of accessories, alterations, parts or devices not provided by Heartland.
 6. **Additional Services.** At Customer's request, Heartland may provide resources to perform additional services such as software development and testing for customization, modifications, additional training, custom reports and other custom developed services related to the Software (collectively "Professional Services"). Before providing Professional Services, the parties will mutually agree in writing on the scope and cost for Professional Services.

5. Customer Obligations

1. **Customer Responsibility.** Customer accepts sole responsibility for (i) Customer's system configuration, design and requirements, (ii) the selection of the Software to achieve Customer's intended results, and (iii) modifications, changes or alterations to the Software by anyone other than Heartland or its agents that is not an Update. Customer acknowledges that it has had an opportunity to review the Documentation, it understands the functionality of the Software and its ability to work with Customer's systems and to support Customer's operations, and that it has made its own evaluation in deciding to license the Software. Customer shall follow Heartland's procedures and recommendations in resolving Errors or submitting Support Incidents.
2. **Self Help.** Before contacting Heartland for Support Services, Customer should review the following (i) Heartland's FAQ's, which provide answers to many commonly asked questions, and are continually updated, (ii) Online Video Tutorials, (iii) the help documentation related to each Software module.
3. **Access.** During the Initial Support Term or any Renewal Support Term, Customer will provide Heartland with reasonable access (via remote or on-site access) to Customer's copies of the Software to the extent necessary, in Heartland's discretion, to enable Heartland to provide the Support Services.
4. **Communications Link.** During the Term, Customer will, at its sole expense, provide internet access to Heartland, which Heartland may use to provide Support Services. Heartland will have no liability to Customer if Heartland's ability to provide Support Services is impaired by Customer's inability to provide the functionality required for remote support.
5. **Support Contact.** Customer shall designate one employee and one alternate as its Support Contacts to be generally available during the Support Times to confer with Heartland regarding Errors, Enhancements, and other support-related issues. Customer

is responsible for ensuring that the above Support Contacts have sufficient training to attain and maintain competence in using the Software. Customer shall notify Heartland promptly of any changes in the Support Contacts. Heartland will provide technical support only to Customer's Support Contacts. Upon Customer request, Heartland may provide additional Support Services to any of Customer's employees, representatives, or consultants, which will be treated as Professional Services and subject to a written mutual agreement.

6. **Verification and Audit.** Within thirty (30) days after a written request by Heartland, submitted no more than once annually, Customer shall furnish to Heartland a certification signed by an appropriate officer of Customer certifying that Customer is using the Software in accordance with the terms of this Agreement. No more often than once annually, Heartland may conduct an audit of Customer's use of the Software to ensure compliance with this Agreement.

6. Term and Termination

1. **Term.** This Agreement will commence on the Effective Date and will continue for a term of five (5) years. Thereafter, the Agreement will automatically renew for additional one (1) year periods unless either Party terminates the Agreement by giving ninety (90) days written notice prior to the end of any term. The terms and conditions in this Agreement will remain in effect for as long as Heartland provides Services to Customer.
2. **Software Subscription Terms.** Unless otherwise agreed, Heartland will provide and bill for Services on an August 1 through July 31 basis. Customer's Initial Term is from the Effective Date through July 31st of the following calendar year. Customer's Renewal Term is the successive one (1) year periods from August 1 through July 31.
3. **Termination for Cause.** Either Party may terminate this Agreement if the other Party commits a material breach of the terms of this Agreement, and such noncompliance remains uncured for more than thirty (30) days after written notice thereof.
4. **Effect of Termination.** Upon termination, to the extent Customer has no legal or regulatory requirement to retain it, Customer shall immediately cease using and destroy or return to Heartland all copies of Heartland's Confidential Information, including, without limitation, all Software and Documentation in any form, including partial copies and modified versions, and shall certify in writing to Heartland that all such copies have been destroyed or returned.
5. **Remedies.** Except as expressly provided otherwise in this Agreement, (i) all remedies available to either party are cumulative and not exclusive; and (ii) termination of this Agreement or any license shall not limit either party from pursuing other remedies available to it, including injunctive relief. Upon termination, all amounts owed under this Agreement and all Attachments shall immediately become due and payable.

7. Fees and Payment Terms

1. **License Fees.** The applicable software fees, including for the initial Software license, Subscription, and Support ("Software Fee") are set forth in the Proposal. Heartland reserves the right to increase the annual Subscription fees by not more than ten percent (10%) per year over the applicable amount for the immediately preceding year.
2. **Payment Procedures.** On or before the Effective Date, and on an annual basis 60 days prior to any Renewal Term, Heartland will invoice Customer for all Subscription Fees incurred by Customer pursuant to this Agreement. Customer shall pay all invoiced

amounts in U.S. dollars within thirty (30) days of the date of invoice. All Software fees are non-refundable and non-cancelable.

3. **Late Fees.** Late payments of fees are subject to a late charge equal to the lesser of eighteen percent (18%) per year or the highest rate permitted by applicable law.
4. **Taxes.** Customer is solely and exclusively responsible for the payment of any required federal, state and local taxes arising from or relating to the Services, except for taxes related to the net income of Heartland and any taxes or obligations imposed upon Heartland under federal, state and local wage laws. Customer shall fully reimburse and indemnify Heartland for any amounts actually paid by Heartland or withheld by Customer for any such taxes or levies within thirty (30) calendar days after the date on which Heartland gives notice thereof to Customer.
5. **Nonpayment.** In addition to all rights exercisable by Heartland, if Customer fails to pay for more than 60 days, Heartland reserves the right to suspend Services under this Agreement, and take any other action to which it is entitled under law.
6. **Purchase Orders.** If Customer requires a purchase order, Customer will inform Heartland of the purchase order number and dollar amount. Customer agrees that the absence of a purchase order, or other document may not be raised as a defense to avoid Customer's payment obligations hereunder. Terms and conditions contained in a Customer purchase order will not be binding on Heartland, and will have no effect on Heartland's provision of Services under this Agreement.
7. **Title.** Title to any tangible objects, including Hardware vests in Customer upon Heartland's shipment to Customer.
8. **Indemnification**
 1. **Intellectual Property Indemnification.** Subject to Section 8.4 below, Heartland will indemnify, defend and hold Customer harmless from and against all claims for damages, losses, liabilities or expenses, including reasonable attorneys' fees, brought against the indemnified party by a third party (collectively, "Losses"), incurred arising out of or in connection with a claim, suit, action, or proceeding brought by any third party against Customer alleging that the use of the Services as permitted hereunder infringes any United States copyright or trademark, or constitutes a misappropriation of a trade secret of a third party. Excluded from the above indemnification obligations are claims to the extent arising from (i) use of the Services in violation of this Agreement or applicable law, (ii) use of the Services after Heartland notifies Customer to discontinue use because of an infringement claim, (iii) any claim relating to any third party content or Customer Data or (iv) modifications to the Services made other than by Heartland. If the Services are held to infringe, Heartland will, at its own expense, in its sole discretion use commercially reasonable efforts either (a) to procure a license that will protect Customer against such claim without cost to Customer; (b) to replace the Services with non-infringing Services; or (c) if (a) and (b) are not commercially feasible, terminate the Agreement or the applicable Service Order Form and refund any prepaid unused fees Customer paid Heartland for the infringing Services. The rights and remedies granted Customer under this Section 5.1 state Heartland's entire liability, and Customer's exclusive remedy, with respect to any claim of infringement of the intellectual property rights of a third party, whether arising under statutory or common law or otherwise.
 2. **Data Breach Indemnification.** Heartland agrees to comply with the requirements of all applicable laws that require the notification of individuals in the event of unauthorized release of PII, or other security event requiring notification, to the extent such laws

expressly apply to Heartland. In the event of a breach of any of Heartland's security obligations or other event requiring notification under applicable law, Heartland agrees to notify Customer promptly and in accordance with applicable law, if legally permitted to do so, and assume responsibility for informing all such individuals in accordance with applicable law, and to indemnify, hold harmless and defend Customer and its employees from and against any and all claims, damages, or causes of action directly related to the unauthorized release.

3. **Customer Indemnification.** To the extent permitted by applicable law, and subject to Section 8.4 below, Customer shall indemnify, defend, and hold Heartland harmless from and against any and all Losses relating to Customer's production or distribution of any materials resulting from use of the Services: (i) are factually inaccurate, misleading or deceptive; (ii) infringe or misappropriate any intellectual property rights any third party; (iii) are libelous, defamatory, obscene or pornographic, (iv) comprise unsolicited commercial e-mail or spam, or (v) violate civil or criminal laws or regulations, including those regulating the use and distribution of content on the internet and protection of personal privacy, provided that such Losses are not solely attributable to (y) a nonconformity of the Software to perform substantially in accordance with the Documentation or (z) the Services violating any applicable civil or criminal laws or regulations.
4. **Indemnification Procedure.** The indemnified party shall (i) promptly notify the indemnifying party in writing of any claim, suit or proceeding for which indemnity is claimed, provided that failure to so notify will not remove the indemnifying party's obligation except to the extent it is prejudiced thereby, and (ii) allow the indemnifying party to solely control the defense of any claim, suit or proceeding and all negotiations for settlement. The indemnified party shall also provide the indemnifying party with reasonable cooperation and assistance in defending such claim (at the indemnifying party's cost).

9. **Warranty/Limitation of Liability**

1. **Heartland's Limited Warranty.** Heartland warrants that the Services will be performed by in a timely and professional manner. Heartland further warrants that the Services will be performed in all material respects in compliance with the functions described in the Documentation. If Customer notifies Heartland within fifteen (15) days of Customer's discovery the performance of the Services that the Services are not functioning as intended, Heartland will use good faith efforts to make the Services function as intended at no additional cost to Customer. Heartland does not warrant that it will be able to correct all defects in the Services reported by Customer. Heartland makes no warranty regarding features or services provided by third parties. The remedies set out in this subsection shall only apply if the applicable Services have been utilized by Customer in accordance with the terms of this Agreement and applicable law.
2. **NO OTHER WARRANTY.** HEARTLAND DOES NOT REPRESENT THAT THE SERVICES OR THE SOFTWARE WILL BE UNINTERRUPTED OR ERROR-FREE, OR WILL MEET CUSTOMER'S OR ANY USER'S REQUIREMENTS. HEARTLAND DOES NOT REPRESENT THAT THE OVERALL SYSTEM THAT MAKES THE SERVICES AVAILABLE (INCLUDING, BUT NOT LIMITED TO, THE INTERNET, OTHER TRANSMISSION NETWORKS, AND CUSTOMER'S LOCAL NETWORK AND EQUIPMENT) WILL BE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS. THE WARRANTIES STATED IN SECTION 6.1 ABOVE ARE THE SOLE AND EXCLUSIVE WARRANTIES AND REMEDIES OFFERED BY HEARTLAND. THERE ARE NO OTHER WARRANTIES OR CONDITIONS, EXPRESS

OR IMPLIED, INCLUDING WITHOUT LIMITATION, THOSE OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT OF THIRD PARTY RIGHTS. CUSTOMER ASSUMES ALL RESPONSIBILITY FOR DETERMINING WHETHER THE SERVICES AND SOFTWARE ARE ACCURATE OR SUFFICIENT FOR CUSTOMER'S PURPOSES.

3. **Consequential Damage Waiver.** NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY OR ANY THIRD PARTY FOR LOSS OF PROFITS, OR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING LOST PROFITS AND COSTS, IN CONNECTION WITH THE PERFORMANCE OF THE SERVICES, OR THE PERFORMANCE OF ANY OTHER OBLIGATIONS UNDER THIS AGREEMENT, EVEN IF IT IS AWARE OF THE POSSIBILITY OF THE OCCURRENCE OF SUCH DAMAGES.
4. **Limitation of Liability.** THE TOTAL CUMULATIVE LIABILITY OF EITHER PARTY TO THE OTHER FOR ANY AND ALL CLAIMS, DAMAGES OR LOSSES ("LOSS") ARISING FROM OR RELATED TO THE SERVICES OR THIS AGREEMENT, WHETHER ARISING BY STATUTE, CONTRACT, TORT, OR OTHERWISE, WILL NOT EXCEED THE FEES ACTUALLY PAID BY CUSTOMER TO HEARTLAND FOR THE SERVICES DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE LOSS. THE PROVISIONS OF THIS SECTION ALLOCATE RISKS BETWEEN THE PARTIES AND THE PRICING OFFERED TO CUSTOMER FOR THE SERVICES REFLECTS THIS ALLOCATION OF RISK AND THE LIMITATION OF LIABILITY SPECIFIED HEREIN.

10. Confidentiality.

1. **Confidential Information.** "Confidential Information" means all information provided to a Party (the "Receiving Party") by the other Party (the "Disclosing Party") that is designated in writing as proprietary or confidential or which a reasonable person familiar with the Disclosing Party's business and the industry in which it operates ought to know is of a confidential or proprietary nature. Confidential Information includes, but is not limited to, the terms and pricing of this Agreement, any internal processes, and all personal information of any Users, including, but not limited to, names, addresses, telephone numbers, email addresses, account numbers, personal data, and demographic, financial, and transaction information.
2. **Non-Disclosure of Confidential Information.** During the term of this Agreement and following termination or expiration of this Agreement, and except as otherwise set forth in Sections 10.3 and 10.4, the Receiving Party shall only use the Disclosing Party's Confidential Information for the purpose for which it was disclosed and shall not disclose such Confidential Information to any third party, except as required to perform under this Agreement or Service Order Form. The Receiving Party shall protect the Disclosing Party's Confidential Information in the same manner it protects its own confidential information, but in no event shall it protect the Disclosing Party's Confidential Information with less than commercially reasonable care. The Receiving Party shall only provide Confidential Information of the Disclosing Party to those of the Disclosing Party's employees, agents or business partners who have a need to know such Confidential Information in the course of the performance of their job duties and who are bound by a contractual duty of confidentiality no less protective than the Receiving Party's duties of confidentiality hereunder.
3. **Exclusions.** Notwithstanding the foregoing, Confidential Information will not include information that (i) was previously known free of any obligation to keep it confidential as evidenced by competent proof thereof; (ii) is or becomes publicly available, by other than

unauthorized disclosure; (iii) is rightfully received by the Receiving Party from a third party without restriction and without breach of this Agreement; (iv) is approved for release by prior written approval of the Disclosing Party; or (v) is otherwise required by law, legal process or government regulation, provided that it gives the Disclosing Party reasonable prior written notice to permit the Disclosing Party to contest such disclosure, and such disclosure is otherwise limited to the required disclosure.

4. **Return and Retention of Confidential Information.** Upon termination of this Agreement, Customer shall promptly return or destroy all Confidential Information of Heartland in its possession. Upon termination of this Agreement, Heartland shall retain all Customer Data and other documents relative to this Agreement subject to the protections herein for as long as legally required to meet its legal, regulatory, and PCI compliance obligations.
5. **No Adequate Remedy at Law.** The Parties acknowledge and agree that due to the unique nature of the Confidential Information, there may be no adequate remedy at law for any breach of the obligations of confidentiality in this Section 10. The Parties further acknowledge that any such breach may result in irreparable harm, and therefore, that upon any such breach or any threat thereof, a Party shall be entitled to seek appropriate equitable relief, including but not limited to injunction, in addition to whatever remedies it may have at law. In the event a Party should seek an injunction or other equitable relief, the other Party hereby waives any requirement for the submission of proof of the economic value of any Confidential Information or the posting of a bond or any other security.

11. Miscellaneous

1. **Entire Agreement.** This Agreement, together with any exhibits, constitutes the entire agreement between Customer and Heartland and supersedes any other prior agreements or understandings, whether oral or written, regarding the Services to be provided by Heartland. If a provision of this agreement is deemed null and void, invalid or without effect, the remainder of this agreement shall remain in effect. No amendment to or modification of this Agreement will be binding unless in writing and signed by both parties.
2. **Force Majeure.** With the exception of Customer's obligations to pay Heartland monies due under this Agreement, neither party shall be liable to the other for delay or failure to perform any obligation hereunder resulting from an event of force majeure, including (without limitation) acts of God or of the public enemy, fire, storm, flood, explosion, earthquake, hurricane, riots, wars, hostilities, civil commotion, strikes or labor disputes, interruption of supply, law or regulation, governmental action, or any other cause beyond the control of that party.
3. **Governing Law, Venue and Jurisdiction.** This Agreement shall be construed and governed by the laws of the state in which the public entity is resident without regard to legal principles related to conflict of laws. Any action arising out of or relating to this Agreement shall be brought only in the courts of the state in which the public entity is resident or in the applicable United States District Court. The parties hereto agree and consent to the personal and exclusive jurisdiction of said courts over them as to all actions, and further waive any claim that such Action is brought in an improper or inconvenient forum. In any action, the parties waive trial by jury.
4. **Notices.** Unless otherwise specified in this Agreement, all notices shall be in writing and shall be mailed (via registered or certified mail, return receipt requested), telecopied, telegraphed, delivered by a nationally recognized express courier service, or personally delivered to the other party at the address set forth below (or at such other address as

either party may designate in writing to the other party). All notices will be effective upon receipt.

For Heartland: President, Heartland School Solutions
765 Jefferson Rd #400
Rochester, NY 14623

with a copy to: General Counsel
Global Payments Inc.
3550 Lenox Rd. NE, Suite 3000
Atlanta, GA 30342

For Customer: _____

5. Severability. If any one or more of the provisions of this Agreement shall be invalid, illegal, or unenforceable in any respect under any applicable statute, rule of law, or public policy, such provision shall be considered inoperative to the extent of such invalidity, illegality, or unenforceability and the remainder of this Agreement shall continue in full force and effect. The parties agree to replace any such invalid, illegal, or unenforceable provision with a new provision that has the most nearly similar permissible legal and economic effect.

6. Headings. Headings are included in this Agreement as a matter of convenience only and shall not be controlling with regard to the interpretation of this Agreement.

7. Amendments. This Agreement shall not be modified except by written amendment signed by each of the Parties.

8. Assignment. This Agreement shall be binding upon and for the benefit of Heartland, Customer and their permitted successors and assigns. Heartland may assign this Agreement as part of a corporate reorganization, consolidation, merger, or sale of substantially all of its assets. Any attempted assignment or delegation in violation of this section will be void.

9. Relationship of the Parties. Heartland and Customer are independent contractors, and nothing in this Agreement shall be construed as making them partners or creating the relationships of employer and employee, master and servant, or principal and agent between them, for any purpose whatsoever. Neither Party shall make any contracts, warranties or representations or assume or create any obligations, express or implied, in the other Party's name or on its behalf.

HEARTLAND PAYMENT SYSTEMS, LLC

LINCOLNWOOD SCHOOL DISTRICT 74

SIGNATURE:



SIGNATURE:

BY: Jeremy Loch

BY:

TITLE: President,
School Solutions

TITLE:

DATE:

DATE: 9/19/24

MySchool Services Attachment to Master Software Services Agreement

Updated February 7, 2022

The following terms and conditions in this MySchool Services Attachment (“MySchool Services Attachment”), together with the Master Software as a Service Agreement (“Agreement”), govern Heartland’s provision of MySchoolBucks, MySchoolApps, MSB Activities, MSB Accounting (also known as BlueBear), MSB Tickets, or other services (as defined below) to Customer.

1. Definitions. Terms not otherwise defined herein will have the meanings set forth in the Agreement.

1. **“End User”** means any person who uses any of the MySchool Services to make a payment or receive information via the MySchool Services, including parents, guardians, Customer’s administrators, and any others who are authorized to access an account.
2. **“MySchoolBucks Services”** mean the websites, mobile applications, or online services, including www.MySchoolBucks.com, provided by Heartland and its Affiliates that enable payments to be made to a student’s school account or accounts, or to Customer, for fees, purchases, etc., using a credit card, debit card, or an electronic check.
3. **“MySchoolApps Services”** means the websites, mobile applications, or online services, including www.myschoolapps.com provided by Heartland and its Affiliates that enable End Users to apply for free or reduced meal services and other benefits on behalf of students.

2. Services.

1. **Online MySchoolBucks Services.** Heartland will provide a website for an End User to enable registration activities, make purchases, and process payments to a school account(s) or to Customer, provided that Customer has enrolled in payment processing services. MySchoolBucks Services may also include Customer-managed student activity accounting.
2. **Online MySchoolApps Services.** Heartland will provide a website for End Users to apply for free or reduced price meal plans or other benefits.
3. **Fees.** Heartland reserves the right to increase pricing based on the number of registrations that Customer has on an annual basis.
4. **Control of Funds.** Once an End User has made an online payment to Customer, Customer has sole discretion over the application and use of those funds, including providing refunds or returns. Heartland is not responsible for any funds, or Customer’s use of funds, after End User submits a payment using the Services.
5. **MySchoolBucks Services include:**
 1. Student participation in various school programs, events, and products, including funding a student’s lunch account, managed through the MySchoolBucks website;
 2. Services and fees managed through the MySchoolBucks website;
 3. District-to-parent messaging, and other information published through the MySchoolBucks website or mobile app.

6. **MySchoolApps Services include:** Applying for free and reduced meals online through the MySchoolApps website: <https://www.myschoolapps.com/>.

3. Heartland Relationship with End Users

1. **MySchoolBucks Services.** End Users may supply data, including confidential data and personally identifiable information (“PII”), to utilize the MySchoolBucks Services, and may be able to retrieve PII associated with their account via desktop or mobile devices. PII submitted by End Users, whether via letter, voice, fax, email, chat, SMS, social media, mobile application, or browser, will be processed in accordance with the MySchoolBucks Terms of Use and Privacy Policy, available at www.myschoolbucks.com. Heartland may communicate with End Users about the MySchoolBucks Services, but does not sell any End User information or use any End User information for marketing purposes without consent.
2. **MySchoolApps Services.** End Users may supply data, including confidential data and personally identifiable information (“PII”), to utilize the MySchoolApps Services. PII submitted by End Users, whether via letter, voice, fax, email, chat, SMS, social media, mobile application, or browser, will be processed in accordance with the MySchoolApps Terms of Use and Privacy Policy, available at <https://www.myschoolapps.com>. Heartland may communicate with End Users about the MySchoolApps Services, but does not sell any End User information or use any End User information for marketing purposes without consent.
3. Heartland has implemented policies and practices pursuant to various security rules and regulations relating to the security and safeguarding of payment data, including the Payment Card Industry Data Security Standards (PCI-DSS). When sharing PII with its Affiliates, Heartland will require those Affiliates to comply with this Attachment.
4. **MySchoolBucks Services Support.** Customer may contact Heartland for assistance resolving issues with the MySchoolBucks Services by calling 1-855-832-5226, completing the online support request form at <https://www.myschoolbucks.com/ver2/etc/getsupportrequest>, or via chat at www.myschoolbucks.com. MySchoolBucks Services support is available Monday through Friday, from 8am – 5pm Eastern Time.
5. **MySchoolApps Services Support.**
 1. Self help documentation is available at: <https://mcssoftware.atlassian.net/wiki/spaces/MSA/pages/1238761482/Heartland+MSA+Supplements>
 2. Email MSAsupport@e-hps.com with a question or a call back request. **Note:** MySchoolApps does not have a direct phone hot-line at the present time.
 3. Request MySchoolApps Services assistance from your point of sale hot-line:

Mosaic	1-800-256-8224 Option #1	mosaicsupport@e-hps.com
Nutrikids	1-800-724-9853 Option #5	hss-nk-pos_support@e-hps.com
Café Enterprise	1-866-343-2594	Hss-CE-Help@e-hps.com
WebSMARTT	1-800-748-9631	websmarttsupport@e-hps.com

MealViewer Agreement
between
Heartland Payment Systems, LLC.
and
Lincolnwood School District 74

This **MealViewer Agreement** (“Agreement”) is made as of the date of the last signature below (the “Effective Date”), by and between Heartland Payment Systems, LLC, d/b/a Heartland School Solutions, (“Heartland”), a Delaware corporation, with its principal place of business at 10 Glenlake Parkway North East, North Tower, Atlanta, GA 30328-3473 and **Lincolnwood School District 74**, with its principal place of business at **6950 N East Prairie Road, Lincolnwood, IL** (“School”). Heartland and School are collectively from time to time referred to herein as the “Parties” with each being individually referred to as a “Party.”

1. Definitions

- 1.1. **“Documentation”** means all manuals, instructions, writings electronic or other media provided by Heartland relating to the MealViewer Software.
- 1.2. **“Order Agreement”** means any document or form in which Heartland effectively provides School with one or more Subscriptions in exchange for payment thereof.
- 1.3. **“MealViewer Software Services”** or **“MealViewer Software”** means any software application (including web-based or cloud-based software) that is created, operated, or sold by Heartland pursuant to this Agreement.
- 1.4. **“MealViewer Services”** means all MealViewer Software and any associated hardware from any source.
- 1.5. **“Subscription”** means a grant from Heartland of a non-exclusive, limited right to access and/or use MealViewer Software Services.
- 1.6. **“School Data”** means all electronic data or information submitted by School or School’s Users of the MealViewer Software Services and any data derived directly therefrom by any MealViewer Software.
- 1.7. **“Updates”** means modifications, enhancements, changes and alterations to the Software provided by Heartland after the initial delivery of the Software, including all Major Enhancements and Minor Enhancements as defined in the Software Support Agreement; the term Software includes all Updates
- 1.8. **“User(s)”** means individuals who School authorizes to use the MealViewer Software Services. Users may include but are not limited to employees, consultants, contractors, agents, parents, students (including minors), and any third parties School authorizes to use and access the MealViewer Software Services.
- 1.9. **“User Data”** means the data that a parent or other User enters into the MealViewer Software. User Data may include a student’s name and allergen information, but the entry of personally identifiable information is not required.

2. Software License

- 2.1. **Grant of Rights.** Heartland grants School an annually renewable, nonexclusive, nontransferable, non-sublicensable license, subject to termination and all other provisions hereof, to (a) install, store, load, execute, run and display the MealViewer Software; (b) provide access to and allow use of the MealViewer Software by Users; (c) make and use copies of the Documentation; (d) provide access to the MealViewer Software and allow use by third parties that have a need to access the MealViewer Software in the course of providing services to School concerning School’s use of the MealViewer Software subject to the terms and conditions specified herein; and (e) utilize the MealViewer Software in any other manner agreed to by Heartland.
- 2.2. **Restrictions on Use.** School shall not use or access the MealViewer Software or provide access to any third party for any of the following: (i) to make secured areas (those for which a password, or other credential is required) of the MealViewer Software available to anyone other than authorized Users; (ii) to directly or indirectly, sublicense, relicense, distribute, disclose, use, rent or lease the Software or Documentation, or any portion thereof; (iii) to store or transmit obscene, pornographic, libelous, unlawful or tortious material, or material in violation of third-party privacy or intellectual property rights; (iv) to use the MealViewer Software to store or transmit any harmful, exploitative or malicious code or program;

(v) to interfere with, access without authorization, or disrupt the integrity or performance of the MealViewer Software, data contained therein, or any third-party dependencies; (vi) to reverse engineer the MealViewer Software; (vii) to create any competing product or service or product with similar features to the MealViewer Software; (viii) to create any application, web site or program code incorporating any interfaces, APIs or URLs exposed by the MealViewer Software without written authorization from Heartland; (ix) to copy, frame or mirror any graphics, code, content or portion of the MealViewer Software without written authorization from Heartland; (x) to disseminate performance information or analysis from any source relating to the MealViewer Software; (xii) remove any product identification, copyright notice or other proprietary marking from the MealViewer Software; or (xiii); use the MealViewer Software to create new applications, modules, products or services.

- 2.3. MealViewer Software Support.** Subject to the terms of this Agreement and the applicable Order Agreement, Heartland will: (a) provide access to MealViewer Software Services that perform the functions and/or services described in any Order Agreement; (b) provide standard email support for the MealViewer Software Services at no additional charge; (c) use commercially reasonable efforts to make the Software Services available 24 hours a day, 7 days a week, except for: (i) planned downtime during low traffic times; (ii) occasional temporary outages caused by unforeseen technological issues of Heartland technology or of that of a third-party technological dependency; or (iii) any unavailability caused by circumstances beyond Heartland's control, including without limitation, acts of God, acts of government, floods, fires, earthquakes, civil unrest, acts of terror, strikes or other labor problems (other than those involving Heartland employees), Internet service provider failures or delays, or denial of service attacks; and (d) provide the MealViewer Software Services only in accordance with applicable laws and government regulations.

2.4. Proprietary Rights

- 2.4.1. Reservation of Rights in MealViewer Software Services.** Subject to the limited rights expressly granted hereunder, Heartland reserves all rights, title and interest in and to the MealViewer Software Services, including all related intellectual property rights. No rights are granted to Customer hereunder other than usage rights for a limited time, as expressly set forth above.
- 2.4.2. Government Use.** The MealViewer Software was developed at private expense, is commercial, and is published and copyrighted. The Software may be transferred to the U.S. government only with the prior written consent of Heartland and solely with "Restricted Rights" as that term is defined in FAR 52.227-19(c)(2) (or DFAR 252.227-202.32 (c)(1) if the transfer is to a defense-related agency) or subsequent citation. If Customer is an agency of the United States government or licensing the Software for operation on behalf of the United States government, the Software is licensed to School with rights no greater than those set forth in Federal Acquisition Regulation 52.227-19(c)(2) [or DFAR 252.227-7202.32 (c)(1) if School is a defense-related agency] or subsequent citation.
- 2.4.3. Enhancements.** School, on behalf of itself and Users, hereby grants Heartland a royalty-free, worldwide, irrevocable, perpetual license to use and incorporate into the MealViewer Software Services any enhancement requests, recommendations, suggestions, or other feedback provided by School or Users.

2.5. School Responsibilities

- 2.5.1.** School shall (i) be responsible for Users' compliance with this Agreement; (ii) be responsible for the accuracy, quality and legality of any User Data which School or Users input into MealViewer Software Services; (iii) use commercially reasonable efforts to prevent unauthorized access to or use of the MealViewer Software Services, and notify Heartland promptly of any such unauthorized access or use; (iv) use the MealViewer Services only in accordance with applicable laws and government regulations; (v) if the MealViewer Services are provided to minors or minors are the intended audience of the output of the MealViewer Services, assure that any federal, state, or local (including school) regulations, guidelines, or laws are followed with respect to use of the MealViewer Services with minors; and (vi) to cooperate with Heartland in connection with efforts to protect intellectual property and other legal rights in the MealViewer Services.

- 2.5.2. **Usage Limitations.** School's Subscription may be subject to limitations, including, but not limited to, (a) disk storage space and the number of locations, rooms, or screens in which the MealViewer Software may be used or displayed. Such limits may be embedded into the MealViewer Services, or may be communicated separately.

3. Hardware

- 3.1. **Ownership.** Upon purchasing hardware from Heartland, School will fully own the hardware, with all rights and responsibilities of ownership. Hardware is not provided under any lease, rent or buyback program. As owner of the hardware, School has full rights to dispose of the hardware as School sees fit, including the right to resell the hardware or to refit or reconfigure the hardware for any purpose.
- 3.2. **School Responsibilities.** Upon delivery of hardware, School will be responsible for the following: (i) physical maintenance and security of the purchased hardware; (ii) any hardware, cabling or systems that are not part of School's purchase but which will be part of School's signage ecosystem; (iii) providing any necessary code-compliant power outlets and network connectivity appropriately positioned at each installation site where hardware is intended to be used or installed; (iv) providing and maintaining connectivity of signage player hardware ("Media Player") to the Internet via the network on which the Media Player is installed; (v) ensuring that firewalls and/or web filters installed on the network do not impede the proper functioning of Media Player(s); (vi) any hardware or operating system related issues, failures, viruses, or vulnerabilities following the purchase, or breakages which are not covered by warranty; and (vii) facilitating any warranty service that becomes necessary, including returning any defective hardware.
- 3.3. **Testing; Third Party Hardware or Software.** School is responsible for testing each purchased Media Player on the network on which the Media Player will be used prior to installation, confirming connectivity to services designated by Heartland, and resolving any network issues prior to installation. If School installs any custom software or updates on the Media Player(s), or disables or blocks any pre-configured software on the Media Player(s), School is responsible for any ensuing issues or interference with the proper functioning of the Media Player(s) or any software, including MealViewer Software, thereon. School is responsible for the quality, maintenance, troubleshooting and compatibility of any hardware or system that is provided by School that will be part of the digital signage system, including any displays provided by School or any third party that are not purchased from Seller. School is responsible for ensuring that if Heartland will be supporting the MealViewer Software on a Media Player, Heartland will have access to any remote management software or tools installed or configured on the Media Player. School may be responsible for return shipping in the event of any return or warranty request unless otherwise specified in the Warranty/Return documentation provided with a Heartland hardware purchase.
- 3.4. **Termination of MealViewer Software.** If School discontinues use of the MealViewer Services for any reason, or Heartland discontinues providing School with the MealViewer Services, Heartland shall not have any obligation to provide any ongoing support for any Media Player or any MealViewer Software installed on or accessed by the Media Player, and School shall not have the right to return or be refunded for the purchase of hardware outside of the standard limited return time window provided in section __ of this Agreement.
- 3.5. **Limitations on Third Party Hardware.** Heartland agrees to support the MealViewer Software on Media Player(s) obtained from third parties when: (1) School has an active subscription to MealViewer Software Services; (2) the Media Player is under an active warranty term or, if a warranty term has expired, the Media Player has not undergone any hardware or system failure; and (3) School fulfills its responsibilities described in Sections 3.2 and 3.3 above. School understands and acknowledges that the operating system ("OS") used in conjunction with the Media Player is not Heartland software, and Heartland is not responsible for any OS issues, including OS vulnerability or virus, interference caused by OS updates or the lack of OS updates. Heartland is not responsible for any Media Player, hardware, or display units not sold by Heartland (i.e., those provided by School or obtained from a third party).
- 3.6. Seller does not have any right or responsibility for physical security, upkeep and/or maintenance of the hardware, the OS of Media Player(s), or for any software installed on the Media Player(s) other than: Seller's software during the term of an active subscription to Seller's software and warranty term of the Media Player. To the extent that MealViewer Software becomes incompatible with a Media Player or

ceases functioning on a Media Player following the warranty term of the media player, Seller shall not be responsible or required to support such Media Player or provide backwards compatibility with such media Player, nor to replace or refund such media player; notwithstanding that replacements may be purchased from Seller.

- 3.7. **Substitutions.** Heartland reserves the right to change its hardware or technical services offerings at any time, including the right to (i) discontinue offering any hardware or technical service, (ii) substitute hardware components for any order or warranty replacement, (iii) offer alternative hardware products, configurations and/or technical services, or (iv) substitute any ordered or warranted hardware component with another component providing substantially similar or better functionality and quality.

4. **Payment and Term**

- 4.1. **License Fees.** The License Fees for the right to use the Software (the “License Fee(s)”) are based on the number of sites School purchases licenses for, and will be set forth in an Order Agreement. School will pay all fees that are specified in all Order Agreements. Except as otherwise specified herein or in a corresponding Order Agreement, (a) fees are based on the number of MealViewer Software Services Subscriptions purchased and not actual usage, (b) payment obligations are non-cancelable and fees paid are non-refundable, and (c) the number of User Subscriptions, text messages, or screen/location licenses purchased cannot be decreased during the relevant Subscription term. Except as provided in any Order Agreement, all License Fees are subject to change annually.

- 4.2. **Hardware Fees.** Hardware Fees are due upon receipt of invoice, and Heartland will not fulfill any hardware or technical services order prior to receiving payment for the order.

4.2.1. **Fulfillment of Orders.** Heartland does not manufacture the hardware it sells, and Heartland works with various manufacturers, suppliers, fulfillment partners, configuration specialists and other channel partners (collectively referred to as “Suppliers”) to provide compatible hardware that is pre-configured to run the MealViewer Software. Heartland does not maintain inventory of hardware components. Timing of fulfillment of all orders is subject to availability of all ordered hardware components from Suppliers as well as configuration and shipping time. Any expected shipping, delivery or installation date provided for purchased hardware is only an estimate and not a guarantee and Heartland is not responsible for any delay, nor any damages potentially caused by any delay.

4.2.2. **Pricing changes.** Due to significant pricing volatility in the hardware component market, quoted prices are subject to change without notice. Prices may also be affected by any substitution or offering change as described in Section 3.7. Unless specific contractual obligations are in place with respect to price, Seller reserves the right to update the price for any hardware at any time prior to providing Purchaser with an Invoice, and Invoice prices are only valid through the due date of the Invoice. If School has not paid the Invoice seven (7) days after the due date, Heartland may cancel the Invoice or may replace it with a new Invoice containing updated pricing.

4.2.3. **Shipping.** Shipment of all products shall be F.O.B Destination, unless otherwise indicated. School shall provide Heartland with shipping address(es) and/or delivery instructions. If no specific delivery instructions are given, Heartland will assume standard business hour delivery at the specified address(es). Heartland will select the most cost-effective shipping method to ensure on time delivery, with reasonable freight cost. Heartland is not liable for any additional freight charge for shipment due to the absence of shipping instructions from School. In the event of damage, delay, or loss due to the mishandling in transportation: School shall inspect all shipments upon receipt and if there is clear damage to the Hardware, shall refuse receipt of the item from the delivery agent. If there is clear damage to the Hardware but the delivery agent has left the premise, School will contact Heartland in order to contact the shipping provider for a return visit and inspection of the goods. If there is no clear damage at the time of receipt, but School finds the products to be D.O.A, School must report products as D.O.A. within twenty (20) days from the shipping date listed on the invoice, and return the products to Heartland pursuant to Section 7.8.

- 4.3. **Payment Procedures.** On or before the Effective Date and on an annual basis 60 days prior to any Renewal Support Term, Heartland will invoice School for all License Fees and Hardware Fees incurred by School pursuant to this Agreement. School shall pay all invoiced amounts in U.S. dollars within thirty

(30) days of the date of invoice. If School provides Heartland with credit card information, School authorizes Heartland to charge such credit card for the charges due under the applicable Order Agreement, and any renewal Subscriptions thereof. School is responsible for providing complete and accurate billing and contact information, and notifying Heartland of any changes to such information

- 4.4. **Late Charges.** Any invoiced amounts not paid when due will incur interest at 1.5% per month until paid in full. All fees specified herein: (i) are non-cancelable, non-refundable and non-contingent; (ii) are payable in U.S. dollars; and (iii) shall be sent to the attention of Heartland's Accounts Receivable Department.
- 4.5. **Taxes.** Excluding taxes based on Heartland's income, School is liable for all taxes, including but not limited to sales, use and ad valorem or property taxes relating to the Software, Hardware, Documentation, and/or Support Services whether or not Heartland invoices School for such taxes, duties or customs fees, regardless of whether School has provided Heartland with a valid tax exemption or direct pay certificate which exempts School from such taxes.
- 4.6. **Nonpayment.** In addition to all rights exercisable by Heartland, in the event of School's nonpayment when due of any amounts owed to Heartland, Heartland reserves the right to terminate this Agreement and/or withhold performance of any obligations, whether arising under this Agreement or otherwise, and/or change its credit terms.
- 4.7. **Purchase Orders.** If School's internal procedures require that a purchase order be issued as a prerequisite to payment of any amounts due to Heartland, School will timely issue such purchase order and inform Heartland of the number and amount thereof. School agrees that the absence of a purchase order, other ordering document or administrative procedure may not be raised as a defense to avoid or impair the performance of any of School's obligations hereunder, including payment of amounts owed to Heartland.

5. Use of Data and Confidentiality

5.1. Use of Data.

- 5.1.1. **Data intended for publishing.** The MealViewer Software is primarily a platform for marketing and publishing information about School's meal program to students and other consumers. As such, School acknowledges that the food and menu information provided through MealViewer will be made electronically available to students and other consumers without access restrictions, and that students, consumers, third parties, and MealViewer will inherently be able to view, consume, archive, analyze, and share such data. School agrees to hold MealViewer harmless for any consequence of food and menu information being made publicly available.
- 5.1.2. **Protection of User Data.** Heartland's responsibility with respect to User Data includes protecting the integrity of such data, and maintaining the privacy and confidentiality of any User Data clearly marked in the software as "private" or "internal" or otherwise indicated and mutually understood as not being intended for publishing.
- 5.1.3. **User Feedback.** As part of the MealViewer Software Services that Heartland provides, Heartland may facilitate the collection of user feedback and information. School agrees not to enable or use any user feedback or information gathering functionality in the MealViewer Software to collect information from children unless School verifies that its use of such functionality complies with local, state (or provincial), and national laws. School is responsible for the content of the surveys, polls, and/or input prompts that School (or Users) create and/or conduct through MealViewer Software, including making sure Your use of information collecting functionality complies with local, state (or provincial), and national laws.

5.2. Confidentiality

- 5.2.1. **Confidential Information.** "Confidential Information" means all information provided to a Party (the "Receiving Party") by the other Party (the "Disclosing Party") that is designated in writing as proprietary or confidential or which a reasonable person familiar with the Disclosing Party's business and the industry in which it operates ought to know is of a confidential or proprietary nature. Confidential Information includes, but is not limited to, the terms and pricing

of this Agreement, all software source code, any internal processes, and all personal information of any Users.

- 5.2.2. Non-Disclosure of Confidential Information.** During the term of this Agreement and following termination or expiration of this Agreement, and except as otherwise set forth in Sections 5.2.3 and 5.2.4, the Receiving Party shall only use the Disclosing Party's Confidential Information for the purpose for which it was disclosed and shall not disclose such Confidential Information to any third party, except as required to perform under this Agreement. The Receiving Party shall protect the Disclosing Party's Confidential Information in the same manner it protects its own confidential information, but in no event shall it protect the Disclosing Party's Confidential Information with less than commercially reasonable care. The Receiving Party shall only provide Confidential Information of the Disclosing Party to those of the Receiving Party's agents or business partners who have a need to know such Confidential Information in the course of the performance of their job duties and who are bound by a contractual duty of confidentiality no less protective than the Receiving Party's duties of confidentiality hereunder.
- 5.2.3. Exclusions.** Notwithstanding the foregoing, Confidential Information will not include information that (i) was previously known free of any obligation to keep it confidential as evidenced by competent proof thereof; (ii) is or becomes publicly available, by other than unauthorized disclosure; (iii) is rightfully received by the Receiving Party from a third party without restriction and without breach of this Agreement; (iv) is approved for release by prior written approval of the Disclosing Party; or (v) is otherwise required by law, legal process or government regulation, provided that it gives the Disclosing Party reasonable prior written notice to permit the Disclosing Party to contest such disclosure, and such disclosure is otherwise limited to the required disclosure.
- 5.2.4. Return and Retention of Confidential Information.** Upon termination of this Agreement, School shall promptly return or destroy all Confidential Information of Heartland in its possession. Upon termination of this Agreement, Heartland shall retain all School Data and other documents relative to this Agreement for the current fiscal year, plus seven (7) years after final payment for purposes of governmental audit.
- 5.2.5. No Adequate Remedy at Law.** The Parties acknowledge and agree that due to the unique nature of the Confidential Information, there may be no adequate remedy at law for any breach of the obligations of confidentiality in this Section 5.2. The Parties further acknowledge that any such breach may result in irreparable harm, and therefore, that upon any such breach or any threat thereof, a Party shall be entitled to seek appropriate equitable relief, including but not limited to injunction, in addition to whatever remedies it may have at law. In the event a Party should seek an injunction or other equitable relief, the other Party hereby waives any requirement for the submission of proof of the economic value of any Confidential Information or the posting of a bond or any other security.

6. Software Limitations; Acknowledgment and Disclaimer.

- 6.1. Limitations.** Some MealViewer Software Services may include features that may be used to identify and/or filter menu items based on particular criteria, including ingredients, allergens, particular nutritional information (e.g., carbohydrates or other nutrient data), or conformity to mandatory or voluntary dietary restrictions (collectively, "Allergen and Nutrition Calculators"). School agrees and acknowledges that Heartland does not identify any allergens, ingredients or nutritional information, and the accuracy of any such information in the system is School's sole responsibility. School agrees and acknowledges that the effectiveness of the Allergen and Nutrition Calculators in identifying the presence of ingredients, allergens, nutrients or conformity with diet restrictions is *limited* by the following: (a) whether each manufacturer of menu items sold within the district accurately and clearly provided food information and identified ALL the ingredients and allergens in the information they provided; and (b) whether that information was accurately and timely entered in ALL published menu items before being published to Users. School acknowledges that food information or ingredients may not be shown accurately in the Allergen and Nutrition Calculators for a number of reasons, including ingredient substitutions, alterations, changes in supplier, mislabeling by manufacturer, incorrect entry into the system, and failure to update School's database. It is School's responsibility to verify that all information is properly entered, and that nutritional, allergen, and special diet data is accurately reflected in the MealViewer system.

- 6.2. **Nutritional Information Disclaimer.** Heartland disclaims any responsibility for the accuracy of nutritional, allergen, or ingredient information contained in the MealViewer software, whether such information was entered or uploaded by School, School's agent, an automated process, or Heartland on School's behalf. School agrees to be solely responsible for the accuracy of all nutritional, allergy, ingredient and dietary information entered into the MealViewer Software Services, as well as verifying the accuracy of such information. School agrees to review and assess the data provided by the Allergen and Nutrition Calculators, and to disable the Allergen and Nutrition Calculators if School believes the output, formatting, and/or user interface of the Allergen and Nutrition Calculators is inadequate. **The Allergen and Nutrition Calculators should NEVER be a substitute or replacement for competent medical advice, or Users' own proper due diligence. Heartland assumes no liability for any adverse reactions related to food prepared or served by School.**
- 6.3. **Content Disclaimer.** The MealViewer Services may allow third party content to be accessed or displayed, including the internet, pictures, videos, music, graphics, sound, and other materials ("Content"). Customer is solely responsible for evaluating the Content accessed via the MealViewer Services. Heartland has no control over the Content that is accessed or displayed using the MealViewer Services. Content may be: (1) unsuitable for children/minors; (2) unreliable or inaccurate; or (3) offensive, indecent, or objectionable. Content from third parties may also harm the MealViewer Services. Content provided by vendors or third parties may be cancelled or terminated at any time without notice, and may not be refunded by that vendor or third party. Heartland is not responsible for any Content, or for any damage caused by any Content accessed through the MealViewer Services. If Heartland provides storage for Content, then such Content may be deleted without notice. Content stored on by Heartland may be deleted, modified, or damaged.

7. **Limited Warranty and Disclaimers.**

- 7.1. Heartland warrants that the MealViewer Software, as delivered to School, for the duration of this Agreement will perform substantially in accordance with the Documentation, provided that: (a) School remains a compliant, continuous subscriber to Support Services and has installed all maintenance Updates provided by Heartland, which would have cured the alleged nonconformity to perform in accordance with the Documentation; (b) School is using the MealViewer Software in accordance with the Documentation; (c) any error or defect detected is reproducible by Heartland; (d) the performance issue, error or defect does not relate exclusively to Third Party Software; and (e) School notifies Heartland of such nonconformance within the warranty period or within thirty days following expiration of the warranty period. Heartland warrants that it has title to, or the authority to grant a license to, the MealViewer Software, excluding Third Party Software, to School in accordance with the terms of this Agreement. As to Third Party Software, if any, Heartland warrants that it is licensed by the third party that has licensed the Third Party Software to Heartland, to sublicense such Third Party Software to School pursuant to the terms of this Agreement. School's sole and exclusive remedy for any breach of the foregoing warranties shall be the remedy set forth in Section 5 of this Agreement.
- 7.2. For MealViewer Software that does not conform to the warranties contained in this Agreement, Heartland will, at its sole option, and provided School otherwise complies with the terms of this Agreement, repair or replace the nonconforming Software within a commercially reasonable period of time after receiving notice from School of such nonconformance.
- 7.3. Heartland warrants that the execution, delivery and performance of this Agreement has been duly and validly authorized by all necessary corporate action of the part of Heartland (none of which actions have been modified or rescinded, and all of which actions are in full force and effect), and that this Agreement constitutes a valid and binding obligation of Heartland enforceable in accordance with its terms. Heartland will pass through to School, to the fullest extent possible, the warranties from Heartland's licensors as they relate to Third Party Software, if any.
- 7.4. Heartland DOES NOT WARRANT THAT THE SOFTWARE IS ERROR-FREE OR THAT THE SOFTWARE WILL RUN UNINTERRUPTED, OR THAT ALL SOFTWARE ERRORS CAN OR WILL BE CORRECTED.
- 7.5. School warrants that the execution, delivery and performance of this Agreement has been duly and validly authorized by all necessary corporate action of the part of School (none of which actions have been

modified or rescinded, and all of which actions are in full force and effect), and that this Agreement constitutes a valid and binding obligation of School enforceable in accordance with its terms.

7.6. School accepts sole responsibility for (i) School's system configuration, design and requirements, (ii) the selection of the MealViewer Software to achieve School's intended results, and (iii) modifications, changes or alterations to the MealViewer Software by anyone other than Heartland or its agents that is not an Update. School acknowledges that it has had an opportunity to review the Documentation, it understands the functionality of the MealViewer Software and its ability to work with School's systems and to support School's business, and that it has made its own evaluation in deciding to license the MealViewer Software.

7.7. EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT (INCLUDING, WITHOUT LIMITATION, ANY ATTACHMENT HERETO), NEITHER PARTY MAKES ANY WARRANTIES OR CONDITIONS OF ANY KIND, WHETHER EXPRESS OR IMPLIED, WITH RESPECT TO THIS AGREEMENT, THE MEALVIEWER SOFTWARE, DOCUMENTATION, OR ANY MEALVIEWER SOFTWARE SERVICES PROVIDED HEREUNDER INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT, AND EACH PARTY EXPRESSLY DISCLAIMS ANY SUCH WARRANTIES AND CONDITIONS.

7.8. **Limited Hardware Warranty**

7.8.1. **Manufacturer's Warranty.** Purchased hardware comes with the standard manufacturer warranty terms ("**Manufacturer Warranty**") as well as a 30-day limited warranty from Heartland ("**Limited Warranty**"). For any Manufacturer Warranty or Limited Warranty claims, Heartland will process warranty claims for School, provide replacement hardware, and work directly with manufacturer to process the warranty claim, according to the terms and processes described in Section 7.8.5. Depending on the merchandise and the warranty provided, the warranty process may involve advance replacement, onsite repair, depot service, or replacement/repair upon return. For the Limited Warranty, Heartland warrants the Hardware to be free from defects in workmanship or material; under normal, proper usage or service conditions. Should Hardware prove to be defective by reason of improper workmanship or material under normal, proper usage or service conditions within the Limited Warranty period, Heartland will, at its sole discretion, repair or replace the Hardware without charge for parts or labor.

7.8.2. **Warranty Conditions.** All warranties are subject to the following conditions: (i) a warranty is void if the Hardware is damaged by any individual who is not an agent of Heartland through accident, improper installation, maintenance or misuse; or by lightning, fire, water, or other acts of nature, or by excessive or inadequate electrical power surges or other irregularities; (ii) a warranty is void if the Hardware is altered, repaired, or installed with additional options or parts by anyone other than Heartland; and (iii) the warranty shall not apply if a malfunction or failure of the Hardware is due to the particular circumstances of School's use of the Hardware, for example, installing Hardware on a network with network conditions or firewall restrictions.

7.8.3. **Limited Remedy.** Should the Hardware be defective, School's sole remedy will be repair or replacement as determined by Heartland. In no event will Heartland provide a refund, discount, or credit, or be liable for any loss of the use, revenue, anticipatory profit, and direct or indirect consequential damages arising out of or connected with the sale, use in operation, or the inability to use the Hardware. Except as otherwise noted in this section, Heartland makes no representations or warranties, whether express or implied, with respect to any products, including but not limited to, warranties, merchantability, or fitness for particular purpose and all such warranties are expressly disclaimed. Specifically, Seller makes no warranty that any piece of Hardware will be operable as a digital signage player following the earlier of the expiration of the warranty on such piece of Hardware or the termination of any specific software subscription to the MealViewer Software corresponding to such piece of Hardware.

7.8.4. **Warranty Process.** In the event of a Hardware issue on Hardware covered by either the Limited Warranty or the Manufacturer Warranty, School must contact Heartland to diagnose the problem and troubleshoot the issue. If Heartland confirms a warrantable problem, School will return the

Hardware pursuant to the Return Process section below. Heartland will arrange for repair or pickup of the Hardware or provide School with a shipping label or shipping information. If the Hardware is confirmed to be defective and is still under warranty, Heartland will repair or replace the Hardware at Heartland's expense. If the Hardware is not defective, Heartland will return the Hardware to School freight collect.

- 7.8.5. Return Process.** If School seeks to return, repair or replace products, including for warranty service, School will need to request a Return Merchandise Authorization ("RMA") number from Heartland. School may be required to provide the invoice number, model number, serial number, account number, site information, organization information, the detailed reason for the return, and other information as requested by Heartland prior to Heartland issuing an RMA. Heartland must receive returned Hardware within fifteen (15) days after issuance of an RMA number. Returned Hardware shipments must include all equipment, including parts, drives, manuals, cables, accessories, etc., all in the original packaging. Hardware should be returned to the return address provided by Heartland. Heartland will provide a return shipping label, or other shipping instructions. School must include the RMA number on the mailing label(s). If School fails to comply with these requirements, Heartland may refuse shipments and impose handling charges. Any missing parts, drives, manuals, cables, accessories, or other items not returned by School may result in Heartland rejecting the warranty claim.

8. Indemnification

- 8.1. Heartland Indemnification for Infringement.** Heartland will indemnify, defend, and hold School harmless from and against any and all costs, liabilities, losses, and expenses (including, but not limited to, reasonable attorneys' fees) (collectively, "Losses") incurred arising out of or in connection with a claim, suit, action, or proceeding brought by any third party against School alleging that the use of the MealViewer Software Services as permitted hereunder infringes any United States copyright or trademark, or constitutes a misappropriation of a trade secret of a third party. Excluded from the above indemnification obligations are claims to the extent arising from (i) use of the MealViewer Software Services in violation of this Agreement or applicable law, (ii) use of the MealViewer Software Services after Heartland notifies School to discontinue use because of an infringement claim, or (iii) modifications to the MealViewer Software Services made other than by Heartland. If the MealViewer Software Services are held to infringe, Heartland will, at its own expense, in its sole discretion use reasonable commercial efforts either (a) to procure a license that will protect School against such claim without cost to School; (b) to replace the MealViewer Software Services with non-infringing services; or (c) if (a) and (b) are not commercially feasible, terminate the Agreement and refund to the School any prepaid unused fees paid to Heartland for the infringing MealViewer Software Services. The rights and remedies granted School under this Section 8.1 state Heartland's entire liability, and School's exclusive remedy, with respect to any claim of infringement of the intellectual property rights of a third party, whether arising under statutory or common law or otherwise.
- 8.2. Heartland Indemnification for Data Breach.** Heartland agrees to comply with the requirements of all applicable laws that require the notification of individuals in the event of unauthorized release of Personal Identifiable Information or other event requiring notification to the extent such laws expressly apply to Heartland. In the event of a breach of any of Heartland's security obligations or other event requiring notification under applicable law, Heartland agrees to notify the School promptly, if legally permitted to do so, and assume responsibility for informing all such individuals in accordance with applicable law, and to indemnify, hold harmless and defend the School and its employees from and against any and all claims, damages, or causes of action directly related to the unauthorized release.
- 8.3. Indemnification Procedure.** The indemnified party shall (i) promptly notify Heartland in writing of any claim, suit or proceeding for which indemnity is claimed, provided that failure to so notify will not remove Heartland's obligation except to the extent it is prejudiced thereby, and (ii) allow Heartland to solely control the defense of any claim, suit or proceeding and all negotiations for settlement. The indemnified party shall also provide Heartland with reasonable cooperation and assistance in defending such claim (at Heartland's cost).

9. Limitation of Liability.

- 9.1. EXCEPT FOR CLAIMS: (I) ALLEGEDLY ARISING OUT OF INFRINGEMENT, OR MISUSE OF EITHER PARTY'S INTELLECTUAL PROPERTY OR PROPRIETARY RIGHTS OR THEIR USE IN A MANNER WHICH IS INCONSISTENT WITH THE TERMS OF THIS AGREEMENT, OR (II) ALLEGEDLY ARISING OUT OF EITHER PARTY'S VIOLATION OF UNITED STATES OR OTHER LAWS APPLICABLE TO THE MEALVIEWER SOFTWARE OR DOCUMENTATION, INCLUDING U.S. DEPARTMENT OF COMMERCE EXPORT ADMINISTRATION REGULATIONS, NEITHER PARTY WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES, OR DAMAGES RESULTING FROM LOST DATA OR LOST PROFITS, HOWEVER ARISING, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 9.2. EXCEPT FOR CLAIMS: (I) ALLEGEDLY ARISING OUT OF INFRINGEMENT, OR MISUSE OF EITHER PARTY'S INTELLECTUAL PROPERTY OR PROPRIETARY RIGHTS OR THEIR USE IN A MANNER WHICH IS INCONSISTENT WITH THE TERMS OF THIS AGREEMENT, OR (II) ALLEGEDLY ARISING OUT OF EITHER PARTY'S VIOLATION OF UNITED STATES OR OTHER LAWS APPLICABLE TO THE MEALVIEWER SOFTWARE OR DOCUMENTATION, INCLUDING U.S. DEPARTMENT OF COMMERCE EXPORT ADMINISTRATION REGULATIONS, OR (III) NONPAYMENT OF AMOUNTS OWED TO EITHER PARTY, NEITHER PARTY'S LIABILITY FOR DAMAGES ARISING OUT OF, RELATING TO OR IN ANY WAY CONNECTED WITH THE RELATIONSHIP OF THE PARTIES, THIS AGREEMENT, ITS NEGOTIATION OR TERMINATION, OR THE PROVISION OR NON-PROVISION OF SOFTWARE, DOCUMENTATION OR SUPPORT SERVICES (WHETHER IN CONTRACT, TORT, OR OTHERWISE) SHALL EXCEED THE AMOUNT OF THE TOTAL LICENSE FEES PAID TO HEARTLAND BY CUSTOMER DURING THE TWELVE (12) MONTHS PRECEDING ANY SUCH CLAIM. THE PARTIES AGREE TO THE ALLOCATION OF LIABILITY SET FORTH IN THIS SECTION. CUSTOMER ACKNOWLEDGES THAT WITHOUT ITS AGREEMENT TO THE LIMITATIONS CONTAINED HEREIN, THE FEES CHARGED FOR THE MEALVIEWER SOFTWARE WOULD BE HIGHER.

10. Term and Termination

- 10.1. **Term of Agreement.** This Agreement commences on the Effective Date and for a period of one year ("Initial Term"). These terms and conditions will apply at any time School is using the MealViewer Software, including any Renewal Term.
- 10.2. **Renewal Term.** The Order Agreement, including this Agreement and corresponding Subscriptions will automatically renew for successive 12 month terms (each, a "Renewal Term"), unless either party provides notice of non-renewal to the other party at least 30 days before the beginning of the Renewal Term. Each Renewal Term will commence on the first day after the end of the Initial Term.
- 10.3. **Termination for Cause.** This Agreement may be terminated for cause under the following circumstances:
- 10.3.1. Either party may terminate this Agreement based on the other party's material breach of any provision herein. A party seeking to terminate under this section must provide written notice to the other party of the material breach, and allow the other party 30 days to cure the breach.
- 10.3.2. Either party may terminate for cause immediately if the other party becomes the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors;
- 10.3.3. Heartland may terminate this Agreement for cause immediately if School or Users violate Heartland's intellectual property rights;
- 10.4. **Effect of Termination.**
- 10.4.1. All rights and obligations of the Parties which by their nature are reasonably intended to survive such termination or expiration will survive termination or expiration of this Agreement.
- 10.4.2. **Payment upon Termination.** Upon termination of this Agreement, School agrees to pay Heartland any unpaid fees covering the remainder of the term of all MealViewer Software subscriptions. In no

event shall any termination relieve School of its obligation to pay any fees incurred during the period prior to termination.

10.4.3. Deletion and Return of User Data. We may delete any User Data fourteen (14) days following termination or the expiration of the Agreement. User Data may not be available after termination.

11. Miscellaneous

- 11.1 Trademarks.** The MealViewer name, logo, button icons, child character, and all related logos, products and services are trademarks or registered trademarks of Heartland. All other trademarks that appear on the website that are not owned by Heartland, or its Affiliates, are the property of their respective owners.
- 11.2 Copyright.** All content, titles, graphics, logos, button icons, images and software on the MealViewer website are the copyrighted material of Heartland, or its licensors. The compilation of all content on the MealViewer website is the exclusive property of Heartland, and is protected by U.S. and international copyright laws.
- 11.3 Use of Name and Logo.** School grants Heartland a non-exclusive license during the term of this Agreement to list School's name and display School's logo in the School section of Heartland's website and as may otherwise be necessary to provide the Services as requested by School.
- 11.4 Governing Law.** This Agreement shall be construed and governed by the laws of the state in which the government or public educational entity is located without regard to legal principles related to conflict of laws.
- 11.5 Jurisdiction & Venue.** Any suit, action or proceeding (collectively "action") arising out of or relating to this Agreement shall be brought in the state or federal courts in the state in which the government or public educational entity is located. The Parties agree and consent to the personal and exclusive jurisdiction of said courts over them as to all such actions, and further waive any claim that such action is brought in an improper or inconvenient forum.
- 11.6 Amendments.** Except as otherwise provided herein, no provision of this Agreement may be waived, amended or modified except in writing signed by an authorized representative of each Party.
- 11.7 Severability.** If any term or provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Agreement, but such terms or provisions shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the Parties herein set forth.
- 11.8 No Waiver of Rights.** Any failure of either Party to enforce any of the terms, conditions or covenants of this Agreement shall not constitute a waiver of any rights under this Agreement.
- 11.9 Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same Agreement. A facsimile or scanned version of an original signature transmitted to the other Party is effective as if the original was sent to the other Party.
- 11.10 Assignment.** This Agreement shall be binding upon and for the benefit of Heartland, School and their permitted successors and assigns. Heartland may assign this Agreement as part of a corporate reorganization, consolidation, merger, or sale of substantially all of its assets. Except for Heartland's use of subcontractors, neither Party may otherwise assign its rights or delegate its duties under this Agreement either in whole or in part without the prior written consent of the other Party, and any attempted assignment or delegation without such consent will be void.
- 11.11 Relationship of the Parties.** Heartland and School are independent contractors, and nothing in this Agreement shall be construed as making them partners or creating the relationships of employer and employee, master and servant, or principal and agent between them, for any purpose whatsoever. Neither Party shall make any contracts, warranties or representations or assume or create any obligations, express or implied, in the other Party's name or on its behalf.

- 11.12 Section Headings; Interpretation.** All section headings contained herein are for descriptive purposes only, and the language of such section shall control. All references to the plural herein shall also mean the singular and the singular shall also mean the plural unless the context otherwise requires.
- 11.13 Force Majeure.** Other than with respect to any payment or confidentiality obligation, neither Party will be liable to the other Party for any delay, error, failure in performance or interruption of performance resulting from causes beyond its reasonable control, including, but not limited to, work stoppages, fires, civil disobedience, earthquakes, floods, acts of God and similar occurrences. If a force majeure condition occurs, the Party delayed or unable to perform shall give immediate notice to the other Party and its expected duration and use its best efforts to mitigate its effects and perform hereunder.
- 11.14 Notices.** Any notice, approval, request, authorization, direction or other communication under this Agreement shall be given in writing and shall be deemed to have been delivered and given for all purposes (i) on the delivery date if delivered personally to the party to whom the same is directed; (ii) one (1) business day after deposit with a nationally recognized overnight carrier, with written verification of receipt, or (iii) five (5) business days after the mailing date whether or not actually received, if sent by U.S. certified mail, return receipt requested, postage and charges pre-paid or any other means of rapid mail delivery for which a receipt is available, to the address of the Party set forth in the first sentence of this Agreement. Either Party may change its address by giving written notice of such change to the other Party.
- 11.15 No Third Party Beneficiaries.** Nothing contained in this Agreement is intended or shall be construed to confer upon any third party any rights, benefits or remedies of any kind or character whatsoever, or to create any obligation of a Party to any such person.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed on its behalf by its duly authorized representative.

LINCOLNWOOD SCHOOL DISTRICT 74 Heartland Payment Systems, LLC.

By: _____

By:  _____

Title: _____

Title: SVP & General Manager, School Solutions

Date: _____

Date: 9/19/24

AMENDMENT TO AGREEMENT BETWEEN THE BOARD OF EDUCATION OF LINCOLNWOOD SCHOOL DISTRICT 74 AND HEARTLAND SCHOOL SOLUTIONS

This Amendment is entered into as of November 7, 2024, by and between the Board of Education of Lincolnwood School District No. 74 (“School District”) and Heartland Payment Systems, LLC (d/b/a Heartland School Solutions) a Delaware limited liability company (“Heartland”) pursuant to Quote 4327852-017693 dated July 2, 2024, the MealViewer Agreement, and the Master Software Services Agreement (collectively, the “Agreement”), and shall continue in force for any extensions of the Agreement or subsequent renewals or order forms, unless otherwise agreed by the Parties.

1. **Terms and Conditions.** This Amendment modifies the Agreement entered into by the Parties. Terms and conditions not amended herein shall have the same meaning as in the Agreement. If there is conflict between this Amendment and the Agreement, the terms of this Amendment will prevail. Heartland shall not materially modify or amend the Agreement during the term of this Agreement or any extension thereof, without providing written notice.
2. **Auto-Renewal.** The term of the Agreement between the parties shall not automatically renew. Subsequent extensions of the Agreement shall require notice to and approval of the School District.
3. **FOIA/OMA.** School District shall not be required to make any claim of privilege that may be applicable to prevent disclosure in response to, and will not be required to notify Heartland prior to any disclosure in response to, a valid FOIA request for information that is not confidential or proprietary. Heartland acknowledges and agrees that the Agreement is not confidential or exempt from disclosure under the Illinois Freedom of Information Act or Open Meetings Act.
4. **Governing Law/Venue.** This Agreement will be governed and construed in accordance with the laws of the State of Illinois, without regard to any conflicts of law provisions. Venue for all actions between the parties shall lie solely in the Circuit Court of Cook County, Illinois. Heartland hereby agrees to this exclusive venue, to personal jurisdiction of this court, and to service of process in accordance with its rules of civil procedure, and Heartland waives any objection that this venue is not convenient. Any references to binding arbitration, the waiver of the right to a jury trial, or the waiver of claims which may be litigated on a class or representative basis shall be deleted from the Agreement as it currently exists or as it may be modified or amended in the future.
5. **Illinois Student Privacy Laws.** In addition to its obligation to maintain student data in accordance with applicable federal laws, Heartland shall also maintain all student data obtained from School District in accordance with any applicable Illinois laws, including (without limitation, and only to the extent applicable) the *Illinois School Student Records Act* (105 ILCS 10/1 *et seq.*); and the *Illinois Student Online Personal Protection Act* (105 ILCS 85/1 *et seq.*) (herein “SOPPA”). In accordance with SOPPA, the School District has separately executed an Exhibit E “General Offer of Privacy Terms” to join in the IL-NDPA Agreement between Heartland and another Illinois public school district.

6. **Insurance.** During the term of this Agreement and any renewal thereof, Heartland shall maintain a cyber-liability insurance policy insuring against data breaches. School District shall be named as an additional insured on such policy. Any damages limitations in this Agreement shall not apply to School District in its capacity as an additional insured.

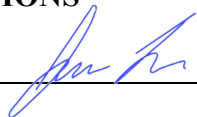
7. **Authority to Execute.** Each signatory hereto represents and warrants that he or she has the proper corporate authority to execute this Amendment and bind his or her entity to the terms and conditions hereof.

WHEREAS, this Amendment and its terms and conditions are agreed upon by the Parties on the date set forth above.

**BOARD OF EDUCATION OF
LINCOLNWOOD SCHOOL DISTRICT 74**

**HEARTLAND PAYMENT SYSTEMS,
LLC D/B/A HEARTLAND SCHOOL
SOLUTIONS**

By: _____

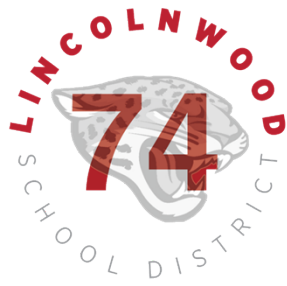
By:  _____

Its: _____

Its: Jeremy Loch- President, School
Solutions

Date: _____

Date: 10-10-24



Executive Summary

Finance Committee Meeting

DATE: November 21, 2024

TOPIC: Final 2024 Levy

PREPARED BY: Courtney Whited

Recommended for:

- ☒ Action
- ☒ Discussion
- ☒ Information

Purpose:

The Administration annually presents the Board of Education with the Property Tax Levy.

Essentially, it is a formal request intended to ask the Cook County Clerk to extend real estate tax collections to the District. A Public Hearing will take place during the Board of Education meeting on December 5, 2024. The levy must be filed with Cook County before Tuesday, December 31, 2024.

Background:

Public Act 102-0895 requires each school district to “disclose to the public, at the public hearing at which the district certifies its budget and levy for the taxable year, the cash reserve balance of all funds held by the district related to its operational levy and, if applicable, any obligations secured by those funds” (105 ILCS 5/17-1.3).

The attachments are as follows: The 2024 levy calendar, historical levy data, the 2024 levy calculations and the resulting fund balance projections, the updated 2024 levy notice and SD74's June 30, 2024 cash balance (as stated on the FY2025 budget).

Fiscal Impact:

The recommended final 2024 levy is as follows:

	2023 Extension (Given)	2024 Estimated Levy (Ask) Draft	% Change v. Prior Year Extension
Capped Funds	\$26,352,235	\$27,000,000	+2.46 % Truth in Taxation not required (<5%)
Debt Service	\$1,817,235	\$1,414,300	- 22.17 %
Total	\$28,169,470 +PA Adj. \$216,791	\$28,414,300 +PA Adj. \$unknown	+0.87 %

Recommendation:

The Finance Committee concurs with the Administration to recommend to the Board of Education to adopt the 2024 Levy by approving the following:

- Resolution Authorizing Final Aggregate Tax Levy for the Year 2024
- Certificate of Tax Levy including Secretary's Certificate
- Resolution Authorizing Life Safety Levy including Secretary's Certificate



2024 Levy

Finance Committee Meeting
November 21, 2024

Levy 2024 Calendar

Dates	Events	Tasks
October 24	Finance Committee Meeting	Reach consensus on 2024 tax levy for November's Board Of Education meeting
November 7	Board of Education Meeting	Adopt Estimated 2024 Tax Levy by Resolution; approval to publish the corresponding Notice
November 21	Publish Notice of Proposed Property Tax Increase (Not Required)	Send Notice to <i>Lincolnwood Review</i> for a NOV 21 publication date
November 21	Finance Committee Meeting	Final Levy Review
December 5	Board of Education Meeting w/ Public Hearing	Adopt Final 2024 Levy
December 6	Upload Levy on Cook County Clerk's Website	Submit Adopted Levy to Cook County Clerk before the 12/31/2024 deadline

Cook County Levy Cycle

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2023			Spring Collection of 2022 Taxes (55% of 2021 Extension)			FY23 Ends	FY24 Starts	Summer Collection of 2022 Taxes (2022 Extension - Spring Collection)				File 2023 Levy-Impacts 2023 Tax Bill Paid in 2024
2024			Spring Collection of 2023 Taxes (55% of 2022 Extension)			FY24 Ends	FY25 Starts	Summer Collection of 2023 Taxes (2023 Extension - Spring Collection)			X	File 2024 Levy-Impacts 2024 Tax Bills Paid in 2025
2025			Spring Collection of 2024 Taxes (55% of 2023 Extension)			FY25 Ends	FY26 Starts	Summer Collection of 2024 Taxes (2024 Extension - Spring Collection)				File 2025 Levy-Impacts 2025 Tax Bills Paid in 2026
2026			Spring Collection of 2025 Taxes (55% of 2024 Extension)			FY26 Ends	FY27 Starts	Summer Collection of 2025 Taxes (2025 Extension - Spring Collection)				File 2026 Levy-Impacts 2026 Tax Bills Paid in 2027

2023 Levy Review: Capped Funds Results

Capped Funds	2023 Levy (Ask)	*Extension (Given)	Delta
Educational	\$21,600,000	\$21,993,042	\$393,042
Special Ed.	\$400,000	\$407,263	\$7,263
Op. & Maint.	\$2,105,000	\$2,143,708	\$38,708
Transportation	\$1,050,000	\$1,068,962	\$18,962
IMRF	\$100,000	\$102,435	\$2,435
Social Security	\$300,000	\$305,653	\$5,653
Working Cash	\$1,000	\$826	-\$174
Tort Immunity	\$200,000	\$203,218	\$3,218
Health Life Safety	\$125,000	\$127,218	\$2,218
Total Capped	\$25,881,000	\$26,352,325	\$471,325

*According to the Cook County Clerk's Agency Tax Rate Report released June 24, 2024

2023 Levy Review: Non-Capped Funds Results

Non-Capped Funds	2023 Levy (Ask)	*Extension (Given)	Delta
Debt: Bonds' P&I	\$1,730,700	\$1,817,235	\$86,535
Levy Adj. PA102-0519	\$0	\$216,791	\$216,791
Total Non-Capped	\$1,730,700	\$2,034,026	\$303,326

*According to the Cook County Clerk's Agency Tax Rate Report released June 24, 2024

2023 Levy Review: Overall Results

All SD74 Funds	2023 Levy (Ask)	*Extension (Given)	Delta
Capped Funds	\$25,881,000	\$26,352,325	\$471,325
Non-Capped Funds	\$1,730,700	\$2,034,026	\$303,326
Round-Off Decimal		\$6,425	\$6,425
Overall	\$27,611,700	\$28,392,776	\$781,076

*According to the Cook County Clerk's Agency Tax Rate Report released June 24, 2024

Historical Tax Extensions and Estimated 2024 Levy

Lincolnwood School District 74

Equalized Assessed Value	2018 Actual	2019 Actual/Tri	2020 Actual	2021 Actual	2022 Actual/Tri	2023 Actual
Existing EAV	656,009,814	689,272,436	693,801,908	688,651,634	802,391,603	822,794,014
New/Growth/TIF	1,308,720	970,415	44,133,915	970,812	1,836,523	3,297,823
Total EAV	657,318,534	690,242,851	737,935,823	689,622,446	804,228,126	826,091,837

Historical Data	2018 Actual	2019 Actual/Tri	2020 Actual	2021 Actual	2022 Actual/Tri	2023 Actual
Consumer Price Index	2.1%	1.9%	2.3%	1.4%	7.0%	6.5%
EAV v. Prior Yr. EAV	-2.1%	4.9%	0.5%	-6.7%	16.4%	2.3%
New/Growth v. Existing EAV	0.2%	0.1%	6.4%	0.1%	0.2%	0.4%

Tax Rate	2018 Actual	2019 Actual/Tri	2020 Actual	2021 Actual	2022 Actual/Tri	2023 Actual
Educational	2.6634	2.5663	2.5780	2.7507	2.4973	2.4973
Special Ed	0.0473	0.0457	0.0473	0.0521	0.0476	0.0463
Op. & Maintenance	0.3120	0.3047	0.3072	0.3372	0.2502	0.2436
Transportation	0.0637	0.0656	0.0763	0.1158	0.1252	0.1219
Municipal Retirement	0.0275	0.0266	0.0255	0.0290	0.0188	0.0183
Social Security	0.0389	0.0440	0.0477	0.0579	0.0438	0.0426
Working Cash	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Tort Immunity	0.0001	0.0115	0.0161	0.0323	0.0263	0.0256
Life Safety	0.0704	0.0682	0.0706	0.0680	0.0302	0.0294
Sub-Total Capped Funds	3.223	3.133	3.169	3.443	3.040	3.025
One-Time PA 102-0519 Adj.				0.0437	0.0520	0.0262
Debt Service/Bonds	0.1972	0.2490	0.2328	0.2637	0.2260	0.2260
Total Tax Rate	3.421	3.382	3.402	3.751	3.318	3.277

Tax Extension	2018 Actual	2019 Actual/Tri	2020 Actual	2021 Actual	2022 Actual/Tri	2023 Actual
Educational	17,507,021	17,713,702	19,024,100	18,969,444	20,630,059	21,993,042
Special Ed	310,911	315,440	349,230	359,293	382,812	407,263
Op. & Maintenance	2,050,833	2,103,169	2,266,659	2,325,406	2,012,178	2,143,708
Transportation	418,711	452,799	563,103	798,582	1,006,893	1,068,962
Municipal Retirement	180,762	183,604	187,822	199,990	151,194	102,435
Social Security	255,696	303,706	351,688	399,291	352,251	305,653
Working Cash	657	690	764	689	804	826
Tort Immunity	657	79,377	118,780	222,748	211,511	203,218
Life Safety	462,752	470,745	521,172	468,943	242,876	127,218
Sub-Total Cap. Extension	21,188,000	21,623,232	23,383,318	23,744,386	24,990,578	26,352,325
Current vs. Prior Capped	2.31%	2.05%	8.14%	1.54%	5.25%	5.45%
P.A. 102-0519 Adj.				301,310	418,279	216,791
Debt Service/Bonds	1,296,232	1,718,705	1,717,915	1,818,589	1,817,475	1,817,235
Total Tax Extension	22,484,232	23,341,937	25,101,233	25,864,285	27,226,332	28,386,351
Rounded Decimal	2,635	2,077	3,344	3,453	4,832	6,425
Extension Grand Total	22,486,867	23,344,013	25,104,577	25,867,738	27,231,164	28,392,776

2024 Draft	Equalized Assessed Value
830,222,296	Est. +0.5% on 2023 EAV
2,500,000	Est. New/Growth/TIF
832,722,296	Estimated Total 2024 EAV

2024 Draft	Tax Levy Percent
3.4%	Consumer Price Index (CPI-U)
0.5%	Projected EAV v. Prior Yr. EAV
0.3%	New/Growth v. Projected EAV

2024 Draft	Estimated Tax Levy Rate
2.7079	Educational
0.0600	Special Ed
0.2588	Operations and Maintenance
0.1261	Transportation
0.0054	Municipal Retirement
0.0420	Social Security
0.0001	Working Cash
0.0168	Tort Immunity
0.0252	Life Safety
3.242	Sub-Total Capped Funds
0.1698	Debt Service Bond & Interest
3.412	Estimated Total Tax Rate

2024 Draft	Tax Levy (The Ask)
22,549,000	Educational
500,000	Special Ed
2,155,000	Op. & Maintenance
1,050,000	Transportation
45,000	Municipal Retirement
350,000	Social Security/Medicare
1,000	Working Cash
140,000	Tort Immunity
210,000	Life Safety
27,000,000	Sub-Total Capped Funds
2.46%	Levy vs. Prior Capped Ext.
	Unknown
1,414,300	Debt Service Bond & Interest
28,414,300	Total Levy 2024 Draft

Assumptions Used to Calculate the 2024 Levy

Pertinent Factors	Assumptions	Details
PTELL-Tax Capped	Yes	Limited by 5%
Consumer Price Index	3.40%	CPI for 2023 year applies to 2024 Levy
Actual Total EAV 2023	\$826,091,837	Cook Clerk's Agency Tax Rate Report
Estimated EAV 2024	\$830,222,296	Based on History
% Change in EAV	0.5%	
Estimated New Property	\$2,500,000	Based on History; No TIF expiration
Estimated Total EAV 2024	\$832,722,296	Estimated EAV + New Growth
Total Change from 2023	0.80%	Slight increase
Bonds Outstanding	4	Series: 2015, 2016, 2018, 2021
Capped Extension 2023	\$26,352,325	Cook Clerk's Agency Tax Rate Report
Debt Extension 2023	\$1,817,235	Cook Clerk's Agency Tax Rate Report
PA 102-0519 in 2023	\$216,791	Cook Clerk's Agency Tax Rate Report
Total Extension 2023	\$28,386,351	Cook Clerk's Agency Tax Rate Report

LEVY INPUT PAGE - ASSUMPTIONS

Legend

District Assumptions & Data Entry
Calculated Values
Review Needed

Tax Levy Year

District Name Enter District Name
 District Number Enter District Number
 Aggregate or County 1 Enter County 1 Name or Enter "Aggregate" to enter Aggregate Extension Below
 County 2 Enter County 2 Name to Itemize County Extension Below
 County 3 Enter County 3 Name to Itemize County Extension Below
 County 4 Enter County 4 Name to Itemize County Extension Below
 Fill out County names as needed - leave other boxes blank

PTELL - Tax Capped Choose Yes or No

Cook County Prior Year EAV Limit Choose Yes or No

Original Tax Levy Certificate
 Amended Tax Levy Certificate
 Enter "x" in one box only

Critical Assumptions - Formulas in this workbook are dependent on assumptions entered for PTELL & Cook County questions

Lesser of 5% or Consumer Price Index Lesser of 5% or CPI for Year Ending 2023, Applies to the 2024 Levy

Actual Rate Setting EAV for 2023 Enter Actual Rate Setting EAV for 2023

Estimated Existing EAV % Change for 2024 Enter Reassessment Percentage Before New Property

Estimated New Property for 2024 Enter Estimated New Property

Estimated Total EAV for 2024 Includes New Property

Total % Change From Prior Year Includes New Property

No. of Tax Levied Bond Issues Outstanding Flow-through to Certificate of Tax Levy, Verify Records with County Clerk(s)

Triennial Reassessment Cycle

City of Chicago - 2024
 North Suburbs - 2025
 South & West Suburbs - 2026

Note, do not include the amount of PTAB revenue recapture added to the extension pursuant to Public Act 102-0519.

	Input Statutory Maximum Tax Rate	Total 2023 Extension for all Counties	Input 2023 Cook County Extension
Educational		\$21,993,042.00	21,993,042.00
Operations & Maintenance	0.55	\$2,143,708.00	2,143,708.00
Transportation		\$1,068,962.00	1,068,962.00
Working Cash	0.05	\$826.00	826.00
Municipal Retirement		\$102,435.00	102,435.00
Social Security		\$305,653.00	305,653.00
Fire Prevention & Safety *	0.10	\$127,218.00	127,218.00
Tort Immunity		\$203,218.00	203,218.00
Special Education	0.40	\$407,263.00	407,263.00
Leasing	0.10	\$0.00	
Custom Fund Name		\$0.00	

Total Capped Extension for 2023 26,352,325.00

SEDOL IMRF (Lake County Only)

Bond and Interest Extension for 2023

Total 2023 Extension Include Abatements for Truth in Taxation (35 ILCS 200/18-70)

This Includes Abatements for the Property Tax Relief Grant

* Includes Fire Prevention, Safety, Energy Conservation, Disabled Accessibility, School Security, and Specified Repair Purposes.

2024 LEVY CALCULATION PAGE

Original Assumptions

Consumer Price Index	3.40%
Actual Total EAV for 2023	\$826,091,837

Legend

District Assumptions & Data Entry
Calculated Values
Review Needed

Limiting Rate: $\frac{\text{Prior Year Extension} \times (1 + \text{Lesser of } 5\% \text{ or CPI})}{\text{Total EAV} - \text{New Property}}$

Estimated Existing EAV % change for 2024	0.50%
Estimated Existing EAV Value for 2024	\$830,222,296

Estimated New Property for 2024	\$2,500,000
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Limiting Rate	3.2820
Estimated Capped Extension	\$27,330,355.28

Estimated Total EAV for 2024	\$832,722,296	Includes New Property
Estimated Total EAV % change for 2024	0.80%	Includes New Property

	Prior Year Extension	Statutory Maximum Tax Rate	Individual Fund Estimated Maximum Extension using Prior Year EAV	Weighted Extension Based on Prior Year Extension	Levy Amount \$	Levy Increase %	Final Levy Amount
Educational	\$21,993,042.00			\$22,809,283.49	\$22,549,000		\$22,549,000.00
Operations & Maintenance	\$2,143,708.00	0.55	\$4,557,255.10	\$2,223,268.77	\$2,155,000		\$2,155,000.00
Transportation	\$1,068,962.00			\$1,108,635.05	\$1,050,000		\$1,050,000.00
Working Cash	\$826.00	0.05	\$414,295.92	\$856.66	\$1,000		\$1,000.00
Municipal Retirement	\$102,435.00			\$106,236.73	\$45,000		\$45,000.00
Social Security	\$305,653.00			\$316,996.89	\$350,000		\$350,000.00
Fire Prevention & Safety *	\$127,218.00	0.10	\$828,591.84	\$131,939.52	\$210,000		\$210,000.00
Tort Immunity	\$203,218.00			\$210,760.16	\$140,000		\$140,000.00
Special Education	\$407,263.00	0.40	\$3,314,367.35	\$422,378.01	\$500,000		\$500,000.00
Leasing	\$0.00	0.10	\$828,591.84	\$0.00	\$0		\$0.00
	\$0.00	0.00	\$0.00	\$0.00	\$0		\$0.00

Truth in Taxation

Capped Extension	\$26,352,325.00	\$27,330,355.28	Capped Levy	\$27,000,000.00	2.46%	NO
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Levy Amount Below Estimated Extension	(\$330,355.28)
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SEDOL IMRF Extension	\$0.00
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Estimated SEDOL IMRF Levy		SEDOL IMRF Levy	\$0.00
(Lake County Only; Included in Truth in Taxation Calculation)			

Bond & Interest Extension	\$1,817,235.00
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Estimated Bond and Interest Levy	\$1,414,300.00	Bond & Int. Levy	\$1,414,300.00	-22.17%
(County Clerk Levies Bond & Interest for the District, Verify Records with County Clerk)				

Total Extension	\$28,169,560.00
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Total Levy	\$28,414,300.00	0.87%
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Capped Fund Allocations on 2024 Levy Draft vs. Prior Year

Capped Funds	2023 Levy \$	2023 Levy %	2024 EST. LEVY \$	2024 EST. LEVY %
Educational (10)	\$21,600,000	83.46%	\$22,549,000	83.51%
Special Ed (10)	\$400,000	1.55%	\$500,000	1.85%
Op. & Maint. (20)	\$2,105,000	8.13%	\$2,155,000	7.98%
Transportation (40)	\$1,050,000	4.06%	\$1,050,000	3.89%
Municipal Ret. (51)	\$100,000	0.39%	\$45,000	0.17%
Social Security (52)	\$300,000	1.16%	\$350,000	1.30%
Working Cash (70)	\$1,000	0.00%	\$1,000	0.00%
Tort Immunity (80)	\$200,000	0.77%	\$140,000	0.52%
Life Safety (90)	\$125,000	0.48%	\$210,000	0.78%
Totals	\$25,881,000	100%	\$27,000,000	100%

Average Capped Fund Expenditures vs. Draft Levy Amounts

Draft Levy 2024	Capped Levy Funds	3-Year AVG Exp.	FY24 Expenditures	FY23 Expenditures	FY22 Expenditures
\$23,049,000	Ed/SpEd (10)	\$22,565,461	\$23,532,555	\$22,443,554	\$21,720,275
\$2,155,000	Op. & Maint. (20)	\$2,096,677	\$2,378,552	\$1,909,728	\$2,001,750
\$1,050,000	Transportation (40)	\$1,420,174	\$1,563,594	\$1,383,366	\$1,313,563
\$45,000	Municipal Ret. (51)	\$203,716	\$186,714	\$192,383	\$232,051
\$350,000	Social Security (52)	\$357,668	\$380,356	\$352,159	\$340,488
\$1,000	Working Cash (70)	\$0	\$0	\$0	\$0
\$140,000	Tort Immunity (80)	\$181,874	\$183,380	\$207,768	\$154,473
\$210,000	Life Safety (90)	\$1,225,779	\$1,422,409	\$235,778	\$2,019,149
\$27,000,000	Totals	\$28,051,348	\$29,647,560	\$26,724,736	\$27,781,749

Debt Service/Bonds (Non-Capped)

Lincolnwood School District 74 Series 2015, 2016, 2018 and 2021 Bond Issues Debt Service By Levy Year

Levy Year	Series 2015 Debt Service	Series 2016 Debt Service	Series 2018 Debt Service	Series 2021 Debt Service	Capitalized Interest	District Contribution	Debt Service Levy
	-	-	-	-	-	-	-
2020	889,700.00	164,100.00	582,600.00	110,622.78	(57,523.85)	(53,098.93)	1,636,400.00
	-	-	-	-	-	-	-
2021	889,300.00	164,100.00	583,200.00	187,850.00	-	(92,760.39)	1,731,689.61
	-	-	-	-	-	-	-
2022	890,600.00	164,100.00	583,200.00	187,850.00	-	(94,060.39) ⁽¹⁾	1,731,689.61
	-	-	-	-	-	-	-
2023	891,150.00	164,100.00	177,600.00	497,850.00	-	-	1,730,700.00
	-	-	-	-	-	-	-
2024	890,950.00	164,100.00	177,600.00	181,650.00	-	-	1,414,300.00
	-	-	-	-	-	-	-
2025	-	1,059,100.00	177,600.00	181,650.00	-	-	1,418,350.00
	-	-	-	-	-	-	-

The bottom of this table was cropped

Series 2016 extends to Levy 2029, Series 2018 extends to Levy 2034, Series 2021 extends to Levy 2038

Source: PMA Securities, LLC

Property Tax Levy Collections as of 9/30/2024

Excerpt taken from Niles Township Schools Treasurer's Report

	Lincolnwood SD74	All Niles Twp. Schools
<u>2023 Levy</u>		
Total Tax Ext.	28,391,958.71	338,716,410.15
Net Collections to Date	26,677,983.22	319,311,212.91
Uncollected Taxes	1,713,975.49	19,405,197.24
Collection Ratio	93.96%	94.27%
<u>2022 Levy</u>		
Total Tax Ext.	27,230,759.40	327,020,541.88
Net Collections to Date	26,829,689.85	324,716,446.63
Uncollected Taxes	401,069.55	2,304,095.25
Collection Ratio	98.53%	99.30%
<u>2021 Levy</u>		
Total Tax Ext.	25,867,300.10	309,207,358.56
Net Collections to Date	25,797,950.37	309,124,280.94
Uncollected Taxes	69,349.73	83,077.62
Collection Ratio	99.73%	99.97%
<u>2020 Levy</u>		
Total Tax Ext.	25,099,401.79	299,960,634.02
Net Collections to Date	25,056,696.44	299,798,271.42
Uncollected Taxes	42,705.35	162,362.60
Collection Ratio	99.83%	99.95%
<u>2019 Levy</u>		
Total Tax Ext.	23,344,013.20	287,429,833.24
Net Collections to Date	23,246,226.99	288,065,866.32
Uncollected Taxes	97,786.21	-636,033.08
Collection Ratio	99.58%	100.22%
<u>2018 Levy</u>		
Total Tax Ext.	22,486,865.67	280,934,698.62
Net Collections to Date	21,892,063.70	275,430,323.07
Uncollected Taxes	594,801.97	5,504,375.55
Collection Ratio	97.35%	98.04%

Fund Balance Projections Based on the Recommended Levy

FUNDS	FY25 Beginning Fund Balance July 1, 2024	FY25 Projected R.E. Tax Revenues	FY25 Projected Other Revenues	FY25 Projected Expenditures	FY25 Transfers	FY26 Beginning Fund Balance July 1, 2025	FY26 Projected R.E. Tax Revenues	FY26 Projected Other Revenues	FY26 Projected Expenditures	FY27 Beginning Fund Balance July 1, 2026
Ed	16,430,579	22,654,100	3,739,245	-25,620,558		17,203,366	23,596,547	3,720,549	-26,645,380	17,875,082
O&M	2,129,076	2,147,167	314,708	-2,485,618		2,105,333	2,161,211	313,134	-2,642,615	1,937,063
Debt	820,485	1,820,059	21,000	-1,717,500		944,044	1,192,686	20,895	-1,401,325	756,300
Trans.	1,844,953	1,070,664	691,500	-1,650,000		1,957,117	1,039,571	688,043	-1,749,000	1,935,730
IMRF	796,532	102,593	48,300	-218,272		729,153	13,411	48,059	-225,912	564,711
SS	388,614	306,112	39,800	-424,962		309,564	374,391	39,601	-439,836	283,720
Capital	5,878,830	0	367,400	-3,144,820		3,101,410	0	365,563	-3,466,973	0
WC	604,360	824	13,300	0		618,484	1,096	13,234	0	632,813
Tort	477,855	203,619	33,200	-194,000		520,674	105,230	33,034	-200,790	458,148
HLS	1,813,795	127,409	94,000	-1,908,270	72	126,934	255,530	93,530	-40,000	435,994
TOTAL	31,185,079	28,432,547	5,362,453	-37,364,000	0	27,616,079	28,739,672	5,335,641	-36,811,830	24,879,562

Fund Balance Projections: Operational Funds Split Above Other Funds

FUNDS	FY25 Beginning Fund Balance July 1, 2024	FY25 Projected R.E. Tax Revenues	FY25 Projected Other Revenues	FY25 Projected Expenditures	FY25 Transfers	FY26 Beginning Fund Balance July 1, 2025	FY26 Projected R.E. Tax Revenues	FY26 Projected Other Revenues	FY26 Projected Expenditures	FY27 Beginning Fund Balance July 1, 2026
Ed	16,430,579	22,654,100	3,739,245	-25,620,558		17,203,366	23,596,547	3,720,549	-26,645,380	17,875,082
O&M	2,129,076	2,147,167	314,708	-2,485,618		2,105,333	2,161,211	313,134	-2,642,615	1,937,063
Trans.	1,844,953	1,070,664	691,500	-1,650,000		1,957,117	1,039,571	688,043	-1,749,000	1,935,730
IMRF	796,532	102,593	48,300	-218,272		729,153	13,411	48,059	-225,912	564,711
SS	388,614	306,112	39,800	-424,962		309,564	374,391	39,601	-439,836	283,720
WC	604,360	824	13,300	0		618,484	1,096	13,234	0	632,813
Tort	477,855	203,619	33,200	-194,000		520,674	105,230	33,034	-200,790	458,148
Oper. Funds	22,671,969	26,485,079	4,880,053	-30,593,410	0	23,443,691	27,291,456	4,855,653	-31,903,532	23,687,268
Debt	820,485	1,820,059	21,000	-1,717,500		944,044	1,192,686	20,895	-1,401,325	756,300
Capital	5,878,830	0	367,400	-3,144,820		3,101,410	0	365,563	-3,466,973	0
HLS	1,813,795	127,409	94,000	-1,908,270		126,934	255,530	93,530	-40,000	435,994
Funds 30/60/90	8,513,110	1,947,468	482,400	-6,770,590	73 0	4,172,388	1,448,216	479,988	-4,908,298	1,192,294

Lincolnwood School District 74

Fund Balances

Fiscal Year: 2023-2024

Month: 6
Year: 2024
Fund Type:

☒ Include Cash Balance
☒ FY End Report

<u>Fund</u>	<u>Description</u>	<u>Beginning Balance</u>	<u>Revenue</u>	<u>Expense</u>	<u>Transfers</u>	<u>Fund Balance</u>	<u>Cash Balance</u>	<u>Variance</u>
10	EDUCATIONAL	\$14,185,013.40	\$25,990,086.05	(\$23,532,555.42)	(\$211,965.00)	\$16,430,579.03	\$16,411,346.95	\$19,232.08
20	OPERATIONS & MAINTENANCE	\$4,215,122.81	\$2,292,504.62	(\$2,378,551.58)	(\$2,000,000.00)	\$2,129,075.85	\$1,967,108.65	\$161,967.20
30	DEBT SERVICE	\$805,374.06	\$1,822,836.19	(\$1,807,725.00)	\$0.00	\$820,485.25	\$820,485.25	\$0.00
40	TRANSPORTATION	\$1,742,536.99	\$1,666,010.02	(\$1,563,593.95)	\$0.00	\$1,844,953.06	\$1,844,953.06	\$0.00
50	MUNICIPAL RETIREMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
51	IMRF	\$808,701.76	\$174,544.09	(\$186,713.78)	\$0.00	\$796,532.07	\$796,531.94	\$0.13
52	SOCIAL SECURITY AND MEDICARE	\$405,685.77	\$363,284.05	(\$380,355.78)	\$0.00	\$388,614.04	\$388,614.04	\$0.00
60	CAPITAL PROJECTS	\$4,594,191.64	\$1,047,877.59	(\$1,975,204.66)	\$2,211,965.00	\$5,878,829.57	\$5,861,930.57	\$16,899.00
70	WORKING CASH	\$586,340.43	\$18,019.76	\$0.00	\$0.00	\$604,360.19	\$604,360.19	\$0.00
80	TORT IMMUNITY	\$439,581.77	\$221,653.27	(\$183,380.00)	\$0.00	\$477,855.04	\$477,855.04	\$0.00
90	FIRE PREVENTION & SAFETY	\$2,946,220.34	\$289,984.51	(\$1,422,409.49)	\$0.00	\$1,813,795.36	\$1,813,795.36	\$0.00
99	LINCOLNWOOD SCHOOLS ACTIVITY FUN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$17,644.32	(\$17,644.32)
Grand Total:		\$30,728,768.97	\$33,886,800.15	(\$33,430,489.66)	\$0.00	\$31,185,079.46	\$31,004,625.37	\$180,454.09

End of Report

**RESOLUTION AUTHORIZING FINAL AGGREGATE TAX
LEVY FOR THE YEAR 2024**

WHEREAS, the Board of Education of Lincolnwood School District No. 74, Cook County, Illinois (“the Board of Education”), is empowered to levy a tax on the real property within the Lincolnwood School District No. 74, Cook County, Illinois (“the School District”); and

WHEREAS, the Board of Education previously estimated the property taxes to be levied for 2024 and based on said estimate and the aggregate levy adopted below, no notice or public hearing are required under the *Truth in Taxation Law*.

WHEREAS, the District has disclosed to the public the cash reserve balance of all funds held by the District related to its operational levies and, if applicable, any obligations secured by those funds, at the hearing prior to the adoption of this levy for tax year 2024.

NOW, THEREFORE, Be It Resolved by the Board of Education of Lincolnwood School District No. 74, Cook County, Illinois, as follows:

Section 1: The aggregate property taxes to be levied for 2024, exclusive of debt service levies and levies made for the purpose of paying amounts due under public building commission leases, shall be as set forth in the Certificate of Tax Levy attached hereto and incorporated herein as Exhibit 1.

Section 2: The Secretary of the Board, or designee, is authorized and directed to file with the Clerk of Cook County on or before the last Tuesday in December 2024: a copy of this resolution, including Exhibit 1; a copy of the Truth in Taxation Law Certification of Compliance of Tax Levy; and any other additional levies, and resolutions authorizing such additional levies, adopted by the Board of Education for 2024.

Section 3: All resolutions or parts of resolutions in conflict herewith shall be and the same are hereby repealed, and this Resolution shall be in full force and effect immediately and forthwith upon its passage.

ADOPTED this 5th day of December, 2024, by a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

President, Board of Education

ATTEST:

Secretary, Board of Education

Original:

X

Amended:

ILLINOIS STATE BOARD OF EDUCATION
School Business and Support Services Division
(217) 785-8779

CERTIFICATE OF TAX LEVY

A copy of this Certificate of Tax Levy shall be filed with the County Clerk of each county in which the school district is located on or before the last Tuesday of December.

District Name	Lincolnwood SD	District Number	74	County	Cook
---------------	----------------	-----------------	----	--------	------

Amount of Levy

Educational	\$ 22,549,000
Operations & Maintenance	\$ 2,155,000
Transportation	\$ 1,050,000
Working Cash	\$ 1,000
Municipal Retirement	\$ 45,000
Social Security	\$ 350,000

Fire Prevention & Safety *	\$ 210,000
Tort Immunity	\$ 140,000
Special Education	\$ 500,000
Leasing	\$ 0
Other	\$ 0
Total Levy	\$ 27,000,000

* Includes Fire Prevention, Safety, Energy Conservation, Disabled Accessibility, School Security, and Specified Repair Purposes.

See explanation on reverse side.

Note: Any district proposing to adopt a levy must comply with the provisions set forth in the Truth in Taxation Law.

We hereby certify that we require:

the sum of 22,549,000 dollars to be levied as a special tax for educational purposes; and
the sum of 2,155,000 dollars to be levied as a special tax for operations and maintenance purposes; and
the sum of 1,050,000 dollars to be levied as a special tax for transportation purposes; and
the sum of 1,000 dollars to be levied as a special tax for a working cash fund; and
the sum of 45,000 dollars to be levied as a special tax for municipal retirement purposes; and
the sum of 350,000 dollars to be levied as a special tax for social security purposes; and
the sum of 210,000 dollars to be levied as a special tax for fire prevention, safety, energy conservation, disabled accessibility, school security and specified repair purposes; and
the sum of 140,000 dollars to be levied as a special tax for tort immunity purposes; and
the sum of 500,000 dollars to be levied as a special tax for special education purposes; and
the sum of 0 dollars to be levied as a special tax for leasing of educational facilities or computer technology or both, and temporary relocation expense purposes; and
the sum of 0 dollars to be levied as a special tax for _____; and
the sum of 0 dollars to be levied as a special tax for _____
on the taxable property of our school district for the year 2024

Signed this 5th day of December 2024. _____
(President)

(Clerk or Secretary of the School Board of Said School District)

When any school is authorized to issue bonds, the school board shall file a certified copy of the resolution in the office of the county clerk of each county in which the district is situated to provide for the issuance of the bonds and to levy a tax to pay for them. The county clerk shall extend the tax for bonds and interest as set forth in the certified copy of the resolution, each year during the life of the bond issue. Therefore to avoid a possible duplication of tax levies, the school board should not include a levy for bonds and interest in the district's annual tax levy.

Number of bond issues of said school district that have not been paid in full 4.

.....
(Detach and Return to School District)

This is to certify that the Certificate of Tax Levy for School District No. 74, Cook County, Illinois, on the equalized assessed value of all taxable property of said school district for the year 2024 was filed in the office of the County Clerk of this County on 2024.

In addition to an extension of taxes authorized by levies made by the Board of Education (Directors), an additional extension(s) will be made, as authorized by resolution(s) on file in this office, to provide funds to retire bonds and pay interest thereon.

The total levy, as provided in the original resolution(s), for said purposes for the year 2024, is \$ _____.

(Signature of County Clerk)

(Date)

(County)

STATE OF ILLINOIS)
)
COUNTY OF COOK) SS

SECRETARY’S CERTIFICATE

FINAL LEVY

I, John Vranas , the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Board of Education of Lincolnwood School District No. 74, Cook County, Illinois, and that, as such official, I am the keeper of the records and files of the Board of Education of said School District.

I do further certify that the foregoing Resolution Authorizing the Final Aggregate Tax Levy for the Year 2024, including the Certificate of Tax Levy attached thereto, is the true, correct, and complete copy of said Resolution as adopted by the Board of Education of said School District at a meeting held on the 5th day of December 2024,

IN WITNESS WHEREOF, I hereunto affix my official signature this 5th day of December, 2024.

Secretary
Board of Education
Lincolnwood School District No. 74
Cook County, Illinois

STATE OF ILLINOIS)
)
COUNTY OF COOK) ss.

TRUTH-IN-TAXATION LAW

**CERTIFICATE OF COMPLIANCE
OF FINAL LEVY 2024**

As the undersigned, President of the Board of Education of Lincolnwood School District No. 74, Cook County, Illinois, I hereby certify that I am President and presiding officer of the Board of Education of Lincolnwood School District No. 74, Cook County, Illinois, and, as such presiding officer, I certify that the Resolution Authorizing Final Aggregate Tax Levy, a copy of which is appended hereto, was adopted pursuant to, and in all respects compliant with, the applicable provisions of Sections 18-60 through 18-85 of the *Truth in Taxation Law* (35 ILCS 200/18-55 *et seq.*), and that:

1. The notice and hearing requirements of Sections 18-70, 18-75 and 18-80 required for an estimated aggregate levy exceeding the prior year's aggregate levy extension, including abatements prior to extension, by more than 105% were ***inapplicable***.
2. The notice and hearing requirements of Section 18-72 required for intent to amend the Board's certificate of tax levy were ***inapplicable***.
3. The notice requirement of Section 18-85 required for a final aggregate levy adopted in excess of the estimated aggregate levy were ***inapplicable***.

President, Board of Education

Date: _____

RESOLUTION AUTHORIZING LIFE SAFETY LEVY

WHEREAS, pursuant to Section 17-2.11 of the *School Code*, the Board of Education of Lincolnwood School District No. 74, Cook County, Illinois (“the Board of Education”), is empowered to levy a tax on the real property within the Lincolnwood School District No. 74, Cook County, Illinois (“the School District”), for authorized Fire Prevention and Safety (“Life Safety”) Fund purposes, whenever lawful Life Safety projects (including certified architect’s or engineer’s estimates) have been approved and ordered by the applicable regional superintendent and State Superintendent of Education and there are insufficient funds available in the Operations and Maintenance Fund or Fire Prevention and Safety Fund to finance such projects; and

WHEREAS, the applicable regional superintendent and State Superintendent of Education have previously approved and ordered lawful Life Safety projects (including certified architect’s or engineer’s estimates) for the School District, and the Board of Education finds that there are insufficient funds available in the Operations and Maintenance Fund or Fire Prevention and Safety Fund to finance such projects.

NOW, THEREFORE, Be It Resolved by the Board of Education of Lincolnwood School District No. 74, Cook County, Illinois, as follows:

Section 1: The recitals above and the certificates of the regional superintendent and State Superintendent of Education authorizing and ordering the School District’s lawful Life Safety projects are incorporated into this Resolution as though fully set forth herein.

Section 2: A tax for Life Safety purposes shall be levied for 2024 as set forth herein and in the District’s annual Certificate of Tax Levy.

Section 3: All resolutions or parts of resolutions in conflict herewith shall be and the same are hereby repealed, and this Resolution shall be in full force and effect immediately and forthwith upon its passage.

ADOPTED this 5th day of December, 2024, by a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

President, Board of Education

ATTEST:

Secretary, Board of Education

STATE OF ILLINOIS

COUNTY OF COOK)
) **SS**

SECRETARY’S CERTIFICATE

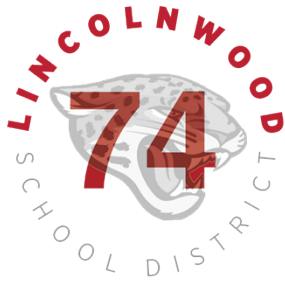
RESOLUTION AUTHORIZING LIFE SAFETY LEVY

I, John Vranas, the undersigned, hereby certify that I am the duly qualified and acting Secretary of the Board of Education of Lincolnwood School District No. 74, Cook County, Illinois, and that, as such official, I am the keeper of the records and files of the Board of Education of said School District.

I do further certify that the foregoing Resolution Authorizing Life Safety Levy is the true, correct, and complete copy of said Resolution as adopted by the Board of Education of said School District at a meeting held on the 5th day of December, 2024.

IN WITNESS WHEREOF, I hereunto affix my official signature this 5th day of December, 2024.

Secretary
Board of Education
Lincolnwood School District No. 74
Cook County, Illinois



Executive Summary Finance Committee Meeting

DATE: November 21, 2024

TOPIC: FY24 Final Audit and The OPEB GASB 74/75 by Lauterbach & Amen, LLP

PREPARED BY: Courtney Whited

Recommended for:

Action

☒ Discussion

☒ Information

Purpose/Background:

Annually, the District's auditors present the Fiscal Year Audit to the Board of Education.

The firm of Lauterbach & Amen LLP has prepared the Fiscal Year Audit for 2024. The corresponding GASB report was completed in tandem with MWM Consulting Group.

Included in this packet::

- Lincolnwood School District 74 2024 Annual Financial Report
- Significant Audit Findings Summary
- Lincolnwood School District 74 Management Letter
- Actuarial GASB Statements 74/75 for SD #74 Post-Retirement Benefits

Fiscal Impact:

None

Recommendation:

The Fiscal Year 2024 Lauterbach & Amen, LLP Audit Report is presented to the Finance Committee for informational purposes only. The Audit Report will be presented to the Board of Education at the December 5, 2024 Lincolnwood School District 74 Board of Education meeting and subsequently posted on the District's website.

LINCOLNWOOD SCHOOL DISTRICT 74, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
JUNE 30, 2024

6950 North East Prairie Road
Lincolnwood, IL 60712
Phone: 847.675.8234
www.sd74.org

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FINANCIAL SECTION

This section includes:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

INDEPENDENT AUDITOR'S REPORT

This section includes the opinions of the District's independent auditing firm.



INDEPENDENT AUDITOR'S REPORT

October 29, 2024

Members of the Board of Education
Lincolnwood School District 74
Lincolnwood, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lincolnwood School District 74 (the District), Illinois, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Lincolnwood School District 74, Illinois, as of June 30, 2024, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, and supplementary pension and other post-employment benefit (OPEB) schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Lincolnwood School District 74, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2024, 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 the 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.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP



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

October 29, 2024

Members of the Board of Education
Lincolnwood School District 74
Lincolnwood, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lincolnwood School District 74, (the District), Illinois, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 29, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. According, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

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

Lincolnwood School District 74, Illinois
October 29, 2024

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

LINCOLNWOOD SCHOOL DISTRICT 74

Management's Discussion and Analysis

June 30, 2024

The discussion and analysis of Lincolnwood School District 74's (the District) financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2024. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

FINANCIAL HIGHLIGHTS

- In total, net position increased by \$3,600,143. This represents a 12.2% increase from 2023 net position and is due primarily to decreases in the Retiree Health Plan OPEB liability and IMRF net pension liability, an increase in property taxes, increase in interest revenues, and the last of the federal grant revenues from ESSER. Revenues of \$41,505,399 exceeded expenses of \$37,905,256 by \$3,600,143.
- General revenues accounted for \$31,327,104 in revenue or 75.5% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$10,178,295 or 24.5% of total revenues of \$41,505,399.
- The District had \$37,905,256 in expenses related to governmental activities. However, only \$10,178,295 of these expenses were offset by program specific charges and grants.

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 of resources and liabilities/deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). 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 program, special program and other), supporting services, operation and maintenance of facilities and transportation services.

Management's Discussion and Analysis

June 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

Government-Wide Financial Statements - Continued

Fund Financial Statements

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

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

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

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Operations and Maintenance Fund, Transportation Fund, Municipal Retirement/Social Security 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. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with this budget.

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 benefits to its non-certified employees.

LINCOLNWOOD SCHOOL DISTRICT 74

Management's Discussion and Analysis

June 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The District's combined net position was higher on June 30, 2024, than it was the year before, increasing 12.2% to \$32,994,682.

	Net Position	
	2024	2023
Current/Other Assets	\$ 42,440,658	41,271,407
Capital Assets	38,737,895	39,631,826
Total Assets	81,178,553	80,903,233
Deferred Outflows	1,528,190	1,998,825
Total Assets/Deferred Outflows	82,706,743	82,902,058
Long-Term Debt	23,937,185	25,826,745
Other Liabilities	2,485,118	3,758,400
Total Liabilities	26,422,303	29,585,145
Deferred Inflows	23,289,758	23,922,374
Total Liabilities/Deferred Inflows	49,712,061	53,507,519
Net Position		
Net Investment in Capital Assets	20,889,718	20,442,773
Restricted	11,327,911	12,069,158
Unrestricted (Deficit)	777,053	(3,117,392)
Total Net Position	32,994,682	29,394,539

A large portion of the District's net position, \$20,889,718, reflects its investment in capital assets (for example, land, construction in progress, buildings, improvements other than buildings, and equipment and vehicles), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$11,327,911, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining \$777,053, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

Management's Discussion and Analysis

June 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Revenues of \$41,505,399 exceeded expenses of \$37,905,256 by \$3,600,143. This was attributable primarily to the District's decreases in the Retiree Health Plan OPEB liability and IMRF net pension liability, with \$151,571 more in transportation expenses, \$9,006 more in instruction expenses, \$1,305,370 less in administration and business expenses, and \$1,661,701 more in operations and maintenance expenses in the current year compared to prior year. For changes in revenues charges for services increased \$40,436, property taxes and replacement taxes increased \$1,714,671, operating grants decreased \$39,905, and other general revenues increased \$785,576 from the prior year.

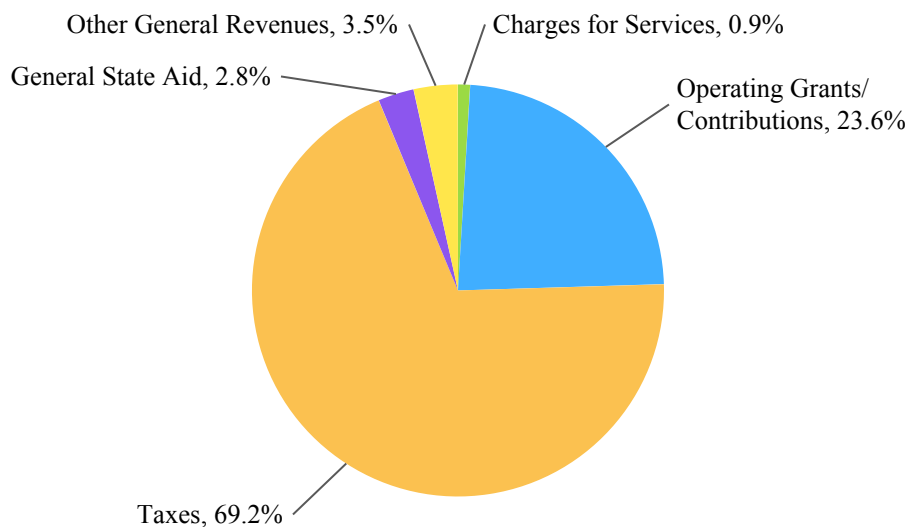
	Change in Net Position	
	2024	2023
Revenues		
Program Revenues		
Charges for Services	\$ 396,517	356,081
Operating Grants/ Contributions	9,781,778	9,821,683
General Revenues		
Taxes	28,723,236	27,008,565
General State Aid	1,166,652	1,172,936
Other General Revenues	1,437,216	651,640
Total Revenues	41,505,399	39,010,905
Expenses		
Instruction	25,151,607	25,142,601
Pupil & Instructional Staff Services	2,421,060	2,228,290
Administration & Business	4,246,974	5,552,344
Transportation	1,570,201	1,418,630
Operations & Maintenance	3,175,183	1,513,482
Other	1,340,231	1,293,846
Total Expenses	37,905,256	37,149,193
Change in Net Position	3,600,143	1,861,712
Net Position - Beginning	29,394,539	27,532,827
Net Position - Ending	32,994,682	29,394,539

Management's Discussion and Analysis

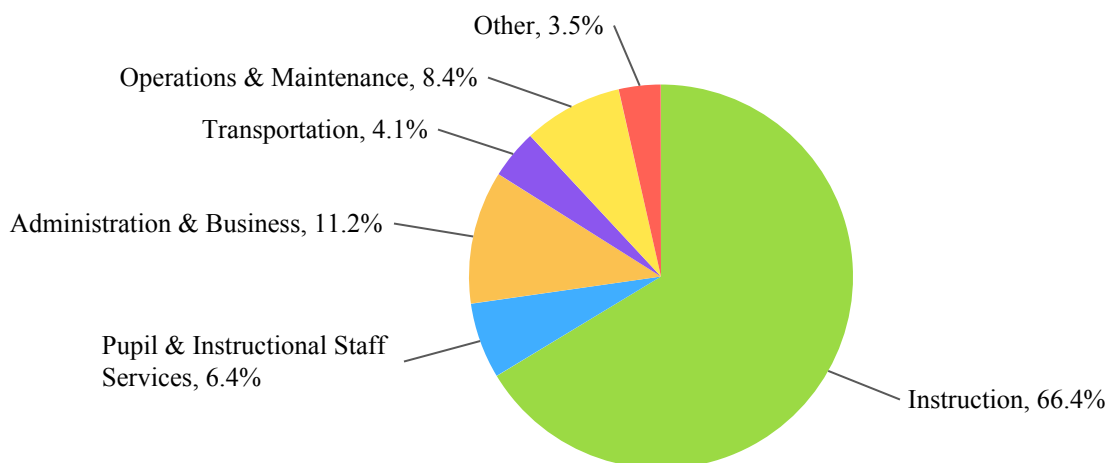
June 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

District-Wide Revenues by Source



District-Wide Expenses by Function



LINCOLNWOOD SCHOOL DISTRICT 74

Management's Discussion and Analysis

June 30, 2024

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District's Governmental Funds balance increased from \$25,552,449 to \$26,834,804.

The General Fund (Educational Account, Tort Immunity and Judgment Account and Working Cash Account) had total revenues of \$33,760,083 and total expenditures of \$31,479,930, resulting in an increase of \$2,280,153. Fund balance at year-end totaled \$15,890,895.

The Operations and Maintenance Fund had revenues in the amount of \$2,544,033 which were more than the \$2,434,904 of expenditures by \$109,129. Fund balance at year-end totaled \$1,489,208. The decrease in the current year was due to a transfer of \$2,000,000 to the Capital Projects Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund is the District's largest budgeted fund and consists of the Educational, Tort Immunity and Judgment, and Working Cash Accounts. The General Fund's actual revenues were greater than the budgeted revenues by \$169,693 in total, excluding on-behalf payments. Actual expenditures of \$23,574,553 were less than budgeted expenditures of \$24,376,870 by \$802,317, excluding on-behalf payments.

Within these accounts the Educational Account is the most significant budgeted fund. In the Educational Account revenues from local sources were under budget by \$132,795, state sources were over budget by \$20,095, and federal sources were over budget by \$274,905. Total budgeted revenues in the Educational Account were under actual revenues by \$162,205, excluding on-behalf payments. Actual Expenditures in the Educational Account were over total budgeted expenditures by \$798,328, excluding on-behalf payments.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

By the end of 2024, the District had compiled a total investment of \$38,737,895 (net of accumulated depreciation) in a board range of capital assets including land, construction in progress, buildings, improvements other than buildings, and equipment and vehicles). Total depreciation expense for the year was \$2,494,555.

	Capital Assets - Net of Depreciation	
	2024	2023
Land	\$ 2,337,500	2,337,500
Construction in Progress	—	1,567,338
Buildings	32,825,611	32,362,534
Improvements Other than	1,813,843	1,823,905
Equipment and Vehicles	1,760,941	1,540,549
Total	38,737,895	39,631,826

LINCOLNWOOD SCHOOL DISTRICT 74

Management's Discussion and Analysis

June 30, 2024

CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

Capital Assets - Continued

This year's major additions included:

Construction in Progress	\$	1,437,635
Improvements Other than Buildings		113,001
Equipment		<u>54,079</u>
		<u><u>1,604,715</u></u>

More detailed information about capital assets can be found in Note 3 of the basic financial statements.

Debt Administration

The District did not issue any debt in the current fiscal year. General Obligation Bonds payable had a balance of \$16,715,000 at the end of the current fiscal year. More detailed information on long-term debt can be found in Note 3 of the basic financial statements.

FACTORS BEARING ON THE DISTRICT'S FUTURE

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

The District conducts its operations through the use of a 5-year Strategic Plan. The plan assists in containing costs by focusing District resources relative to those initiatives outlined in the most current 2024-2029 version. Inflationary forces continue to drive up the prices on supplies and services. The District is closely monitoring property tax collections, especially during the "sunset" of a struggling local shopping mall and the "dawn" of a major new development on the corner of Lincoln and Touhy Avenues.

Major labor contracts are up for renegotiation in the next two years, while additional staff members have been added to create programming associated with a changing student body.

Another area of concern is the growing number of unfunded mandates imposed by the State. The District will continue to monitor the actions of the State legislators. The District's facilities are continually being addressed. Life Safety and capital project upgrades are taking place campus-wide to accommodate the growing needs of the programming and increased security of students and staff. Lingered supply chain issues tend to strain capital and life safety project timelines.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Lincolnwood School District 74's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Lincolnwood School District 74, 6950 N. East Prairie Road, Lincolnwood, IL 60712.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
 - Governmental Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

LINCOLNWOOD SCHOOL DISTRICT 74

Statement of Net Position

June 30, 2024

See Following Page

LINCOLNWOOD SCHOOL DISTRICT 74

Statement of Net Position

June 30, 2024

	Governmental Activities
ASSETS	
Current Assets	
Cash and Investments	\$ 27,264,448
Receivables - Net of Allowances	
Property Taxes	14,286,307
Due from Other Governments	249,213
Leases	174,871
Prepays	465,819
Total Current Assets	<u>42,440,658</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	2,337,500
Depreciable	74,603,046
Accumulated Depreciation	<u>(38,202,651)</u>
Total Noncurrent Assets	<u>38,737,895</u>
Total Assets	<u>81,178,553</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - RHP	380,209
Deferred Items - THIS	100,927
Deferred Items - TRS	97,836
Deferred Items - IMRF	949,218
Total Deferred Outflows of Resources	<u>1,528,190</u>
Total Assets and Deferred Outflows of Resources	<u>82,706,743</u>

	<u>Governmental Activities</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 462,359
Accrued Interest Payable	44,479
Salaries and Benefits Payable	679,350
Current Portion of Long-Term Debt	<u>1,298,930</u>
Total Current Liabilities	<u>2,485,118</u>
Noncurrent Liabilities	
Compensated Absences	52,211
Total OPEB Liability - RHP	1,803,856
Total OPEB Liability - THIS	3,365,035
Net Pension Liability - TRS	1,070,299
Net Pension Liability - IMRF	1,083,484
General Obligation Bonds - Net	<u>16,562,300</u>
Total Noncurrent Liabilities	<u>23,937,185</u>
Total Liabilities	<u>26,422,303</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	14,286,307
Leases	158,877
Grants	18,961
Deferred Items - RHP	108,634
Deferred Items - THIS	8,605,315
Deferred Items - TRS	110,225
Deferred Items - IMRF	<u>1,439</u>
Total Deferred Inflows of Resources	<u>23,289,758</u>
Total Liabilities and Deferred Inflows of Resources	<u>49,712,061</u>
NET POSITION	
Net Investment in Capital Assets	20,889,718
Restricted	
Tort Immunity	410,837
Student Activities	17,644
Operations and Maintenance	1,489,208
Student Transportation	1,594,503
Retirement Benefits	984,739
Debt Service	432,367
Capital Projects	5,003,176
Fire Prevention and Life Safety	1,395,437
Unrestricted	<u>777,053</u>
Total Net Position	<u>32,994,682</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Statement of Activities

For the Fiscal Year Ended June 30, 2024

		Program Revenues		(Expenses)/
		Charges	Operating	Revenues
	Expenses	for	Grants/	Governmental
		Services	Contributions	Activities
Governmental Activities				
Instruction				
Regular Programs	\$ 10,113,603	—	973	(10,112,630)
Special Programs	1,601,815	—	861,358	(740,457)
Other Instructional Programs	2,765,409	—	19,660	(2,745,749)
State Retirement Contributions	7,905,377	—	7,905,377	—
Support Services				
Pupils	1,416,852	—	—	(1,416,852)
Instructional Staff	1,004,208	—	—	(1,004,208)
General Administration	966,879	—	—	(966,879)
School Administration	957,847	—	—	(957,847)
Business	2,322,248	216,334	461,030	(1,644,884)
Transportation	1,570,201	—	483,380	(1,086,821)
Operations and Maintenance	3,175,183	180,183	50,000	(2,945,000)
Central	873,837	—	—	(873,837)
Community Services	2,882	—	—	(2,882)
Payments to Other Districts/Govts.	2,765,403	—	—	(2,765,403)
Interest on Long-Term Debt	463,512	—	—	(463,512)
Total Governmental Activities	37,905,256	396,517	9,781,778	(27,726,961)
General Revenues				
Taxes				
Real Estate Taxes, Levied for General Purposes				25,628,073
Real Estate Taxes, Levied for Specific Purposes				919,732
Real Estate Taxes, Levied for Debt Services				1,794,550
Personal Property Replacement Taxes				380,881
State Aid-Formula Grants				1,166,652
Investment Income				827,563
Other General Revenues				609,653
				<u>31,327,104</u>
Change in Net Position				3,600,143
Net Position - Beginning				<u>29,394,539</u>
Net Position - Ending				<u><u>32,994,682</u></u>

LINCOLNWOOD SCHOOL DISTRICT 74

Balance Sheet - Governmental Funds

June 30, 2024

See Following Page

LINCOLNWOOD SCHOOL DISTRICT 74

Balance Sheet - Governmental Funds June 30, 2024

		Special Revenue	
	General	Operations and Maintenance	Transportation
ASSETS			
Cash and Investments	\$ 16,006,090	1,536,700	1,711,307
Receivables - Net of Allowances			
Property Taxes	11,505,925	1,071,028	534,069
Intergovernmental	249,213	—	—
Leases	—	174,871	—
Prepays	465,819	—	—
Total Assets	28,227,047	2,782,599	2,245,376
LIABILITIES			
Accounts Payable	157,003	38,399	116,804
Salaries and Wages Payable	654,263	25,087	—
Total Liabilities	811,266	63,486	116,804
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	11,505,925	1,071,028	534,069
Leases	—	158,877	—
Grants	18,961	—	—
Total Deferred Inflows of Resources	11,524,886	1,229,905	534,069
Total Liabilities and Deferred Inflows of Resources	12,336,152	1,293,391	650,873
FUND BALANCES			
Nonspendable	465,819	—	—
Restricted	428,481	1,489,208	1,594,503
Unassigned	14,996,595	—	—
Total Fund Balances	15,890,895	1,489,208	1,594,503
Total Liabilities, Deferred Inflows of Resources and Fund Balances	28,227,047	2,782,599	2,245,376

Municipal Retirement/ Social Security	Debt Service	Capital Projects		Totals
		Capital Projects	Fire Prevention Life Safety	
984,739	476,846	5,153,329	1,395,437	27,264,448
203,887	907,838	—	63,560	14,286,307
—	—	—	—	249,213
—	—	—	—	174,871
—	—	—	—	465,819
1,188,626	1,384,684	5,153,329	1,458,997	42,440,658
—	—	150,153	—	462,359
—	—	—	—	679,350
—	—	150,153	—	1,141,709
203,887	907,838	—	63,560	14,286,307
—	—	—	—	158,877
—	—	—	—	18,961
203,887	907,838	—	63,560	14,464,145
203,887	907,838	150,153	63,560	15,605,854
—	—	—	—	465,819
984,739	476,846	5,003,176	1,395,437	11,372,390
—	—	—	—	14,996,595
984,739	476,846	5,003,176	1,395,437	26,834,804
1,188,626	1,384,684	5,153,329	1,458,997	42,440,658

LINCOLNWOOD SCHOOL DISTRICT 74

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

June 30, 2024

Total Governmental Fund Balances	\$ 26,834,804
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Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	38,737,895
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Deferred Outflows/Inflows of Resources related to the retirement plans not reported in the funds.

Deferred Items - RHP	271,575
Deferred Items - THIS	(8,504,388)
Deferred Items - TRS	(12,389)
Deferred Items - IMRF	947,779

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

Compensated Absences	(65,264)
Total OPEB Liability - RHP	(1,803,856)
Total OPEB Liability - THIS	(3,365,035)
Net Pension Liability - TRS	(1,070,299)
Net Pension Liability - IMRF	(1,083,484)
General Obligation Bonds - Net	(17,848,177)
Accrued Interest Payable	(44,479)

Net Position of Governmental Activities	32,994,682
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LINCOLNWOOD SCHOOL DISTRICT 74

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2024**

See Following Page

LINCOLNWOOD SCHOOL DISTRICT 74

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended June 30, 2024

		Special Revenue	
	General	Operations and Maintenance	Transportation
Revenues			
Local Sources			
Property Taxes	\$ 21,949,848	2,051,146	1,024,802
Corporate Personal Property Replacement Taxes	330,097	—	—
Investment Income (Loss)	242,474	312,704	37,796
Other Revenue from Local Sources	830,078	180,183	—
State Sources	1,212,095	—	483,380
Federal Sources	1,290,114	—	—
On-Behalf Payments - State of Illinois	7,905,377	—	—
Total Revenues	33,760,083	2,544,033	1,545,978
Expenditures			
Instruction			
Regular Programs	10,289,614	—	—
Special Programs	1,526,493	—	—
Other Instructional Programs	2,732,829	—	—
Support Services			
Pupils	1,377,850	—	—
Instructional Staff	878,684	—	—
General Administration	935,813	—	—
School Administration	888,031	—	—
Business	1,373,631	—	—
Transportation	—	—	1,570,201
Operations and Maintenance	—	2,434,904	—
Central	803,323	—	—
Community Service	2,882	—	—
Payments to Other Districts and Govt. Units	2,765,403	—	—
Debt Service			
Principal Retirement	—	—	—
Interest and Other	—	—	—
On-Behalf Expenditures	7,905,377	—	—
Total Expenditures	31,479,930	2,434,904	1,570,201
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,280,153	109,129	(24,223)
Other Financing Sources (Uses)			
Transfers In	—	—	—
Transfers Out	(211,965)	(2,000,000)	—
	(211,965)	(2,000,000)	—
Net Change in Fund Balances	2,068,188	(1,890,871)	(24,223)
Fund Balances - Beginning	13,822,707	3,380,079	1,618,726
Fund Balances - Ending	15,890,895	1,489,208	1,594,503

The notes to the financial statements are an integral part of this statement.

Municipal Retirement/ Social Security	Debt Service	Capital Projects		Totals
		Capital Projects	Fire Prevention and Life Safety	
450,309	1,794,550	888,724	182,976	28,342,355
50,784	—	—	—	380,881
37,421	24,487	(14,181)	186,862	827,563
—	—	—	—	1,010,261
—	—	—	—	1,695,475
—	—	7,464	50,000	1,347,578
—	—	—	—	7,905,377
538,514	1,819,037	882,007	419,838	41,509,490
124,913	—	—	—	10,414,527
77,963	—	—	—	1,604,456
32,580	—	—	—	2,765,409
39,002	—	—	—	1,416,852
18,259	—	—	—	896,943
8,614	—	—	—	944,427
32,399	—	—	—	920,430
78,100	—	1,633,411	733,893	3,819,035
—	—	—	—	1,570,201
84,213	—	—	—	2,519,117
71,028	—	—	—	874,351
—	—	—	—	2,882
—	—	—	—	2,765,403
—	1,205,000	—	—	1,205,000
—	602,725	—	—	602,725
—	—	—	—	7,905,377
567,071	1,807,725	1,633,411	733,893	40,227,135
(28,557)	11,312	(751,404)	(314,055)	1,282,355
—	—	2,211,965	—	2,211,965
—	—	—	—	(2,211,965)
—	—	2,211,965	—	—
(28,557)	11,312	1,460,561	(314,055)	1,282,355
1,013,296	465,534	3,542,615	1,709,492	25,552,449
984,739	476,846	5,001,176	1,395,437	26,834,804

The notes to the financial statements are an integral part of this statement.

LINCOLNWOOD SCHOOL DISTRICT 74

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities For the Fiscal Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds	\$ 1,282,355
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Amounts reported for Governmental Activities in the Statement of Activities
are different because:

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

Capital Outlays	1,604,715
Depreciation Expense	(2,494,555)
Disposals - Cost	(219,149)
Disposals - Accumulated Depreciation	215,058

Deferred Outflows/(Inflows) of Resources related to pensions/OPEB plans
are not reported in the funds

Change in Deferred Items - RHP	63,264
Change in Deferred Items - THIS	1,465,847
Change in Deferred Items - TRS	30,177
Change in Deferred Items - IMRF	(295,483)

The issuance of long-term debt provides current financial resources to
Governmental Funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences	88
Change in Total OPEB Liability - RHP	32,392
Change in Total OPEB Liability - THIS	(130,454)
Change in Net Pension Liability - TRS	(1,770)
Change in Net Pension Liability - IMRF	703,445
Retirement of Long-Term Debt	1,205,000
Amortization of Bond Premium	135,876

Changes to accrued interest on long-term debt in the Statement of Activities
does not require the use of current financial resources and, therefore, are not
reported as expenditures in the governmental funds.

3,337

Changes in Net Position of Governmental Activities

3,600,143

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lincolnwood School District 74 (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 government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the District's accounting policies established under GAAP and used by the District are described below.

REPORTING ENTITY

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as 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 both legally and substantively separate from the government. Management has determined that there are no fiduciary component units that are required to be included in the financial statements of the District as pension trust funds and there are no discretely component units to include in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. 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-type activities.

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions (instruction, support services, community services, etc.). The functions are supported by general government revenues (property and personal property replacement taxes, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, investment income/(loss), etc.).

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the District:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

General Fund is the general operating fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and state government aid. The General Fund is a major fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes, other than those accounted for in the Debt Service Fund, or Capital Projects Funds. The District maintains three major special revenue funds. The Operations and Maintenance Fund is used to account for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes. The Transportation Fund is used to account for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants. The Municipal Retirement/Social Security Fund is used to account 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.

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Governmental Funds - Continued

Debt Service Funds are used to account for the accumulation of resources that are restricted, committed, or assigned 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. The Debt Service Fund is treated as a major fund.

Capital Projects Funds are used to account for the financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities. The Capital Projects Fund, a major fund, is used to account for construction projects and renovations financed through local property taxes, bond proceeds or transfers from other funds. The Fire Prevention and Life Safety Fund, also a major fund, is used to account for State-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded, regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, the governmental activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus is used.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The accounting objectives of the “economic resources” measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.”

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting - Continued

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, except for state aid. State aid received after 60 days are being considers as available as historically, state aid collected within 60 days have represented all state aid expected to be collected. The state is currently being on payments to local government agencies, which is a highly unusual circumstance, resulting in current year state aid collections after 60 days of year-end. Expenditures are recorded when the related fund liability is incurred. However, expenditures for unmatured 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.

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 are 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 OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with a fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Capital Assets

Capital assets purchased or acquired with an original cost of \$500 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical costs based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings	45 Years
Improvements Other than Buildings	20 - 50 Years
Equipment and Vehicles	4 - 20 Years

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in the financial statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2024 are determined on the basis of current salary rates and include salary related payments.

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Compensated Absences - Continued

All certified employees receive a specified number of sick days per year depending on their years of service, in accordance with the agreement between the Board of Education and the Education Association. Unused sick leave days accumulate indefinitely. Upon retirement, a certified employee may apply up to 340 sick days of unused sick leave toward service credit for the Teachers' Retirement System (TRS). The employee is reimbursed for any remaining unused sick days at the rate of \$50 per day.

All twelve-month employees earn 17 paid sick days per year. Unused sick pay can accumulate without limit. Due to the nature of the policies on sick leave, and the fact that any liability is contingent upon future events and cannot be reasonably estimated, no liability is provided in the financial statements for accumulated unpaid sick leave for certified employees.

Employees who work a twelve-month year are also entitled to be compensated for vacation time. Vacations are usually taken within the fiscal year. Unused vacation days are converted into sick days if not used by August 1. Due to the nature of the policy, no liability is provided in the financial statements for accumulated vacation time for District employees.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

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

Notes to the Financial Statements

June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Net Position

In the government-wide financial statements, 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.

Restricted - Consists of net position with constraints placed on the 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 legislations.

Unrestricted - All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

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 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.

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

BUDGETARY INFORMATION - Continued

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.
6. All budget appropriations lapse at the end of the fiscal year.

The Statement of Revenues, Expenditures and Changes in Fund Balances - 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.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures over budget as of the date of this report:

Fund	6/30/23	6/30/24
Education Account	\$ 24,208	—
Operations and Maintenance	—	219,524
Transportation	—	119,201
Debt Service	—	2,000
Fire Prevention and Life Safety	646,295	—

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS UNDER THE CUSTODY OF THE TOWNSHIP TREASURER

Under the Illinois Compiled Statutes, the Niles Township School Treasurer is the lawful custodian of all school funds. The Treasurer is appointed by the Township School Trustees, an independently elected body, to serve the school districts in the Township. The Treasurer is the direct recipient of property taxes, replacement taxes, and most state and federal aid and disburses school funds upon lawful order of the school board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below. For these purposes, the Treasurer is permitted to combine monies from more than one fund of a single district and to combine monies of more than one district in the township. Monies combined under these circumstances, as well as investment earnings, are accounted for separately for each fund and/or district.

Cash and investments, other than the student activity and convenience accounts, petty cash, and imprest funds, are part of a common pool for all school districts and cooperatives within the township. The Treasurer maintains records that segregate the cash and investment balances by district or cooperative. Income from investments is distributed monthly based upon the District's percentage participation in the pool. All cash for all funds, including cash applicable to the Debt Service Fund and the Illinois Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS UNDER THE CUSTODY OF THE TOWNSHIP TREASURER - Continued

The Treasurer's investment policies are established by the Niles Township School Trustees as prescribed by the Illinois School Code and the Illinois Compiled Statutes. The Treasurer is authorized to invest in obligations of the U.S. Treasury, backed by the full faith and credit of the U.S. Government, certificates of deposit issued by commercial banks and savings and loan associations, and commercial paper rated within the three highest classifications by at least two standard rating services (subject to certain limitations).

The Treasurer's Office operates as a non-rated, external investment pool. The fair value of the District's investment in the Treasurer's pool is determined by the District's proportionate share of the fair value of the investments held by the Treasurer's Office.

The weighted average maturity of all marketable pooled investments held by the Treasurer was 5.77 years at June 30, 2024. The Treasurer also holds money market type investments, certificates of deposits and other deposits with financial institutions. As of June 30, 2024, the fair value of all investments held by the Treasurer's Office was \$389,514,262 and the fair value of the District's proportionate share of the pool was \$27,231,788.

Because all cash and investments are pooled by a separate legal governmental agency (the Treasurer), categorization by risk category is not determinable. Further information about whether investments are insured, collateralized, or uncollateralized is available from the Treasurer's financial statements.

DEPOSITS AND INVESTMENTS IN THE CUSTODY OF THE DISTRICT

Deposits of the imprest fund, which are held in the District's custody, consist of deposits with financial institutions. The following is a summary of such deposits:

	Carrying Value	Bank Balance
Deposits with Financial Institutions	\$ 32,560	32,607

The District maintains \$100 in petty cash.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from overconcentration 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.

Custodial Credit Risk - Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2024, the bank balance of the District's deposits with financial institutions totaled \$32,607; this entire amount was insured through FDIC insurance.

Notes to the Financial Statements

June 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

PROPERTY TAXES

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2023 levy resolution was approved during the December 7, 2023 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 to real property on January 1 in any year is liable for taxes of that year.

The tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by the approval of the voters of the District.

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

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two installments: the first due on March 1 and the second due on August 1 or 30 days after the second installment tax bill is mailed. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill. Property taxes are normally collected by the District within 60 days of the due date.

The 2023 property tax levy is recognized as a receivable in the fiscal year 2024, net of estimated uncollectible amounts approximating 2% and less amounts already received. The District considers that the first installment of the 2023 levy is to be used to finance operations in fiscal year 2024. The District has determined that the second installment of the 2023 levy is to be used to finance operations in fiscal year 2024 and has included the corresponding receivable as a deferred inflow of resources.

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.

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
Capital Projects Fund	Educational Account - General Fund	\$ 211,965
Capital Projects Fund	Operations and Maintenance	2,000,000
		<u>2,211,965</u>

During the year, the Board of Education transferred \$211,965 in interest earned in the General Fund (Educational Accounts) to the Capital Projects Fund and transferred \$2,000,000 from Operations and Maintenance Fund to the Capital Projects Fund.

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

JOINT AGREEMENTS

The District is a member of the Niles Township District for Special Education (NTDSE), a joint agreement that provides certain special education services to residents of many school districts. The District believes that because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not included as component units of the District.

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 2,337,500	—	—	2,337,500
Construction in Progress	1,567,338	1,437,635	3,004,973	—
	3,904,838	1,437,635	3,004,973	2,337,500
Depreciable Capital Assets				
Buildings	60,034,332	2,498,793	—	62,533,125
Improvements Other than Buildings	3,500,076	113,001	—	3,613,077
Equipment and Vehicles	8,115,734	560,259	219,149	8,456,844
	71,650,142	3,172,053	219,149	74,603,046
Less Accumulated Depreciation				
Buildings	27,671,798	2,035,716	—	29,707,514
Improvements Other than Buildings	1,676,171	123,063	—	1,799,234
Equipment and Vehicles	6,575,185	335,776	215,058	6,695,903
	35,923,154	2,494,555	215,058	38,202,651
Total Net Depreciable Capital Assets	35,726,988	677,498	4,091	36,400,395
Total Net Capital Assets	39,631,826	2,115,133	3,009,064	38,737,895

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Governmental Activities - Continued

Depreciation expense was charged to governmental activities as follows:

Regular Programs	\$ 1,566,582
Instructional Staff	107,265
General Administration	22,452
School Administration	37,417
Business	104,773
Operations and Maintenance	<u>656,066</u>
	<u><u>2,494,555</u></u>

LEASES RECEIVABLE

The District is a lessor on the following lease at year end:

Lease	Term Length	Start Date	Payments	Interest Rate
Children's Care and Development Center	5 Years	July 1, 2021	\$83,017 - \$93,436 per Year	3.50%

During the fiscal year, the District has recognized \$88,073 of lease revenue.

The future principal and interest lease payments as of the year-end were as follows:

Fiscal Year	Principal	Interest
2025	\$ 84,594	6,120
2026	<u>90,277</u>	<u>3,160</u>
	<u><u>174,871</u></u>	<u><u>9,280</u></u>

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. General Obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Limited School Bonds of 2015 - Due in annual installments of \$685,000 to \$1,590,000 plus semi-annual interest at 2.50% to 4.00% through December 1, 2025.	\$ 2,520,000	—	815,000	1,705,000
General Obligation Limited School Bonds of 2016 - Due in annual installments of \$30,000 to \$1,005,000 plus semi-annual interest at 2.50% to 4.00% through December 1, 2030.	4,205,000	—	—	4,205,000
General Obligation Limited School Bonds of 2018A - Due in annual installments of \$345,000 to \$815,000 plus semi-annual interest at 4.00% through December 1, 2035.	4,830,000	—	390,000	4,440,000
General Obligation Limited School Bonds of 2021 - Due in annual installments of \$295,000 to \$1,320,000 plus semi-annual interest at 2.00% to 3.00% through December 1, 2039.	6,365,000	—	—	6,365,000
	17,920,000	—	1,205,000	16,715,000

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liabilities Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 65,352	88	176	65,264	13,053
Total OPEB Liability - RHP	1,836,248	—	32,392	1,803,856	—
Total OPEB Liability - THIS	3,234,581	130,454	—	3,365,035	—
Net Pension Liability - TRS	1,068,529	1,770	—	1,070,299	—
Net Pension Liability - IMRF	1,786,929	—	703,445	1,083,484	—
General Obligation Bonds	17,920,000	—	1,205,000	16,715,000	1,150,000
Plus: Unamortized Premium	1,269,053	—	135,876	1,133,177	135,877
	27,180,692	132,312	2,076,889	25,236,115	1,298,930

The compensated absences, the total OPEB liabilities, and the net pension liabilities are being repaid from the General Fund. The general obligation bonds are being paid by the Debt Service Fund.

Legal Debt Margin

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. At year-end the legal debt margin is as follows:

Assessed Valuation - 2023	<u>\$ 826,091,837</u>
Legal Debt Limit - 6.9% of Assessed Value	57,000,337
Amount of Debt Applicable to Limit	<u>(16,715,000)</u>
Legal Debt Margin	<u>40,285,337</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities	
	General Obligation	
	Bonds	
	Principal	Interest
2025	\$ 1,150,000	565,000
2026	865,000	536,325
2027	895,000	505,450
2028	930,000	468,950
2029	965,000	431,050
2030	1,005,000	391,650
2031	1,080,000	352,000
2032	990,000	314,125
2033	1,085,000	275,900
2034	1,120,000	235,450
2035	1,165,000	193,500
2036	1,210,000	149,875
2037	1,245,000	108,975
2038	1,280,000	71,100
2039	1,320,000	32,100
2040	410,000	6,150
Totals	16,715,000	4,637,600

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATION

Net investment in capital assets was comprised of the following as of June 30, 2024:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 38,737,895
Less: Capital Related Debt	
General Obligation Limited School Bonds of 2015	(1,705,000)
General Obligation Limited School Bonds of 2016	(4,205,000)
General Obligation Limited School Bonds of 2018A	(4,440,000)
General Obligation Limited School Bonds of 2021	(6,365,000)
Unamortized Premium	<u>(1,133,177)</u>
Net Investment in Capital Assets	<u>20,889,718</u>

FUND BALANCE CLASSIFICATIONS

In the governmental fund financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Education; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Education's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Education itself or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The District's highest level of decision-making authority is the Board of Education, who is authorized to assign amounts to a specific purpose.

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The District's fund balance policy states that the fund balance of the operating funds should maintain a minimum fund balance greater than or equal to 25% of the budgeted expenditures.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue			Debt Service	Capital Projects		Totals
		Operations and Maintenance	Transportation	Municipal Retirement/ Social Security		Capital Projects	Fire Prevention and Life Safety	
Fund Balances								
Nonspendable								
Prepays	\$ 465,819	—	—	—	—	—	—	465,819
Restricted								
Tort Immunity	410,837	—	—	—	—	—	—	410,837
Student Activities	17,644	—	—	—	—	—	—	17,644
Operations and Maintenance	—	1,489,208	—	—	—	—	—	1,489,208
Transportation	—	—	1,594,503	—	—	—	—	1,594,503
Retirement Benefits	—	—	—	984,739	—	—	—	984,739
Debt Service	—	—	—	—	476,846	—	—	476,846
Capital Projects	—	—	—	—	—	5,003,176	—	5,003,176
Fire Prevention and Life Safety	—	—	—	—	—	—	1,395,437	1,395,437
	428,481	1,489,208	1,594,503	984,739	476,846	5,003,176	1,395,437	11,372,390
Unassigned	14,996,595	—	—	—	—	—	—	14,996,595
Total Fund Balances	15,890,895	1,489,208	1,594,503	984,739	476,846	5,003,176	1,395,437	26,834,804

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the following public entity risk pools: the Educational Benefit Cooperative (EBC) for health claims and the Collective Liability Insurance Cooperative (CLIC) for workers' compensation claims and for property damage and injury claims. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reductions in insurance coverage from coverage in any of the past three fiscal years.

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. Premiums have been recorded as expenditures in the appropriate funds. There have been no significant reductions in insurance coverage from coverage in the prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

CONTINGENT LIABILITIES

Litigation

From time to time, the District is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the District attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the District's financial position or results of operations.

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 the terms of the grant. Management believes such disallowances, if any, would be immaterial.

OTHER POST-EMPLOYMENT BENEFITS

The aggregate amounts recognized for the two plans are:

	OPEB Expense/ (Revenue)	OPEB Liability	Deferred Outflows	Deferred (Inflows)
OPEB - RHP	\$ 162,721	1,803,856	380,209	(108,634)
OPEB - THIS	(1,244,163)	3,365,035	100,927	(8,605,315)
	(1,081,442)	5,168,891	481,136	(8,713,949)

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retiree's Health Plan

Plan Description

Plan Administration. The District's defined benefit OPEB plan, Retiree's Health Plan (RHP), provides OPEB for all permanent full-time general and public safety employees of the District. RHP is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. RHP provides health insurance contributions for eligible retirees and their spouses through the District's group health insurance plan, which covers both active and retired members. Such coverage is provided for retired employees until they reach age 65. The District does not issue a stand-alone report for the postretirement health plan.

Plan Membership. As of June 30, 2024, the measurement date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	14
Inactive Employee Entitled to but not yet Receiving Benefits	—
Active Employees	<u>183</u>
Total	<u><u>197</u></u>

Total OPEB Liability

The District's total OPEB liability of \$1,803,856 was measured as of June 30, 2024, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	2.50%
Discount Rate	3.97%
Healthcare Cost Trend Rates	
Initial	6.25%
Ultimate	5.00%
Retirees' Share of Benefit-Related Costs	Non-Certificated employees contribute the blended average employee group cost.

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retiree's Health Plan - Continued

Actuarial Assumptions and Other Inputs - Continued. The discount rate was based on a tax-exempt municipal bond rate based on an index of 20 Year general obligation bonds with an average AA credit rating.

Mortality rates are based on IMFR-PubG, TRS-PubT, and MP2021FG Improvement.

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2023	\$ 1,836,248
Changes for the Year:	
Service Cost	63,067
Interest on the Total OPEB Liability	65,892
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	93,440
Changes of Assumptions or Other Inputs	3,586
Benefit Payments	(258,377)
Other Changes	—
Net Changes	(32,392)
Balance at June 30, 2024	1,803,856

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, calculated using a single discount rate of 3.97%, while the prior valuation used 3.86%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (2.97%)	Current Discount Rate (3.97%)	1% Increase (4.97%)
Total OPEB Liability	\$ 1,894,747	1,803,856	1,717,037

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retiree's Health Plan - Continued

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

		Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
	1% Decrease (Varies)		
Total OPEB Liability	\$ 1,753,558	1,803,856	1,856,659

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$162,721. At June 30, 2024, 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	Totals
Difference Between Expected and Actual Experience	\$ 271,064	—	271,064
Change in Assumptions	109,145	(108,634)	511
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	380,209	(108,634)	271,575

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retiree's Health Plan - Continued

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

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

Fiscal Year	Net Deferred Outflows of Resources
2025	\$ 33,762
2026	33,762
2027	33,762
2028	33,762
2029	33,762
Thereafter	102,765
Total	271,575

Teachers' Health Insurance Security Fund

Plan Description

The District participates in the Teacher Health Insurance Security (THIS) 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. THIS health coverage includes provisions for medical, prescription drug, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Beginning February 1, 2015, annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage Plans.

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

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund - Continued

Plan Description - Continued

On Behalf Contributions to THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.90 percent of pay during the year ended June 30, 2024. State of Illinois contributions were \$122,548, and the District recognized revenues and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2023 and June 30, 2022 were 0.90 and 0.90 percent of pay, respectively. For these years, state contributions on behalf of District employees were \$118,840 and \$117,318, respectively.

Employer Contributions to THIS Fund. The District also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2024. The employers contribution for the years ended June 30, 2023 and 2022 was 0.92 and 0.92, respectively. For the year ended June 30, 2024, 2023, and 2022 the District paid \$91,230, \$88,470, and \$87,337 to the THIS Fund, respectively, which was 100 percent of the required contribution.

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

Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Inflation:	2.25%
Salary Increases:	Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.
Investment Rate of Return:	2.75%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare Cost Trend Rates:	Trend rates for plan year 2024 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2025 and decrease gradually to an ultimate rate of 4.25% in 2040. For MAPD costs, trend rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 6.08% in 2034, declining gradually to an ultimate rate of 4.25% in 2040.

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund - Continued

Plan Description - Continued

Actuarial Assumptions - Continued. Mortality rates for retirement and beneficiary annuitants were based on the PubT-2010 Retiree Mortality Table, adjusted for TRS experience. For disabled annuitants mortality rates were based on the PubNS-2010 Non-Safety Disabled Retiree Table. Mortality rates for pre-retirement were based on the PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2020.

Single Discount Rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

Since TRIP is financed on a pay-as-you-go basis, a discount rate consistent with fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rates are 3.86% as of June 30, 2023, and 3.69% as of June 30, 2022.

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

Sensitivity of the Employer'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 one percentage point lower or one percentage point higher than the current discount rate:

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund - Continued

Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Discount Rate - Continued

	1% Decrease (2.86%)	Current Discount Rate (3.86%)	1% Increase (4.86%)
Employer's Proportionate Share of the OPEB Liability	\$ 3,757,456	3,365,035	3,018,881

Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following table shows the plan's net OPEB liability as of June 30, 2023, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower. The current claims trend rates are 6.00% in 2024, 8.00% in 2025, decreasing to an ultimate trend rate of 4.25% in plan year end 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 6.08% in 2034 decreasing ratably to an ultimate trend rate of 4.25% in 2040.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Employer's Proportionate Share of the OPEB Liability	\$ 2,864,121	3,365,035	3,978,732

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

At June 30, 2024, the District reported a liability for its proportionate share of the net OPEB liability that reflected a reduction for State OPEB support provided to the District. The collective net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The District's proportion of the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of the District, actuarially determined. At June 30, 2023, the District's proportion was 0.047213 percent, which was a decrease of 0.000044 from its proportion measured as of June 30, 2022 (0.047257 percent).

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund - Continued

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

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

Employer's Proportionate Share of the Net OPEB Liability	\$ 3,365,035
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>4,550,595</u>
Total	<u><u>7,915,630</u></u>

For the year ending June 30, 2024, the District recognized OPEB revenue and expense of \$122,548 for support provided by the State. For the year ending June 30, 2024, the District recognized OPEB revenue of \$1,244,163. At June 30, 2024, 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	Totals
Differences Between Expected and Actual Experience	\$ —	(1,879,106)	(1,879,106)
Net Difference Between Projected and Actual Earnings on Pension Investments	—	(6,569,512)	(6,569,512)
Changes of Assumptions	1,358	(18)	1,340
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	8,339	(156,679)	(148,340)
Total Pension Expense to be Recognized in Future Periods	<u>9,697</u>	<u>(8,605,315)</u>	<u>(8,595,618)</u>
Employer Contributions Subsequent to the Measurement Date	91,230	—	91,230
Totals	<u><u>100,927</u></u>	<u><u>(8,605,315)</u></u>	<u><u>(8,504,388)</u></u>

For the fiscal year ended, \$91,230 reported as deferred outflows of resources related to OPEB 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 ending June 30, 2025. 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:

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund - Continued

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

Fiscal Year	Net Deferred (Inflows) of Resources
2025	\$ (1,573,335)
2026	(1,404,135)
2027	(1,359,586)
2028	(1,342,397)
2029	(1,238,153)
Thereafter	<u>(1,678,012)</u>
Total	<u><u>(8,595,618)</u></u>

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS

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

The aggregate amounts recognized for the two pension plans are:

	Pension (Revenue)	Net Pension Liability	Deferred Outflows	Deferred Inflows
TRS	\$ (28,407)	1,070,299	97,836	(110,225)
IMRF	<u>(221,247)</u>	<u>1,083,484</u>	<u>949,218</u>	<u>(1,439)</u>
	<u><u>(249,654)</u></u>	<u><u>2,153,783</u></u>	<u><u>1,047,054</u></u>	<u><u>(111,664)</u></u>

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS)

Plan Descriptions, Provisions and Funding Policies

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 non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can only be made by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for TRS's administration. TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/acfrs>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling 888-678-3675, option 2.

Benefits Provided

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. 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.

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

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, 2023, 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 employer. For the year ended June 30, 2024, 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 \$7,782,829 in pension contributions from the State.

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, 2024 were \$78,975 and are deferred because they were paid after the June 30, 2023 measurement date.

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

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

For the year ended June 30, 2024, the employer pension contribution was 10.60 percent of salaries paid from federal and special trust funds. For the fiscal year ended June 30, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the fiscal year ended June 30, 2024, salaries totaling \$101,492 were paid from federal and special trust funds that required employer contributions of \$10,758. These contributions are deferred because they were paid after the June 30, 2023 measurement date.

Employer Retirement Cost Contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer 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.

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

Contributions - Continued

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, 2024, the employer paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent, \$9,571 for salary increases in excess of 3 percent and \$0 for sick leave days granted in excess of the normal annual allotment. For the year ended June 30, 2023, the District paid \$239 to TRS for employer contributions due on salary increase in excess of 3 percent, \$13,016 for contributions on salaries in excess of the Governor's statutory salary and paid \$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, 2023, the employer reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. The state's support and total are for disclosure purposes only. The amount recognized by the 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 employer follows below:

Employer's Proportionate Share of the Net Pension Liability	\$ 1,070,299
State's Proportionate Share of the Net Pension Liability Associated with the Employer	<u>92,367,329</u>
Total	<u><u>93,437,628</u></u>

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

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

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2023, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2023, the employer's proportion was 0.00126 percent, which was a decrease of 0.00002 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the employer recognized pension expense of \$7,782,829 and revenue of \$7,782,829 for support provided by the state.

At June 30, 2024, the employer reported deferred outflows of resources and deterred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ 4,449	(4,315)	134
Net Difference Between Projected and Actual Earnings on Pension Investments	—	(31)	(31)
Changes of Assumptions	3,651	(942)	2,709
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	—	(104,937)	(104,937)
Total Pension Expense to be Recognized in Future Periods	8,100	(110,225)	(102,125)
Employer Contributions Subsequent to the Measurement Date	89,736	—	89,736
Totals	97,836	(110,225)	(12,389)

\$89,736 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

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

Fiscal Year	Net Deferred (Inflows) of Resources
2025	\$ (43,647)
2026	(41,380)
2027	(8,349)
2028	(7,946)
2029	(803)
Thereafter	—
Total	<u>(102,125)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.50 Percent

Salary Increases: Varies by Amount of Service Credit

Investment Rate of Return: 7.00 Percent, Net of Pension Plan Investment Expense, Including Inflation

In the June 30, 2023 actuarial valuation, mortality rates were based on the PubT-2010 Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2020. In the June 30, 2022 actuarial valuation, mortality rates were based on the PubT-2010 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2020.

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued**RETIREMENT SYSTEMS - Continued****Teachers' Retirement System (TRS) - Continued****Actuarial Assumptions - Continued**

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.0%	5.4%
Private Equity	15.0%	8.0%
Income	26.0%	4.3%
Real Assets	18.0%	4.6%
Diversifying Strategies	4.0%	3.4%
Total	100.0%	

Discount Rate

At June 30, 2023, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2022 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2023 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier 1's liability is partially funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued**RETIREMENT SYSTEMS - Continued****Teachers' Retirement System (TRS) - Continued****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 one percentage-point lower or one percentage-point higher than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's Proportionate Share of the OPEB Liability	\$ 1,317,387	1,070,299	865,242

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2023 is available in the separately issued TRS *Annual Comprehensive Financial Report*.

Illinois Municipal Retirement Fund (IMRF)**Plan Descriptions**

The District contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by the Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Plan Administration. All employees (other than those covered by the Teachers Retirement Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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).

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

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

Plan Membership. As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	153
Inactive Plan Members Entitled to but not yet Receiving Benefits	163
Active Plan Members	<u>56</u>
Total	<u><u>372</u></u>

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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. For the fiscal year ended June 30, 2024, the District's contribution was 7.76% of covered payroll.

Net Pension Liability. The District's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The following are the methods and assumptions used to determine total pension liability at December 31, 2023:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. 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-2021. 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-2021.

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued**RETIREMENT SYSTEMS - Continued****Illinois Municipal Retirement Fund (IMRF) - Continued****Plan Descriptions - Continued**

Actuarial Assumptions - Continued. 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	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	4.75%
Domestic Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Real Estate	10.50%	6.30%
Blended	11.50%	6.05% - 8.65%
Cash and Cash Equivalents	1.00%	3.80%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the District calculated using the discount rate as well as what the District's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate Sensitivity - Continued

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 2,725,033	1,083,484	(256,846)

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 16,053,882	14,266,953	1,786,929
Changes for the Year:			
Service Cost	210,773	—	210,773
Interest on the Total Pension Liability	1,135,272	—	1,135,272
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	172,574	—	172,574
Changes of Assumptions	(9,860)	—	(9,860)
Contributions - Employer	—	172,375	(172,375)
Contributions - Employees	—	102,533	(102,533)
Net Investment Income	—	1,575,501	(1,575,501)
Benefit Payments, Including Refunds of Employee Contributions	(1,000,697)	(1,000,697)	—
Other (Net Transfer)	—	361,795	(361,795)
Net Changes	508,062	1,211,507	(703,445)
Balances at December 31, 2023	16,561,944	15,478,460	1,083,484

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended June 30, 2024, the District recognized pension revenue of \$221,247. At June 30, 2024, 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	Totals
Differences Between Expected and Actual Experience	\$ 25,188	—	25,188
Changes of Assumptions	—	(1,439)	(1,439)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	822,653	—	822,653
Total Pension Expense to be Recognized			
in Future Periods	847,841	(1,439)	846,402
Pension Contributions Made Subsequent			
to the Measurement Date	101,377	—	101,377
Total Deferred Amounts Related to IMRF	949,218	(1,439)	947,779

\$101,377 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2025. 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:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2025	\$ 97,018
2026	277,157
2027	583,097
2028	(110,870)
2029	—
Thereafter	—
Total	151 846,402

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Changes in the Employer's Total OPEB Liability
Retiree's Health Plan
- Schedule Employer Contributions
Teacher's Health Insurance Security Fund
- Schedule of Employer's Proportionate Share of the Collective Net OPEB Liability
Teacher's Health Insurance Security Fund
- Schedule of Employer's Proportionate Share of the Net Pension Liability and Employer Contributions
Teachers' Retirement System
- Schedule Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedules
General Fund
Operations and Maintenance - Special Revenue Fund
Transportation - Special Revenue Fund
Municipal Retirement/Social Security - Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information - Budgeted amounts are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

LINCOLNWOOD SCHOOL DISTRICT 74

Retiree's Health Plan

Schedule of Changes in the Employer's Total OPEB Liability

June 30, 2024

See Following Page

LINCOLNWOOD SCHOOL DISTRICT 74

Retiree's Health Plan

Schedule of Changes in the Employer's Total OPEB Liability

June 30, 2024

	<u>6/30/2018</u>
Total OPEB Liability	
Service Cost	\$ 225,230
Interest	180,556
Changes in Benefit Terms	—
Differences Between Expected and Actual Experience	—
Change of Assumptions or Other Inputs	—
Benefit Payments	(312,416)
Other	—
Net Change in Total OPEB Liability	<u>93,370</u>
Total OPEB Liability - Beginning	<u>4,821,735</u>
Total OPEB Liability - Ending	<u><u>4,915,105</u></u>
Covered-Employee Payroll	\$ 13,522,519
Total OPEB Liability as a Percentage of Covered-Employee Payroll	36.35%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2018 - 2024.

6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
233,946	217,888	102,171	83,065	67,976	63,067
183,489	173,718	45,602	42,125	67,928	65,892
—	(3,169,801)	—	—	—	—
—	133,068	—	130,845	—	93,440
141,198	56,249	4,493	(123,343)	(15,655)	3,586
(347,558)	(325,643)	(296,439)	(234,469)	(249,710)	(258,377)
—	—	—	—	—	—
211,075	(2,914,521)	(144,173)	(101,777)	(129,461)	(32,392)
4,915,105	5,126,180	2,211,659	2,067,486	1,965,709	1,836,248
5,126,180	2,211,659	2,067,486	1,965,709	1,836,248	1,803,856
14,076,363	14,373,723	14,733,066	14,293,229	15,009,475	16,366,965
36.42%	15.39%	14.03%	13.75%	12.23%	11.02%

LINCOLNWOOD SCHOOL DISTRICT 74**Teacher's Health Insurance Security Fund
Schedule of Employer Contributions
June 30, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 99,691	\$ 99,691	\$ —	\$ 11,328,576	0.88%
2019	108,258	108,258	—	11,767,192	0.92%
2020	110,638	110,638	—	12,025,829	0.92%
2021	113,301	113,301	—	12,315,343	0.92%
2022	87,337	87,337	—	13,035,370	0.67%
2023	88,470	88,470	—	13,204,484	0.67%
2024	91,230	91,230	—	13,616,451	0.67%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

LINCOLNWOOD SCHOOL DISTRICT 74

Teacher's Health Insurance Security Fund Schedule of Employer Contributions - Continued June 30, 2024

Notes to the Schedule of Employer Contributions

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Sponsor's Fiscal Year End	June 30, 2024

Methods and Assumptions Used to Determine Actuarial Liability and Contributions:

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2023, contribution rates are 0.90% of pay for active members, 0.67% of pay for school districts and 0.90% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Fair Value
Investment Rate of Return	2.75%, net of OPEB plan investment expense, including inflation for all plan years.
Inflation	2.25%
Salary Increases	Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2021, actuarial valuation.
Mortality	Retirement and Beneficiary Annuitants: PubT-2010 Retiree Mortality Table, adjusted for TRS experience. Disabled Annuitants: PubNS-2010 Non Safety Disabled Retiree Table. Pre-Retirement: PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.
Healthcare Cost Trend Rates	Trend rates for plan year 2024 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2025 and decrease gradually to an ultimate rate of 4.25% in 2040. For MAPD costs, trend rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 6.08% in 2034, declining gradually to an ultimate rate of 4.25% in 2040.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs – From Birth to Death".
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

LINCOLNWOOD SCHOOL DISTRICT 74

Teacher's Health Insurance Security Fund

Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability

June 30, 2024

	<u>6/30/18</u>
Employer's Proportion of the Net OPEB Liability	0.047807%
Employer's Proportionate Share of the Net OPEB Liability	\$ 12,405,717
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>16,291,855</u>
Total	<u><u>28,697,572</u></u>
Employer's Covered Payroll	\$ 10,996,376
Employer's Proportionate Share of the Net OPEB Liability as a % of its Covered Payroll	112.82%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	(0.17%)

Notes:

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

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

6/30/19	6/30/20	6/30/21	6/30/22	6/30/23	6/30/24
0.048192%	0.047521%	0.047538%	0.047443%	0.047257%	0.047213%
12,696,479	13,152,640	12,709,607	10,463,752	3,234,581	3,365,035
17,048,632	16,663,057	17,218,085	14,149,598	4,400,317	4,550,595
29,745,111	29,815,697	29,927,692	24,613,350	7,634,898	7,915,630
11,328,576	11,767,192	12,025,829	12,315,343	13,035,370	13,204,484
112.07%	111.77%	105.69%	84.97%	24.81%	25.48%
(0.07%)	0.25%	0.70%	1.40%	5.24%	6.21%

LINCOLNWOOD SCHOOL DISTRICT 74

Teachers' Retirement System

Schedule of the Employer's Proportionate Share of the Net Pension Liability and Employer Contributions June 30, 2024

	6/30/15	6/30/16	6/30/17
Employer's Proportion of the Net Pension Liability	0.0017%	0.0017%	0.0014%
Employer's Proportionate Share of the Net Pension Liability	\$ 1,017,164	1,119,875	1,091,688
State's Proportionate Share of the Net Pension Liability Associated with the Employer	63,431,351	66,871,248	73,297,917
Total	64,448,515	67,991,123	74,389,605
Employer's Covered Payroll	\$ N/A	10,321,300	10,426,039
Employer's Proportionate Share of the Net Pension Liability as a % of its Covered-Employee Payroll	N/A	10.85%	10.47%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	43.00%	41.50%	36.40%
Contractually-Required Contribution	\$ 59,633	59,900	63,778
Contributions in Relation to the Contractually Required Contribution	58,002	59,633	63,739
Contribution Deficiency (Excess)	1,631	267	39
Employer's Covered Payroll	\$ 10,321,300	10,426,039	10,996,376
Contributions as a % of Covered Payroll	0.56%	0.57%	0.58%

Notes:

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

For the 2023 measurement year, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated September 30, 2021.

For the 2022-2018 measurement years, the assumed investment rate of return was 7.0, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit.

The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively.

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.

6/30/18	6/30/19	6/30/20	6/30/21	6/30/22	6/30/23	6/30/24
0.0017%	0.0016%	0.0015%	0.0014%	0.0014%	0.0013%	0.0013%
1,310,767	1,231,558	1,225,651	1,231,407	1,071,217	1,068,529	1,070,299
90,235,898	84,366,887	87,228,212	96,450,211	89,779,366	92,687,822	92,367,329
91,546,665	85,598,445	88,453,863	97,681,618	90,850,583	93,756,351	93,437,628
10,996,376	11,328,576	11,767,192	12,025,829	12,315,343	13,035,370	13,204,484
11.92%	10.87%	10.42%	10.24%	8.70%	8.20%	8.11%
39.26%	40.00%	40.00%	37.80%	45.10%	42.80%	43.90%
65,706	87,524	79,827	82,156	112,671	106,064	89,733
65,649	109,912	79,830	80,659	106,244	105,326	89,736
57	(22,388)	(3)	1,497	6,427	738	(3)
11,328,576	11,767,192	12,025,829	12,315,343	13,035,370	13,204,484	13,616,451
0.58%	0.93%	0.66%	0.65%	0.82%	0.80%	0.66%

LINCOLNWOOD SCHOOL DISTRICT 74

Illinois Municipal Retirement Fund Schedule of Employer Contributions June 30, 2024

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 215,952	\$ 210,462	\$ (5,490)	\$ 1,634,760	12.87%
2016	247,204	570,680	323,476	1,884,175	30.29%
2017	244,955	244,955	—	1,721,391	14.23%
2018	228,813	241,840	13,027	1,871,116	12.92%
2019	232,248	232,248	—	2,044,706	11.36%
2020	252,125	252,125	—	2,056,230	12.26%
2021	268,289	287,131	18,842	2,089,258	13.74%
2022	232,051	232,051	—	2,109,839	11.00%
2023	192,381	192,381	—	2,207,264	8.72%
2024	186,715	186,715	—	2,405,693	7.76%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, 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 2020 valuation pursuant to an experience study of the period 2017-2019.
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.

LINCOLNWOOD SCHOOL DISTRICT 74

Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability/(Asset)

June 30, 2024

See Following Page

LINCOLNWOOD SCHOOL DISTRICT 74

Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability/(Asset)

June 30, 2024

	12/31/14	12/31/15	12/31/16
Total Pension Liability			
Service Cost	\$ 217,309	195,240	204,493
Interest	856,046	929,311	970,705
Differences Between Expected and Actual Experience	96,917	152,652	32,813
Change of Assumptions	534,248	—	(28,764)
Benefit Payments, Including Refunds of Member Contributions	(661,513)	(705,468)	(751,382)
Net Change in Total Pension Liability	1,043,007	571,735	427,865
Total Pension Liability - Beginning	11,636,048	12,679,055	13,250,790
Total Pension Liability - Ending	12,679,055	13,250,790	13,678,655
Plan Fiduciary Net Position			
Contributions - Employer	\$ 210,462	570,680	244,955
Contributions - Members	80,170	88,503	91,764
Net Investment Income	671,496	57,205	802,273
Benefit Payments, Including Refunds of Member Contributions	(661,513)	(705,468)	(751,382)
Other (Net Transfer)	(30,061)	190,122	141,625
Net Change in Plan Fiduciary Net Position	270,554	201,042	529,235
Plan Net Position - Beginning	11,193,577	11,464,131	11,665,173
Plan Net Position - Ending	11,464,131	11,665,173	12,194,408
Employer's Net Pension Liability/(Asset)	\$ 1,214,924	1,585,617	1,484,247
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.42%	88.03%	89.15%
Covered Payroll	\$ 1,634,760	1,884,175	1,721,391
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	74.32%	84.15%	86.22%

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2014 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2014, 2017 and 2023.

12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22	12/31/23
188,711	187,972	220,484	211,783	184,388	209,060	210,773
1,002,894	1,021,965	1,048,767	1,058,346	1,066,781	1,115,897	1,135,272
342,512	99,900	(231,025)	(66,934)	381,523	(63,496)	172,574
(454,888)	371,277	—	(132,888)	—	—	(9,860)
(802,170)	(846,999)	(868,644)	(934,862)	(945,655)	(989,472)	(1,000,697)
277,059	834,115	169,582	135,445	687,037	271,989	508,062
13,678,655	13,955,714	14,789,829	14,959,411	15,094,856	15,781,893	16,053,882
13,955,714	14,789,829	14,959,411	15,094,856	15,781,893	16,053,882	16,561,944
214,131	264,508	210,872	295,099	264,622	218,392	172,375
84,117	102,795	96,766	92,241	102,574	98,572	102,533
2,165,052	(769,616)	2,288,429	2,006,552	2,620,296	(2,240,821)	1,575,501
(802,170)	(846,999)	(868,644)	(934,862)	(945,655)	(989,472)	(1,000,697)
(228,569)	(248,508)	71,222	(77,252)	44,477	(215,604)	361,795
1,432,561	(1,497,820)	1,798,645	1,381,778	2,086,314	(3,128,933)	1,211,507
12,194,408	13,626,969	12,129,149	13,927,794	15,309,572	17,395,886	14,266,953
13,626,969	12,129,149	13,927,794	15,309,572	17,395,886	14,266,953	15,478,460
328,745	2,660,680	1,031,617	(214,716)	(1,613,993)	1,786,929	1,083,484
97.64%	82.01%	93.10%	101.42%	110.23%	88.87%	93.46%
1,808,200	2,115,393	2,003,560	2,016,475	2,169,035	2,190,499	2,280,831
18.18%	125.78%	51.49%	(10.65%)	(74.41%)	81.58%	47.50%

LINCOLNWOOD SCHOOL DISTRICT 74

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2024

(With Comparative Actual Amounts for Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Local Sources					
Property Taxes	\$ 22,038,849	22,038,849	21,949,848	(89,001)	19,599,670
Replacement Taxes	335,400	335,400	330,097	(5,303)	720,617
Other	791,642	791,642	830,078	38,436	893,264
State Sources	1,192,000	1,192,000	1,212,095	20,095	1,202,081
Federal Sources	1,015,209	1,015,209	1,290,114	274,905	1,317,289
Investment Income (Loss)	311,913	311,913	242,474	(69,439)	(41,191)
Total Direct Revenues	25,685,013	25,685,013	25,854,706	169,693	23,691,730
On-Behalf Payments	—	—	7,905,377	7,905,377	7,399,591
Total Revenues	25,685,013	25,685,013	33,760,083	8,075,070	31,091,321
Expenditures					
Instruction	15,266,258	15,266,258	14,548,936	717,322	14,513,725
Support Services	6,386,383	6,386,383	6,257,332	129,051	5,896,207
Community Services	1,830	1,830	2,882	(1,052)	—
Payments to Other Districts and Governmental Units	2,722,399	2,722,399	2,765,403	(43,004)	2,796,940
Total Direct Expenditures	24,376,870	24,376,870	23,574,553	802,317	23,206,872
On-Behalf Payments	—	—	7,905,377	(7,905,377)	7,399,591
Total Expenditures	24,376,870	24,376,870	31,479,930	(7,103,060)	30,606,463
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,308,143	1,308,143	2,280,153	972,010	484,858
Other Financing (Uses)					
Transfers Out	—	—	(211,965)	(211,965)	—
Net Change in Fund Balance	1,308,143	1,308,143	2,068,188	760,045	484,858
Fund Balances - Beginning			13,822,707		13,337,849
Fund Balance - Ending			15,890,895		13,822,707

LINCOLNWOOD SCHOOL DISTRICT 74

Operations and Maintenance - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Local Sources					
General Levy	\$ 1,792,389	1,792,389	2,051,146	258,757	2,062,385
Replacement Taxes	—	—	—	—	155,131
Investment Income (Loss)	44,478	44,478	312,704	268,226	(44,620)
Rentals	159,080	159,080	180,183	21,103	137,675
Proceeds from Vendor Contracts	5,000	5,000	—	(5,000)	—
Other Revenue from Local Sources	—	—	—	—	6,400
Total Local Sources	2,000,947	2,000,947	2,544,033	543,086	2,316,971
Federal Sources					
Other Restricted Revenue from Federal Sources	4,166	4,166	—	(4,166)	7,392
Total Revenues	2,005,113	2,005,113	2,544,033	538,920	2,324,363
Expenditures					
Support Services					
Business					
Operation and Maintenance of Plant Services					
Salaries	542,404	542,404	739,719	(197,315)	519,422
Employee Benefits	92,037	92,037	92,856	(819)	84,960
Purchased Services	1,011,473	1,011,473	1,037,404	(25,931)	926,846
Supplies and Materials	408,966	408,966	476,804	(67,838)	392,493
Capital Outlay	153,000	153,000	—	153,000	23,152
Other Objects	1,000	1,000	757	243	595
Non-Capitalized Equipment	6,500	6,500	87,364	(80,864)	23,474
Total Expenditures	2,215,380	2,215,380	2,434,904	(219,524)	1,970,942
Excess (Deficiency) of Revenues Over (Under) Expenditures	(210,267)	(210,267)	109,129	319,396	353,421
Other Financing (Uses)					
Transfers Out	—	—	(2,000,000)	(2,000,000)	—
Net Change in Fund Balance	(210,267)	(210,267)	(1,890,871)	(1,680,604)	353,421
Fund Balance - Beginning			3,380,079		3,026,658
Fund Balance - Ending			1,489,208		3,380,079

LINCOLNWOOD SCHOOL DISTRICT 74

Transportation - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024			2023 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local Sources				
General Levy	\$ 1,088,685	1,088,685	1,024,802	(63,883)
Corporate Personal Property				
Replacement Taxes	—	—	—	—
Investment Income (Loss)	35,847	35,847	37,796	1,949
Total Local Sources	1,124,532	1,124,532	1,062,598	(61,934)
State Sources				
Transportation - Regular/Vocational	120,000	120,000	200,933	80,933
Transportation - Special Education	260,000	260,000	282,447	22,447
Total State Sources	380,000	380,000	483,380	103,380
Total Revenues	1,504,532	1,504,532	1,545,978	41,446
Expenditures				
Support Services				
Business				
Pupil Transport Services				
Purchased Services	1,451,000	1,451,000	1,570,201	(119,201)
Net Change in Fund Balance	53,532	53,532	(24,223)	(77,755)
Fund Balance - Beginning			1,618,726	1,297,349
Fund Balance - Ending			1,594,503	1,618,726

LINCOLNWOOD SCHOOL DISTRICT 74

Municipal Retirement/Social Security - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2024

(With Comparative Actual Amounts for Amounts for the Fiscal Year Ended June 30, 2023)

	2024				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2023 Actual
Revenues					
Local Sources					
General Levy	\$ 121,146	121,146	125,359	4,213	166,459
Social Security/Medicare Only Levy	318,317	318,317	324,950	6,633	357,420
Corporate Personal Property					
Replacement Taxes	51,600	51,600	50,784	(816)	569,331
Investment Income (Loss)	24,948	24,948	37,421	12,473	(62,665)
Total Revenues	516,011	516,011	538,514	22,503	1,030,545
Expenditures					
Instruction					
Regular Programs	126,650	126,650	124,913	1,737	121,715
Pre-K Programs	11,300	11,300	9,225	2,075	9,292
Special Education Programs	65,790	65,790	69,665	(3,875)	54,886
Remedial and Supplemental Programs K-12	8,271	8,271	8,298	(27)	8,052
Interscholastic Programs	3,200	3,200	4,942	(1,742)	3,383
Summer School Programs	2,400	2,400	1,807	593	1,909
Gifted Programs	6,803	6,803	6,744	59	6,182
Bilingual Programs	10,034	10,034	9,862	172	9,542
Total Instruction	234,448	234,448	235,456	(1,008)	214,961
Support Services					
Pupils					
Attendance and Social Work Services	5,784	5,784	5,783	1	5,647
Health Services	24,510	24,510	21,465	3,045	25,234
Psychological Services	2,485	2,485	2,523	(38)	2,414
Speech Pathology and Audiology Services	3,843	3,843	3,412	431	3,708
Other Support Services - Pupils	5,420	5,420	5,819	(399)	4,391
Total Pupils	42,042	42,042	39,002	3,040	41,394
Instructional Staff					
Improvement of Instruction Services	14,247	14,247	14,313	(66)	14,314
Educational Media Services	3,968	3,968	3,946	22	3,825
Total Instructional Staff	18,215	18,215	18,259	(44)	18,139

LINCOLNWOOD SCHOOL DISTRICT 74

Municipal Retirement/Social Security - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Expenditures - Continued					
Support Services - Continued					
General Administration					
Executive Administration Services	\$ 4,000	4,000	3,763	237	4,144
Special Area Administration Services	4,903	4,903	4,851	52	4,877
Total General Administration	8,903	8,903	8,614	289	9,021
School Administration					
Office of the Principal Services	33,318	33,318	32,399	919	33,897
Business					
Direction of Business Support Services	2,850	2,850	2,845	5	2,728
Fiscal Services	35,159	35,159	34,960	199	35,576
Operations and Maintenance of					
Plant Services	83,073	83,073	84,213	(1,140)	83,115
Food Services	41,058	41,058	40,295	763	37,999
Total Business	162,140	162,140	162,313	(173)	159,418
Central					
Information Services	12,509	12,509	12,094	415	9,049
Data Processing Services	60,445	60,445	58,934	1,511	58,666
Total Central	72,954	72,954	71,028	1,926	67,715
Total Support Services	337,572	337,572	331,615	5,957	329,584
Total Expenditures	572,020	572,020	567,071	4,949	544,545
Net Change in Fund Balance	<u>(56,009)</u>	<u>(56,009)</u>	<u>(28,557)</u>	<u>27,452</u>	486,000
Fund Balance - Beginning			<u>1,013,296</u>		<u>527,296</u>
Fund Balance - Ending			<u>984,739</u>		<u>1,013,296</u>

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Combining Statements - General Fund Accounts
- Budgetary Comparison Schedules - General Fund Accounts
- Budgetary Comparison Schedules - Major Governmental Funds
- Consolidated Year-End Financial Report

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Operations and Maintenance Fund

The Operations and Maintenance Fund is used to account for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes.

Transportation Fund

The Transportation Fund is used to account for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund

The Municipal Retirement/Social Security Fund is used to account 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.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources that are restricted, committed, or assigned 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.

INDIVIDUAL FUND DESCRIPTIONS - Continued

CAPITAL PROJECTS FUNDS

The Capital Projects Fund is used to account for financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

Capital Projects Fund

The Capital Projects Fund is used to account for construction projects and renovations financed through local property taxes, bond proceeds or transfers from other funds.

Fire Prevention and Life Safety Fund

The Fire Prevention and Life Safety Fund is used to account for State-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes.

LINCOLNWOOD SCHOOL DISTRICT 74**General Fund - by Accounts****Combining Balance Sheet****June 30, 2024**

	Educational Account	Tort Immunity and Judgment Account	Working Cash Account	Totals
ASSETS				
Cash and Investments	\$ 14,806,768	410,837	788,485	16,006,090
Receivables - Net of Allowances				
Property Taxes	11,403,981	101,531	413	11,505,925
Intergovernmental	249,213	—	—	249,213
Prepays	291,094	174,725	—	465,819
Total Assets	26,751,056	687,093	788,898	28,227,047
LIABILITIES				
Accounts Payable	157,003	—	—	157,003
Salaries and Wages Payable	654,263	—	—	654,263
Total Liabilities	811,266	—	—	811,266
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	11,403,981	101,531	413	11,505,925
Grants	18,961	—	—	18,961
Total Deferred Inflows of Resources	11,422,942	101,531	413	11,524,886
Total Liabilities and Deferred Inflows of Resources	12,234,208	101,531	413	12,336,152
FUND BALANCES				
Nonspendable	291,094	174,725	—	465,819
Restricted	17,644	410,837	—	428,481
Unassigned	14,208,110	—	788,485	14,996,595
Total Fund Balances	14,516,848	585,562	788,485	15,890,895
Total Liabilities, Deferred Inflows of Resources and Fund Balances	26,751,056	687,093	788,898	28,227,047

LINCOLNWOOD SCHOOL DISTRICT 74

General Fund - by Accounts

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2024

	Educational Account	Tort Immunity and Judgment Account	Working Cash Account	Totals
Revenues				
Local Sources				
Property Taxes	\$ 21,744,263	204,780	805	21,949,848
Corporate Personal Property				
Replacement Taxes	330,097	—	—	330,097
Investment Income (Loss)	217,587	11,222	13,665	242,474
Other	830,078	—	—	830,078
State Sources	1,212,095	—	—	1,212,095
Federal Sources	1,290,114	—	—	1,290,114
On-Behalf Payments	7,905,377	—	—	7,905,377
Total Revenues	33,529,611	216,002	14,470	33,760,083
Expenditures				
Instruction				
Regular Programs	10,289,614	—	—	10,289,614
Special Programs	2,335,868	—	—	2,335,868
Other Instructional Programs	1,923,454	—	—	1,923,454
Support Services				
Pupils	1,377,850	—	—	1,377,850
Instructional Staff	878,684	—	—	878,684
General Administration	744,002	191,811	—	935,813
School Administration	888,031	—	—	888,031
Business	1,373,631	—	—	1,373,631
Central	803,323	—	—	803,323
Community Services	2,882	—	—	2,882
Payments to Other Districts and				
Government Units	2,765,403	—	—	2,765,403
On-Behalf Expenditures	7,905,377	—	—	7,905,377
Total Expenditures	31,288,119	191,811	—	31,479,930
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	2,241,492	24,191	14,470	2,280,153
Other Financing (Uses)				
Transfers Out	(211,965)	—	—	(211,965)
Net Change in Fund Balance	2,029,527	24,191	14,470	2,068,188
Fund Balances - Beginning	12,487,321	561,371	774,015	13,822,707
Fund Balances - Ending	14,516,848	585,562	788,485	15,890,895

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Revenues					
Local Sources					
General Levy	\$ 21,453,672	21,453,672	21,354,261	(99,411)	19,038,234
Special Education Levy	383,298	383,298	390,002	6,704	353,865
Corporate Personal Property					
Replacement Taxes	335,400	335,400	330,097	(5,303)	548,421
Regular - Tuition from					
Other Districts	200,000	200,000	147,878	(52,122)	193,059
Summer School - Tuition from					
Pupils or Parents (in State)	40,000	40,000	50,670	10,670	44,460
Investment Income (Loss)	290,808	290,808	217,587	(73,221)	(26,182)
Sales to Pupils - Lunch	200,000	200,000	216,334	16,334	218,406
Fees	84,000	84,000	85,140	1,140	94,037
Book Store Sales	8,500	8,500	7,483	(1,017)	12,155
Other Pupil Activity Revenue	30,000	30,000	32,472	2,472	36,552
Rentals - Regular Textbook	47,000	47,000	56,799	9,799	63,943
Rentals - Summer School Textbook	41,000	41,000	48,739	7,739	54,827
Rentals - Adult/Continuing					
Education Textbook	10,000	10,000	7,160	(2,840)	11,300
Other - Textbooks	—	—	7	7	13
Refund of Prior Years' Expenditures	46,820	46,820	84,729	37,909	79,280
Student Activity Fund	—	—	4,117	4,117	2,773
Other	84,322	84,322	88,550	4,228	82,459
Total Local Sources	23,254,820	23,254,820	23,122,025	(132,795)	20,807,602
State Sources					
General State Aid	1,123,000	1,123,000	1,166,652	43,652	1,165,544
Private Facility Tuition	26,000	26,000	28,909	2,909	31,514
Special Education					
Orphanage - Individual	—	—	15,561	15,561	—
Downstate - TPI and TBE	42,000	42,000	—	(42,000)	—
Technology - Technology for Success	1,000	1,000	973	(27)	1,023
Other Restricted Revenue	—	—	—	—	4,000
Total State Sources	1,192,000	1,192,000	1,212,095	20,095	1,202,081
Federal Sources					
Special Milk Program	18,000	18,000	17,723	(277)	17,736
TECH FCC ECF	—	—	88,440	88,440	—
Title I - Low Income	253,200	253,200	383,573	130,373	300,544

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Revenues - Continued					
Federal Sources - Continued					
Federal Sources - Special Education					
IDEA Flow-Through	\$ 293,600	293,600	328,146	34,546	315,196
IDEA Room and Board	170,000	170,000	105,169	(64,831)	155,518
Title III - English Language Acquisition	22,000	22,000	19,660	(2,340)	24,033
Medicaid Matching Funds					
Administrative Outreach	—	—	36,350	36,350	46,476
Fee-For-Service Program	—	—	50,559	50,559	33,183
Other Federal Sources	258,409	258,409	260,494	2,085	424,603
Total Federal Sources	1,015,209	1,015,209	1,290,114	274,905	1,317,289
Total Direct Revenues	25,462,029	25,462,029	25,624,234	162,205	23,326,972
On-Behalf Payments	—	—	7,905,377	7,905,377	7,399,591
Total Revenues	25,462,029	25,462,029	33,529,611	8,067,582	30,726,563
Expenditures					
Instruction					
Regular Programs					
Salaries	8,010,572	8,010,572	7,981,752	28,820	7,868,986
Employee Benefits	1,245,577	1,245,577	1,028,169	217,408	1,359,767
Purchased Services	220,600	220,600	108,088	112,512	209,025
Supplies and Materials	664,938	664,938	554,596	110,342	501,261
Capital Outlay	258,600	258,600	—	258,600	51,486
Other Objects	1,200	1,200	554	646	325
Non-Capitalized Equipment	113,250	113,250	240,652	(127,402)	265,294
Termination Benefits	403,608	403,608	375,803	27,805	361,553
	10,918,345	10,918,345	10,289,614	628,731	10,617,697
Pre-K Programs					
Salaries	278,422	278,422	244,104	34,318	225,154
Employee Benefits	60,905	60,905	65,678	(4,773)	52,106
Supplies and Materials	4,200	4,200	3,298	902	3,172
Capital Outlay	1,850	1,850	—	1,850	—
Non-Capitalized Equipment	500	500	3,146	(2,646)	194
	345,877	345,877	316,226	29,651	280,626

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Instruction - Continued					
Special Education Programs					
Salaries	\$ 1,350,598	1,350,598	1,274,776	75,822	1,136,675
Employee Benefits	298,046	298,046	242,435	55,611	240,485
Purchased Services	800	800	4,817	(4,017)	999
Supplies and Materials	3,500	3,500	1,222	2,278	2,529
Capital Outlay	5,500	5,500	2,641	2,859	—
Other Objects	200	200	250	(50)	180
Non-Capitalized Equipment	3,500	3,500	352	3,148	5,173
	1,662,144	1,662,144	1,526,493	135,651	1,386,041
Remedial and Supplemental Programs K-12					
Salaries	606,768	606,768	609,653	(2,885)	585,249
Employee Benefits	90,559	90,559	101,670	(11,111)	97,193
Purchased Services	53,490	53,490	70,580	(17,090)	64,391
Supplies and Materials	5,815	5,815	27,472	(21,657)	5,891
	756,632	756,632	809,375	(52,743)	752,724
Interscholastic Programs					
Salaries	100,000	100,000	107,876	(7,876)	99,754
Employee Benefits	1,100	1,100	1,021	79	997
Supplies and Materials	6,500	6,500	7,044	(544)	6,887
Capital Outlay	1,500	1,500	—	1,500	—
Other Objects	3,500	3,500	3,675	(175)	3,500
	112,600	112,600	119,616	(7,016)	111,138
Summer School Programs					
Salaries	71,000	71,000	58,444	12,556	51,515
Employee Benefits	1,145	1,145	693	452	7,424
Supplies and Materials	2,500	2,500	879	1,621	1,710
	74,645	74,645	60,016	14,629	60,649

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Instruction - Continued					
Gifted Programs					
Salaries	\$ 502,478	502,478	501,903	575	450,386
Employee Benefits	86,949	86,949	96,099	(9,150)	64,217
Supplies and Materials	3,950	3,950	4,145	(195)	3,671
	593,377	593,377	602,147	(8,770)	518,274
Bilingual Programs					
Salaries	689,408	689,408	697,521	(8,113)	676,485
Employee Benefits	100,030	100,030	113,291	(13,261)	89,574
Purchased Services	3,200	3,200	1,797	1,403	—
Supplies and Materials	10,000	10,000	8,221	1,779	13,935
	802,638	802,638	820,830	(18,192)	779,994
Student Activity Fund					
Other Objects	—	—	4,619	(4,619)	6,582
Total Instruction	15,266,258	15,266,258	14,548,936	717,322	14,513,725
Support Services					
Pupils					
Attendance and Social Work Services					
Salaries	414,143	414,143	414,143	—	404,123
Employee Benefits	41,899	41,899	41,033	866	39,792
Purchased Services	300	300	268	32	—
Supplies and Materials	2,000	2,000	1,638	362	961
	458,342	458,342	457,082	1,260	444,876
Health Services					
Salaries	173,000	173,000	143,581	29,419	163,322
Employee Benefits	36,101	36,101	12,951	23,150	36,774
Purchased Services	80,500	80,500	96,553	(16,053)	58,397
Supplies and Materials	5,400	5,400	11,412	(6,012)	4,908
Capital Outlay	3,000	3,000	—	3,000	—
Other Objects	750	750	644	106	65
Non-Capitalized Equipment	1,500	1,500	74	1,426	223
	300,251	300,251	265,215	35,036	263,689

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Support Services - Continued					
Pupils - Continued					
Psychological Services					
Salaries	\$ 185,478	185,478	185,478	—	179,584
Employee Benefits	37,026	37,026	31,257	5,769	35,090
Purchased Services	2,300	2,300	1,123	1,177	1,343
Supplies and Materials	1,400	1,400	293	1,107	1,382
	226,204	226,204	218,151	8,053	217,399
Speech Pathology and Audiology Services					
Salaries	284,658	284,658	255,106	29,552	274,591
Employee Benefits	38,931	38,931	38,756	175	36,995
Purchased Services	2,000	2,000	43,633	(41,633)	443
Supplies and Materials	1,450	1,450	751	699	1,513
	327,039	327,039	338,246	(11,207)	313,542
Other Support Services - Pupils					
Salaries	86,000	86,000	98,701	(12,701)	77,216
Employee Benefits	450	450	455	(5)	331
	86,450	86,450	99,156	(12,706)	77,547
Total Pupils	1,398,286	1,398,286	1,377,850	20,436	1,317,053
Instructional Staff					
Improvement of Instructional Services					
Salaries	377,126	377,126	369,879	7,247	356,019
Employee Benefits	48,534	48,534	46,278	2,256	43,170
Purchased Services	67,785	67,785	68,591	(806)	29,919
Supplies and Materials	2,000	2,000	14,625	(12,625)	687
Other Objects	4,425	4,425	1,956	2,469	4,423
	499,870	499,870	501,329	(1,459)	434,218
Educational Media Services					
Salaries	283,667	283,667	280,920	2,747	273,022
Employee Benefits	29,216	29,216	29,250	(34)	27,654
Supplies and Materials	19,000	19,000	21,693	(2,693)	12,647
Non-Capitalized Equipment	500	500	—	500	—
	332,383	332,383	331,863	520	313,323

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Support Services - Continued					
Instructional Staff - Continued					
Assessment and Testing					
Purchased Services	\$ 45,493	45,493	45,492	1	—
Supplies and Materials	100	100	—	100	—
	45,593	45,593	45,492	101	—
Total Instructional Staff	877,846	877,846	878,684	(838)	747,541
General Administration					
Board of Education Services					
Employee Benefits	3,550	3,550	9,571	(6,021)	62,173
Purchased Services	230,000	230,000	202,190	27,810	197,554
Supplies and Materials	2,500	2,500	2,634	(134)	1,224
Other Objects	16,000	16,000	14,553	1,447	13,168
	252,050	252,050	228,948	23,102	274,119
Executive Administration Services					
Salaries	270,330	270,330	260,330	10,000	286,941
Employee Benefits	53,282	53,282	51,758	1,524	50,198
Purchased Services	7,500	7,500	5,022	2,478	9,855
Supplies and Materials	2,300	2,300	965	1,335	314
Other Objects	3,500	3,500	2,971	529	3,652
	336,912	336,912	321,046	15,866	350,960
Special Area Administration Services					
Salaries	153,103	153,103	152,906	197	147,264
Employee Benefits	41,382	41,382	41,102	280	38,763
Other Objects	750	750	—	750	400
	195,235	195,235	194,008	1,227	186,427
Total General Administration	784,197	784,197	744,002	40,195	811,506

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Support Services - Continued					
School Administration					
Office of the Principal Services					
Salaries	\$ 710,378	710,378	699,646	10,732	689,892
Employee Benefits	202,588	202,588	180,106	22,482	198,926
Purchased Services	5,050	5,050	4,719	331	3,568
Supplies and Materials	4,000	4,000	1,505	2,495	1,738
Capital Outlay	1,000	1,000	—	1,000	—
Other Objects	2,400	2,400	2,055	345	1,202
Non-Capitalized Equipment	—	—	—	—	3,594
Total School Administration	925,416	925,416	888,031	37,385	898,920
Business					
Direction of Business Support					
Services					
Salaries	197,803	197,803	197,802	1	190,110
Employee Benefits	30,973	30,973	30,839	134	29,168
Other Objects	1,300	1,300	1,604	(304)	1,134
	230,076	230,076	230,245	(169)	220,412
Fiscal Services					
Salaries	243,583	243,583	243,344	239	230,559
Employee Benefits	66,309	66,309	66,136	173	59,546
Purchased Services	108,600	108,600	103,649	4,951	100,559
Supplies and Materials	5,500	5,500	3,766	1,734	4,576
Other Objects	29,900	29,900	26,998	2,902	29,390
Non-Capitalized Equipment	—	—	—	—	1,546
	453,892	453,892	443,893	9,999	426,176

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Support Services - Continued					
Business - Continued					
Food Services					
Salaries	\$ 259,800	259,800	259,268	532	246,202
Employee Benefits	93,105	93,105	66,129	26,976	61,626
Purchased Services	17,000	17,000	499	16,501	7,000
Supplies and Materials	262,500	262,500	308,658	(46,158)	232,964
Capital Outlay	8,000	8,000	—	8,000	—
Other Objects	800	800	1,194	(394)	753
Non-Capitalized Equipment	4,000	4,000	1,978	2,022	118
Termination Benefits	32,000	32,000	37,276	(5,276)	—
	677,205	677,205	675,002	2,203	548,663
Internal Services					
Purchased Services	24,500	24,500	23,130	1,370	20,570
Supplies and Materials	1,500	1,500	1,361	139	1,148
	26,000	26,000	24,491	1,509	21,718
Total Business	1,387,173	1,387,173	1,373,631	13,542	1,216,969
Central					
Information Services					
Salaries	78,534	78,534	78,534	—	53,313
Employee Benefits	34,788	34,788	34,616	172	12,107
Purchased Services	30,500	30,500	17,873	12,627	23,662
Supplies and Materials	8,000	8,000	10,158	(2,158)	7,258
Capital Outlay	—	—	514	(514)	—
Other Objects	500	500	840	(340)	250
	152,322	152,322	142,535	9,787	96,590
Data Processing Services					
Salaries	554,265	554,265	553,882	383	524,540
Employee Benefits	109,878	109,878	106,681	3,197	103,458
Supplies and Materials	200	200	—	200	—
Purchased Services	500	500	—	500	545
Other Objects	500	500	225	275	—
	665,343	665,343	660,788	4,555	628,543
Total Central	817,665 ¹⁸³	817,665	803,323	14,342	725,133

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Expenditures - Continued					
Support Services - Continued					
Total Support Services	\$ 6,190,583	6,190,583	6,065,521	125,062	5,717,122
Community Services					
Purchased Services	1,000	1,000	—	1,000	—
Supplies and Materials	830	830	2,882	(2,052)	—
Total Community Services	1,830	1,830	2,882	(1,052)	—
Payments to Other Districts and Governmental Units					
Payments for Special Education Programs					
Purchased Services	164,676	164,676	211,578	(46,902)	161,500
Other Objects	2,557,723	2,557,723	2,553,825	3,898	2,635,440
Total Payments to Other Districts and Governmental Units	2,722,399	2,722,399	2,765,403	(43,004)	2,796,940
Total Direct Expenditures	24,181,070	24,181,070	23,382,742	798,328	23,027,787
On Behalf Payments	—	—	7,905,377	(7,905,377)	7,399,591
Total Expenditures	24,181,070	24,181,070	31,288,119	(7,107,049)	30,427,378
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,280,959	1,280,959	2,241,492	960,533	299,185
Other Financing (Uses)					
Transfers Out	—	—	(211,965)	(211,965)	—
Net Change in Fund Balance	1,280,959	1,280,959	2,029,527	748,568	299,185
Fund Balance - Beginning			12,487,321		12,188,136
Fund Balance - Ending			14,516,848		12,487,321

LINCOLNWOOD SCHOOL DISTRICT 74

Tort Immunity and Judgement Account- General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Local Sources					
Tort Immunity Levy	\$ 200,762	200,762	204,780	4,018	206,757
Corporate Personal Property Replacement Taxes	—	—	—	—	172,196
Investment Income (Loss)	9,072	9,072	11,222	2,150	(16,743)
Total Revenues	209,834	209,834	216,002	6,168	362,210
Expenditures					
Support Services					
General Administration Workers' Compensation					
Purchased Services	75,800	75,800	79,809	(4,009)	68,837
Property Insurance Purchased Services	120,000	120,000	112,002	7,998	110,248
Total Expenditures	195,800	195,800	191,811	3,989	179,085
Net Change in Fund Balance	14,034	14,034	24,191	10,157	183,125
Fund Balance - Beginning			561,371		378,246
Fund Balance - Ending			585,562		561,371

LINCOLNWOOD SCHOOL DISTRICT 74

Working Cash Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Revenues					
Local Sources					
General Levy	\$ 1,117	1,117	805	(312)	814
Investment Income (Loss)	12,033	12,033	13,665	1,632	1,734
Total Revenues	13,150	13,150	14,470	1,320	2,548
Expenditures	—	—	—	—	—
Net Change in Fund Balance	13,150	13,150	14,470	1,320	2,548
Fund Balance - Beginning			774,015		771,467
Fund Balance - Ending			788,485		774,015

LINCOLNWOOD SCHOOL DISTRICT 74

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Local Sources					
General Levy	\$ 1,787,376	1,787,376	1,794,550	7,174	1,696,008
Investment Income	16,569	16,569	24,487	7,918	7,007
Total Revenues	1,803,945	1,803,945	1,819,037	15,092	1,703,015
Expenditures					
Debt Service					
Payments on Long Term Debt					
Principal Payments on Long Term Debt	1,205,000	1,205,000	1,205,000	—	1,165,000
Interest and Fiscal Charges	600,725	600,725	602,725	(2,000)	640,100
Total Expenditures	1,805,725	1,805,725	1,807,725	(2,000)	1,805,100
Net Change in Fund Balance	<u>(1,780)</u>	<u>(1,780)</u>	11,312	<u>13,092</u>	(102,085)
Fund Balance - Beginning			<u>465,534</u>		<u>567,619</u>
Fund Balance - Ending			<u>476,846</u>		<u>465,534</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Local Sources					
Property Taxes	\$ 903,000	903,000	888,724	(14,276)	—
Investment Income (Loss)	132,804	132,804	(14,181)	(146,985)	153,275
Total Local Sources	1,035,804	1,035,804	874,543	(161,261)	153,275
Federal Sources					
Other Restricted Revenue from from Federal Sources	219,429	219,429	7,464	(211,965)	603,130
Total Revenues	1,255,233	1,255,233	882,007	(373,226)	756,405
Expenditures					
Support Services					
Business					
Facilities Acquisition and Construction Services					
Purchased Services	269,504	269,504	294,575	(25,071)	673,345
Capital Outlay	1,529,209	1,529,209	1,118,999	410,210	1,147,191
Non-Capitalized Equipment	—	—	119,065	(119,065)	184,832
	1,798,713	1,798,713	1,532,639	266,074	2,005,368
Operations and Maintenance of Plant Services					
Capital Outlay	159,930	159,930	100,772	59,158	384,290
Total Expenditures	1,958,643	1,958,643	1,633,411	325,232	2,389,658
Excess (Deficiency) of Revenues Over (Under) Expenditures	(703,410)	(703,410)	(751,404)	(47,994)	(1,633,253)
Other Financing Sources					
Transfers In	—	—	2,211,965	2,211,965	—
Net Change in Fund Balance	<u>(703,410)</u>	<u>(703,410)</u>	1,460,561	<u>2,163,971</u>	(1,633,253)
Fund Balance - Beginning			<u>3,542,615</u>		<u>5,175,868</u>
Fund Balance - Ending			<u>5,003,176</u>		<u>3,542,615</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Fire Prevention and Life Safety - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2024

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2023)

	2024				2023
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Local Sources					
General Levy	\$ 121,574	121,574	182,976	61,402	335,351
Investment Income (Loss)	63,441	63,441	186,862	123,421	(20,102)
Total Local Sources	185,015	185,015	369,838	184,823	315,249
Federal Sources					
School Infrastructure - Maintenance Projects	50,000	50,000	50,000	—	50,000
Total Revenues	235,015	235,015	419,838	184,823	365,249
Expenditures					
Support Services					
Business					
Facilities and Acquisition and Construction Services					
Purchased Services	46,000	46,000	57,005	(11,005)	48,512
Operations and Maintenance of Plant Services					
Capital Outlay	1,435,362	1,435,362	376,233	1,059,129	770,227
Non-Capitalized Equipment	—	—	300,655	(300,655)	105,556
Total Expenditures	1,481,362	1,481,362	733,893	747,469	924,295
Net Change in Fund Balance	<u>(1,246,347)</u>	<u>(1,246,347)</u>	(314,055)	<u>932,292</u>	(559,046)
Fund Balance - Beginning			<u>1,709,492</u>		<u>2,268,538</u>
Fund Balance - Ending			<u>1,395,437</u>		<u>1,709,492</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Consolidated Year-End Financial Report June 30, 2024

CSFA #	Program Name	State	Federal	Other	Totals
478-00-0251	Medical Assistance Program	\$ —	37,865	—	37,865
586-18-0408	Special Milk Program	—	17,723	—	17,723
586-62-0414	Title I - Grants to Local Education Agencies	—	279,892	—	279,892
586-73-1082	Title I Part A School Improvement	—	103,681	—	103,681
586-18-0428	Title III - English Language Acquisition State Grants	—	19,660	—	19,660
586-57-0420	Federal - Special Education - Pre School Flow Through	—	10,450	—	10,450
586-64-0417	Federal - Special Education - IDEA Flow Through	—	317,696	—	317,696
586-82-1466	Federal - Special Education - IDEA Room and Board	—	105,168	—	105,168
586-62-2402	Federal Programs - Emergency Relief	—	17,432	—	17,432
586-62-2578	ARP - LEA and COOP American Rescue Plan (Esser III)	—	250,526	—	250,526
	Totals	—	1,160,093	—	1,160,093

SUPPLEMENTAL SCHEDULES

LINCOLNWOOD SCHOOL DISTRICT 74

Schedule of Assessed Valuations, Tax Rates, and Extensions - Last Five Tax Levy Years June 30, 2024

	2019	2020	2021	2022	2023
Assessed Valuation	\$ 690,242,851	737,935,823	689,622,446	804,228,126	807,525,949
Tax Rates					
Educational	2.5663	2.5780	2.7507	2.5652	2.6623
Tort Immunity	0.0115	0.0161	0.0323	0.0263	0.0246
Special Education	0.0457	0.0473	0.0521	0.0476	0.0493
Operations and Maintenance	0.3047	0.3072	0.3372	0.2502	0.2595
Bond and Interest	0.2490	0.2328	0.3074	0.2780	0.2462
Transportation	0.0656	0.0763	0.1158	0.1252	0.1294
Municipal Retirement	0.0266	0.0255	0.0290	0.0188	0.0124
Social Security	0.0440	0.0477	0.0579	0.0438	0.0370
Working Cash	0.0001	0.0001	0.0001	0.0001	0.0001
Fire Prevention and Life Safety	0.0682	0.0706	0.0680	0.0302	0.0154
Total Tax Rates	3.3817	3.4016	3.7505	3.3854	3.4362
Tax Extensions					
Educational	\$ 17,713,702	19,024,100	18,969,444	20,630,059	21,993,042
Tort Immunity	79,377	118,780	222,748	211,511	203,218
Special Education	315,440	349,230	359,293	382,812	407,263
Operations and Maintenance	2,103,169	2,266,659	2,325,406	2,012,178	2,143,708
Bond and Interest	1,719,270	1,718,220	2,119,585	2,236,554	2,034,026
Transportation	452,799	563,103	798,582	1,006,893	1,068,962
Municipal Retirement	183,604	187,822	199,990	151,194	102,435
Social Security	303,706	351,688	399,291	352,251	305,653
Working Cash	690	764	689	804	826
Fire Prevention and Life Safety	470,745	521,172	468,943	242,876	127,218
Total Tax Extensions	23,342,502	25,101,538	25,863,971	27,227,132	28,386,351

LINCOLNWOOD SCHOOL DISTRICT 74

Schedule of Long-Term Debt Requirements General Obligation Limited School Bonds of 2015 June 30, 2024

Date of Issue	December 29, 2015
Date of Maturity	December 1, 2025
Authorized Issue	\$8,305,000
Interest Rates	2.50% to 4.00%
Interest Dates	December 1 and June 1
Principal Maturity Date	December 1
Payable at	PMA Securities, Inc.

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2025	\$ 840,000	38,550	878,550
2026	865,000	12,975	877,975
	1,705,000	51,525	1,756,525

LINCOLNWOOD SCHOOL DISTRICT 74

Schedule of Long-Term Debt Requirements General Obligation Limited School Bonds of 2016 June 30, 2024

Date of Issue	April 7, 2016
Date of Maturity	December 1, 2030
Authorized Issue	\$4,235,000
Interest Rates	2.50% to 4.00%
Interest Dates	December 1 and June 1
Principal Maturity Date	December 1
Payable at	PMA Securities, Inc.

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2025	\$ —	164,100	164,100
2026	—	164,100	164,100
2027	895,000	146,200	1,041,200
2028	930,000	109,700	1,039,700
2029	965,000	71,800	1,036,800
2030	1,005,000	32,400	1,037,400
2031	410,000	6,150	416,150
	<u>4,205,000</u>	<u>694,450</u>	<u>4,899,450</u>

LINCOLNWOOD SCHOOL DISTRICT 74**Schedule of Long-Term Debt Requirements****General Obligation Limited School Bonds of 2018A****June 30, 2024**

Date of Issue	July 3, 2018
Date of Maturity	December 1, 2035
Authorized Issue	\$5,910,000
Interest Rate	4.00%
Interest Dates	December 1 and June 1
Principal Maturity Date	December 1
Payable at	PMA Securities, Inc.

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2025	\$ —	177,600	177,600
2026	—	177,600	177,600
2027	—	177,600	177,600
2028	—	177,600	177,600
2029	—	177,600	177,600
2030	—	177,600	177,600
2031	670,000	164,200	834,200
2032	695,000	136,900	831,900
2033	725,000	108,500	833,500
2034	750,000	79,000	829,000
2035	785,000	48,300	833,300
2036	815,000	16,300	831,300
	<u>4,440,000</u>	<u>1,618,800</u>	<u>6,058,800</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Schedule of Long-Term Debt Requirements
General Obligation Limited School Bonds of 2021
June 30, 2024

Date of Issue	April 29, 2021
Date of Maturity	December 1, 2039
Authorized Issue	\$6,365,000
Interest Rates	2.00% to 3.00%
Interest Dates	December 1 and June 1
Principal Maturity Date	December 1
Payable at	PMA Securities, Inc.

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2025	\$ 310,000	184,750	494,750
2026	—	181,650	181,650
2027	—	181,650	181,650
2028	—	181,650	181,650
2029	—	181,650	181,650
2030	—	181,650	181,650
2031	—	181,650	181,650
2032	295,000	177,225	472,225
2033	360,000	167,400	527,400
2034	370,000	156,450	526,450
2035	380,000	145,200	525,200
2036	395,000	133,575	528,575
2037	1,245,000	108,975	1,353,975
2038	1,280,000	71,100	1,351,100
2039	1,320,000	32,100	1,352,100
2040	410,000	6,150	416,150
	<u>6,365,000</u>	<u>2,272,825</u>	<u>8,637,825</u>



October 29, 2024

Members of the Board of Education
Lincolnwood School District 74
Lincolnwood, Illinois

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lincolnwood School District 74, (the District), Illinois for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 29, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in the Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2024. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the governmental activities' financial statements were:

Management's estimate of the depreciation expense on capital assets is based on assumed useful lives of the underlying capital assets, the net pension liabilities are based on estimated assumptions used by the actuary, and the total OPEB liabilities are based on estimated assumptions used by the actuary. We evaluated the key factors and assumptions used to develop the depreciation expense, the net pension liabilities, and the total OPEB liabilities estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Any material misstatements detected as a result of audit procedures were corrected by management.

Significant Audit Findings - Continued

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 29, 2024.

Management Consultations with Other Independent Auditors

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the other supplementary information and supplemental schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restrictions on Use

This information is intended solely for the use of the Board of Education and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to express our gratitude to the Board of Education and staff (in particular the Finance Department) of the Lincolnwood School District 74, Illinois for their valuable cooperation throughout the audit engagement.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

LINCOLNWOOD SCHOOL DISTRICT 74, ILLINOIS MANAGEMENT LETTER



FOR THE FISCAL YEAR ENDED
JUNE 30, 2024

6950 North East Prairie Road
Lincolnwood, IL 60712
Phone: 847.675.8234
www.sd74.org



October 29, 2024

Members of the Board of Education
Lincolnwood School District 74
Lincolnwood, Illinois

In planning and performing our audit of the financial statements of the Lincolnwood School District 74 (the District), Illinois, for the year ended June 30, 2024, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

We do not intend to imply that our audit failed to disclose commendable aspects of your system and structure. For your consideration, we herein submit our comments and suggestions which are designed to assist in effecting improvements in internal controls and procedures. Those less-significant matters, if any, which arose during the course of the audit, were reviewed with management as the audit field work progressed.

The accompanying comments and recommendations are intended solely for the information and use of the Board of Education, finance committee, and senior management of the Lincolnwood School District 74, Illinois.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various District personnel. We would be pleased to discuss our comments and suggestions in further detail with you at your convenience, to perform any additional study of these matters, or to review the procedures necessary to bring about desirable changes.

We commend the finance department for the well prepared audit package and we appreciate the courtesy and assistance given to us by the entire District staff.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

CURRENT RECOMMENDATIONS

1. GASB STATEMENT NO. 102 CERTAIN RISK DISCLOSURES

Comment

In December 2023, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, *Certain Risk Disclosures*, which establishes the requirements for disclosing, in the notes to the financial statements, the risks related to a government's vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. Governments may be vulnerable to risks from certain concentrations or constraints that limit its ability to acquire resources or control spending. Concentration risk is a lack of diversity related to an aspect of a significant inflow of resources (revenues) or outflow of resources (expenses). Constraint risk is a limitation that is imposed by an external party or by formal action of a government's highest level of decision-making authority. GASB Statement No. 102, *Certain Risk Disclosures* is applicable to the District's financial statements for the year ended June 30, 2025.

Recommendation

Lauterbach & Amen, LLP will work directly with the District to review the new risk related criteria to determine the appropriate financial reporting disclosures for these activities under GASB Statement No. 102.

Management's Response

Management acknowledges this comment and, if applicable, will work to implement it when required by GASB.

2. GASB STATEMENT NO. 103 FINANCIAL REPORTING MODEL IMPROVEMENTS

Comment

In April 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 103, *Financial Reporting Model Improvements*, which establishes improvements to key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government's accountability. The Statement addresses application issues related to management's discussion and analysis, unusual or infrequent items, presentation of the proprietary fund statements of revenues, expenses, and changes in fund net position, major component unit information, and budgetary comparison information. GASB Statement No. 103, *Financial Reporting Model Improvements* is applicable to the District's financial statements for the year ended June 30, 2026.

Recommendation

Lauterbach & Amen, LLP will work directly with the District to review the disclosure criteria related to the statement to determine the appropriate financial reporting changes for these sections of the report, if applicable, under GASB Statement No. 103.

Management's Response

Management acknowledges this comment and, if applicable, will work to implement it when required by GASB.

PRIOR RECOMMENDATIONS

1. GASB STATEMENT NO. 100 ACCOUNTING CHANGES AND ERROR CORRECTIONS

Comment

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, *Accounting Changes and Error Corrections*, which establishes accounting and financial reporting requirements for (a) accounting changes, and (b) the correction of an error in previously issued financial statements (error correction). Accounting changes are (a) changes in accounting principle, (b) changes in accounting estimates, or (c) changes to or within the financial reporting entity. Error corrections are (a) errors from mathematical mistakes, mistakes in the application of accounting principles, or oversight or misuse of facts that existed at the time the financial statements were issued, or (b) a change from (i) applying an accounting principle that is not generally accepted to transactions or other events that previously were significant to (ii) applying a generally accepted accounting principle to those transactions or other events is an error correction. GASB Statement No. 100 requires that (a) changes in accounting principal and error corrections are reported retroactively, (b) changes in accounting estimates are reported prospectively, and (c) changes to or within the financial reporting entity should be reported by adjusting the current reporting period's beginning net position, fund balance, or fund net position, as applicable, for the effect of the change as if the change occurred as of the beginning of the reporting period. GASB Statement No. 100, *Accounting Changes and Error Corrections* is applicable to the District's financial statements for the year ended June 30, 2024.

Recommendation

Lauterbach & Amen, LLP will work directly with the District to review any accounting changes or error corrections to determine the appropriate financial reporting for these activities under GASB Statement No. 100.

Status

This comment had no current year implications and therefore is considered implemented. Lauterbach & Amen will continue to monitor in the future to determine if additional disclosures are required.

2. GASB STATEMENT NO. 101 COMPENSATED ABSENCES

Comment

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, *Compensated Absences*, which establishes standards of accounting and financial reporting for (a) compensated absences, and (b) associated salary-related payments, including certain defined contribution pensions and defined contribution other post-employment benefits (OPEB). The statement requires that a liability should be recognized for any type of leave that has not been used at year-end if (a) The leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Examples of leave that should be reviewed, and potentially measured under GASB Statement No. 101 are vacation leave, paid time off leave, holiday leave, and sick leave. Examples of leave that are excluded from GASB Statement No. 101 are parental leave, military leave, and jury duty leave. GASB Statement No. 101, *Compensated Absences* is applicable to the District's financial statements for the year ended June 30, 2025.

PRIOR RECOMMENDATIONS - Continued

2. GASB STATEMENT NO. 101 COMPENSATED ABSENCES - Continued

Recommendation

Lauterbach & Amen, LLP will work directly with the District to review the new compensated absences and associated salary-related payments, including certain defined contribution pensions and defined contribution other post-employment benefits criteria to determine the appropriate financial reporting for these activities under GASB Statement No. 101.

Status

This comment has not been implemented and will be repeated in the future.

Management Response

Management acknowledges this comment and, if applicable, will work to implement it when required by GASB.

3. FUNDS OVER BUDGET

Comment

Previously and during our current year end audit procedures, we noted that the following funds had an excess of actual expenditures over budget for the previous fiscal year and current fiscal year:

Fund	6/30/23	6/30/24
Education Account	\$ 24,208	—
Operations and Maintenance	—	219,524
Transportation	—	119,201
Debt Service	—	2,000
Fire Prevention and Life Safety	646,295	—

Recommendation

We recommended the District investigate the causes of the funds over budget and adopt appropriate future funding measures.

Status

This comment has not been implemented and will be repeated in the future.

Management Response

Management acknowledges this comment and will work to correct in the future.

LINCOLNWOOD SCHOOL DISTRICT NO. 74

**ACCOUNTING FOR POST EMPLOYMENT
BENEFIT PLANS UNDER GASB STATEMENTS #74/75**

AS OF JUNE 30, 2024

FOR THE FISCAL YEAR ENDING JUNE 30, 2024

October 2024

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SECTION ONE: OVERVIEW

Summary of Principal Results

MWM Consulting Group was retained to prepare an actuarial valuation of the Lincolnwood School District No. 74's retiree health programs for the purpose of determining the expense and liabilities to be reported on the District's financial statement in accordance with Government Accounting Standards Board (GASB) Statements Nos. 74 and 75, for the fiscal period ending June 30, 2024. Key results of the valuation are summarized below.

Actuarial Values at June 30, 2024 (3.97% Discount Rate)

Item	TRS	IMRF	Total
Present Value of Benefits			
Retirees	\$ 571,794	\$ 100,879	\$ 672,673
Actives Fully Eligible	214,391	262,643	477,034
Actives Not Yet Eligible	903,398	312,222	1,215,620
Total	\$ 1,689,583	\$ 675,744	\$ 2,365,327
Actuarial Accrued Liability			
Retirees	\$ 571,794	\$ 100,879	\$ 672,673
Actives Fully Eligible	146,532	167,763	314,295
Actives Not Yet Eligible	617,455	199,433	816,888
Total	\$ 1,335,781	\$ 468,075	\$ 1,803,856

Balance Sheet Liabilities as Reported Under GASB 74/75 at June 30, 2024

	Item	6/30/2024
<i>Under GASB 75, the Net OPEB Liability equals the total Actuarial Accrued Liability minus the Plan assets (if any) and is reported on the balance sheet.</i>	Total OPEB Liability	\$ 1,803,856
	Plan Fiduciary Net Position	0
	Net OPEB Liability	\$ 1,803,856

SECTION ONE: OVERVIEW

OPEB Expense As Reported Under GASB 75 at June 30, 2024

	Item	FYE 6/30/2024	FYE 6/30/2023
Annual OPEB expense under GASB 75 equals the difference between beginning and end of year liabilities with some adjustment for deferred recognition and differs from the ARC and expense calculations under GASB 45.	Service Cost	\$ 63,067	\$ 67,976
	Administrative Expense	0	0
	Interest on the Total OPEB Liability	65,892	67,928
	Current-Period Benefit Changes	0	0
	Employee Contributions	0	0
	Projected Earnings on Plan Investments	0	0
	Other Changes in Plan Fiduciary Net Position	0	0
	Recognition of Outflow (Inflow) of Resources due to Liabilities	33,762	26,032
	Recognition of Outflow (Inflow) of Resources due to Assets	0	0
	Total OPEB Expense	\$ 162,721	\$ 161,936

Important Dates Used in this Valuation

GASB Statement No. 75 allows reporting liabilities as of any fiscal year end based upon:

- (1) A valuation date no more than 30 months plus one day prior to the close of the fiscal year end.
The valuation date is the date on which the participant data is collected, and the valuation calculations are processed.
- (2) A measurement date up to one year prior to the close of the fiscal year.

Valuation Date:	June 30, 2024
Measurement Date:	June 30, 2024
Measurement Period:	June 30, 2023 to June 30, 2024
Fiscal Year End:	June 30, 2024

Actuarial Funding Method and Assumptions

For this report, liabilities and annual costs were developed under the entry age normal method as required under GASB 74/75.

The actuarial assumptions were selected to be consistent with assumptions disclosed in valuations of similarly situated governmental employers, to be consistent with the experience of the Plan, if credible, and to represent the actuary's best estimate of future experience.

Two of the most significant assumptions affecting the measurement of retiree medical obligations are economic assumptions: the interest rate (also called discount rate), and the trend rate (the annual rate of increases in future health care costs). Two other very important assumptions are non-economic and both of which greatly affect the magnitude of retiree liabilities - the assumption regarding the ages at which employees will retire and commence benefits under the program, and the assumed level of participation (percentage of retirees electing to take coverage) in the plan. A description of each of the assumptions used is provided in Section Four of this report.

Significant Discount Rates

July 1, 2023:	3.86%
June 30, 2024:	3.97%

Under GASB Statement No. 75, liabilities are required to be discounted based upon the expected rate of return associated with funded benefits, and for unfunded benefits, the 20-year muni bond rates. Since the District's plan is unfunded, the 20-year muni index rate applies. Therefore, the liabilities valued as of July 1, 2023 are discounted at a 3.86% interest rate, and the liabilities valued as of June 30, 2024 are discounted at a rate of 3.97%.

SECTION ONE: OVERVIEW

ACTUARIAL CERTIFICATION

This is to certify that MWM Consulting Group has prepared an Actuarial Valuation of the Plan for the fiscal year ending June 30, 2024 for the primary purpose of providing financial accounting information required for compliance with GASB Statement No. 75. The results of this valuation have been prepared in conformance with our understanding of the relevant provisions of the GASB Statements Nos. 74 and 75.

The information and valuation results shown in this report are prepared with reliance upon information and data provided to us, which we believe to the best of our knowledge to be complete and accurate and include:

- Employee census data submitted by the District. This data was not audited by us but appears to be consistent with prior information, and sufficient and reliable for purposes of this report.
- Financial and Insurance data submitted by the District.
- Illinois statutory code provisions and Plan summaries as supplied by the District.

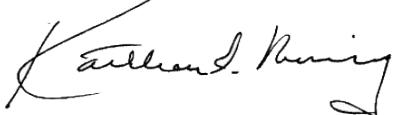
Actuarial valuations involve calculations that require assumptions about future events. We believe the assumptions and methods used are within the range of possible assumptions that are reasonable, appropriate for the purposes for which they have been used and accurately and fairly present the actuarial position of the healthcare Plan sponsored by the Lincolnwood School District No. 74 as of June 30, 2024. In our opinion, all methods, assumptions and calculations are in accordance with requirements of GASB Statements Nos. 74 and 75 and the procedures followed, and presentation of results are in conformity with generally accepted actuarial principles and practices. Results shown in this report could be materially different from the actual outcome if actual plan experience differs from the assumptions used.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

This report should not be relied on for any purpose other than the purpose stated. The signing actuaries are independent of the plan sponsor and are Members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions herein.

MWM CONSULTING GROUP



Kathleen E Manning, FSA
Managing Principal & Consulting Actuary
MWM Consulting Group



Karl K. Oman, ASA
Consulting Actuary
MWM Consulting Group

10/31/2024

Date

Retiree Medical Plan

The Lincolnwood School District No. 74 sponsors health benefit plans for employees and retired former employees. The provisions of the programs are summarized in section 6 of this report. In general, the District subsidizes a portion of the cost for hospital and medical coverage for eligible retired employees and their dependents. The retiree health benefits, commonly called OPEB (Other than Pension Employee Benefits) are required to be accounted for under Governmental Accounting Standards Board (GASB) statements. The GASB accounting statement applicable to retiree health OPEB plans is GASB Statement No. 75.

Under GASB Statement No. 75, the entire unfunded OPEB liability, valued with market related muni bond rates, must be recognized on the financial statements.

Substantive Plan (Benefit Plan Provisions)

Under GASB, the benefit program to be valued is referred to as the Substantive Plan, which may or may not be set forth in a written document, but which includes the benefits which are understood by the employer, employees and other participants to be provided for under the program.

IMRF retirees and their dependents may continue coverage under District 74's group health program until age 65 by contributing a monthly premium. They may participate in any of the plans available to active employees. Retirees contribute either 30% (approximately) or 100% (see Summary of Principal Plan Provisions in this report) of the blended average employee group cost. The District contributes any remaining blended average employee group cost. In addition, the District pays the difference between the actuarial cost of the health coverage for retirees and the blended average employee group cost.

The District will pay one of the below benefits for any teacher who has retired through TRS and who has been a full-time employee with the District for at least 15 years at the time of retirement:

1. Single premium cost for TRIP insurance, up to a maximum of \$5,000 annually until the retiree becomes Medicare-eligible; or
2. A lump sum payment of \$35,000 to be paid in January following the year in which the teacher retired.

For certain grandfathered TRS retirees, the District pays 100% of the premium for TRIP single or family coverage.

Accounting Standard

Under GASB Statement No. 75 the annual expense and OPEB liability for plans like the District's which are funded on a pay-as-you-go basis will likely be more volatile because the discount rate used to develop the normal costs and actuarial accrued liability will be based on a municipal bond index which fluctuates with the market.

The municipal bond index rate is 3.86% as of July 1, 2023 and 3.97% as of June 30, 2024. Plan sponsors who partially pre-fund benefits must discount liabilities using a blended discount rate that reflects the municipal bond rate index to the degree the pre-funding assets are not available to pay benefits and the long-term expected return on assets to the degree the pre-funding assets are available to pay benefits.

SECTION TWO: RESULTS AND ANALYSIS

Funding Versus Accounting

Accounting standards affect the definition, measurement and allocation of liabilities and expenses that are published by employers in their annual financial statements. The accounting statements require employers to accrue costs on their books, but do not require employers to make contributions.

Funding Patterns

An employee hired at age 20 will not begin to receive retiree health benefits for decades, although the employee earns these benefits during his working years, before retirement. An employer with young employees and no retirees has no cash disbursements for retiree health benefits for many years, although the obligation for these benefits begins to accumulate with the first employee. Putting more money aside than will be paid out currently in anticipation of payouts in the future is called *pre-funding* an obligation. Whereas making payments only as each benefit amount comes due is called *pay-as-you-go* or *terminal* funding.

Systematic prefunding patterns for retirement benefits are developed according to various actuarial methodologies, which can call for increasing, decreasing or level patterns of annual contributions depending upon the demographics of the group and the financial considerations of an employer.

Accounting Valuation

This report is identified as an accounting valuation report determined for the sole purpose of meeting Plan and employer financial accounting requirements as prescribed under GASB Statements Nos. 74/75 and may not be appropriate for the determination of the contribution level or the Plan's funding requirements for other purposes.

Census Data

The calculations in this report are based upon data submitted by the District for active and retired employees and their dependents as of June 30, 2024.

Plan Costs

The costs of the benefit programs measured were based upon the premium rates and costs in effect at July 1, 2024.

Changes in Assumptions

- The healthcare trend was reset to begin at 6.25% at June 30, 2024; and
- The equivalent single discount rate was increased from 3.86% to 3.97% in accordance with GASB Statement Nos. 74/75.

Closed Group Valuation

This valuation has been prepared on a closed group valuation basis, meaning only the existing population has been considered.

Actuarial Cost Method

As required under GASB Statements Nos. 74/75, the Entry Age Normal actuarial method was used to develop the liabilities and expense components. The Entry Age Normal method was also used in prior valuations.

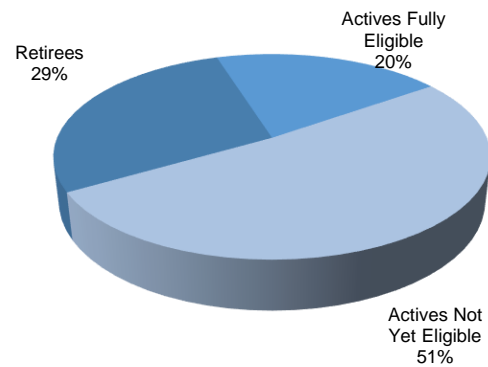
Actuarial Valuation Exhibits

Exhibits 1 and 2 display the actuarial present values liability amounts, accrued liability amounts, and selected valuation results as of the end of the year based on the end of year discount rate of 3.97%.

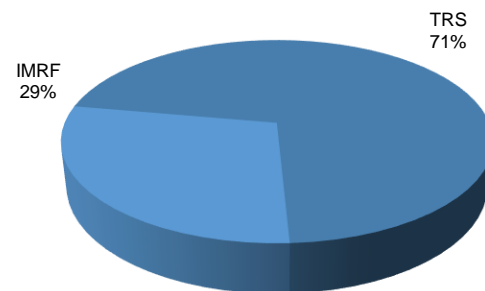
SECTION TWO: RESULTS AND ANALYSIS

Exhibit 1
Present Value of Future Benefits
As of June 30, 2024 for
Fiscal Year Ending June 30, 2024

By Employee Status		Total
Retirees	\$	672,673
Actives Fully Eligible		477,034
Actives Not Yet Eligible		1,215,620
Total	\$	2,365,327



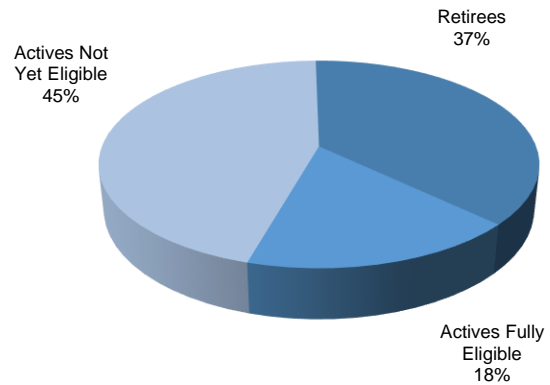
By Category		Total
TRS	\$	1,689,583
IMRF		675,744
Total	\$	2,365,327



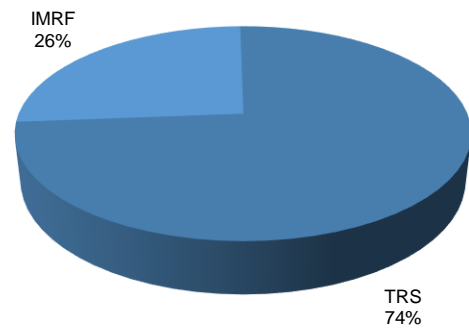
SECTION TWO: RESULTS AND ANALYSIS

Exhibit 2
Actuarial Accrued Liability
As of June 30, 2024 for
Fiscal Year Ending June 30, 2024

By Employee Status		Total
Retirees	\$	672,673
Actives Fully Eligible		314,295
Actives Not Yet Eligible		816,888
Total	\$	1,803,856



By Category		Total
TRS	\$	1,335,781
IMRF		468,075
Total	\$	1,803,856



GASB STATEMENT NO. 74 DISCLOSURE FOR FISCAL YEAR END 2024

GASB Statement No. 74 requires certain actuarial information be disclosed in the footnotes of financial statements of funded OPEB plans, or as required supplementary information. GASB Statement No. 74 financial disclosure information for the fiscal year end 2024 was based on a valuation prepared as of June 30, 2024 using the June 30, 2024 participant census and the GASB Statement No. 74 actuarial assumptions and methodology.

This section of the report summarizes the GASB Statement No. 75 requirements and presents the schedules, exhibits and information required to comply with GASB Statement No. 75.

Summary of Accounting Standards

For OPEB plans that are administered through trusts or equivalent arrangements, Governmental Accounting Standards Board (GASB) Statement No. 74 established standards of financial reporting for separately issued financial reports and specifies the required approach for measuring the OPEB liability. Similarly, GASB statement No. 75 established standards for state and local government employers to account for and disclose the net OPEB liability, OPEB expense, and other information associated with providing medical benefits to their employees (and former employees) on their basic financial statements.

Financial Statements

GASB Statement No. 75 requires state or local governments to recognize the net OPEB liability and the OPEB expense on their financial statements. The net OPEB liability is the difference between the total OPEB liability and the plan's fiduciary net position. In traditional actuarial terms, this is analogous to the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuation performed to determine the employer's contribution requirements).

The OPEB expense recognized each fiscal year is equal to the change in the net OPEB liability from the beginning of the year to the end of the year, and reflects annual service costs, interest costs and includes adjustments for deferred recognition of the liability and investment experience.

OPEB plans that prepare their own stand-alone financial statements are required to present two financial statements – a statement of fiduciary net position and a statement of changes in fiduciary net position in accordance with GASB Statement No. 74. The statement of fiduciary net position presents the asset and liabilities of the OPEB plan at the end of the OPEB plan's reporting period. The statement of changes in fiduciary net position presents the additions, such as contributions and investment income, and deductions, such as benefit payments and expense and net increase or decrease in the fiduciary net position.

Notes to Financial Statements

GASB Statement No. 75 requires the notes of the employer's financial statements to disclose the total OPEB expense, the OPEB plan's liabilities and assets and deferred outflows and inflows of resources related to OPEBs.

SECTION THREE: ANNUAL REPORTING UNDER GASB STATEMENTS NOS. 74/75

GASB Statements Nos. 74 and 75 require the notes of the financial statements for the employers' OPEB plan include:

- A description of benefits provided by the plan
- The type of employees and number of members covered by the OPEB plan
- A description of the plan's funding policy, which includes member and employer contribution requirements
- The OPEB plan's investment policies
- The OPEB plan's fiduciary net position, net OPEB liability and the OPEB plan's fiduciary net position as a percentage of the total OPEB liability
- Significant assumptions and methods used to calculate the total OPEB liability
- Inputs to the discount rates
- Certain information about mortality assumptions and the date of experience studies

Retirement systems that issue stand-alone financial statements are required to disclose additional information in accordance with GASB Statement No. 74:

- The compositions of the OPEB plan's board and the authority under which benefit terms may be amended
- A description of how fair value is determined
- Information regarding certain reserves and investments, which include concentrations of investments greater than or equal to 5%, receivables, and insurance contracts excluded from plan assets

Required Supplementary Information

GASB Statement No. 74 requires a 10-year fiscal history* of:

- Sources of changes in the net OPEB liability
- Information about the components of the net OPEB liability and related ratios, including the OPEB plan's fiduciary net position as a percentage of the total OPEB liability and the net OPEB liability as a percent of covered employee payroll
- Comparison of the actual employer contributions to the actuarially determined contributions based on the plan's funding policy

*These tables may be built prospectively as information becomes available.

Calculation of the Single Discount Rate

GASB Statements Nos. 74 /75 include a specific requirement for the discount rate that is used for the purpose of the measurement of the Total OPEB Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a risk free rate is required, such as a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating.

For the purpose of this valuation, the expected rate of return on OPEB plan investments is 3.97% per year, and the municipal bond rate, if applicable, is 3.86% at July 1, 2023 and 3.97% at June 30, 2024.

Contribution Policy

The single discount rate is determined based upon the projection of assets, investment return, benefit payments and contributions. The contribution policy assumed for this valuation is pay as you go.

Measurement of the Net OPEB Liability

The net OPEB liability is to be measured as the total OPEB liability, less the amount of the OPEB plan's fiduciary net positions. Using more familiar actuarial terms, this will be the accrued liability less the market value of assets.

Timing of the Valuation

An actuarial valuation to determine the total OPEB liability is required to be performed at least once every two years. The net OPEB liability and OPEB expense should be measured as of the OPEB plan's fiscal year end (measurement date) on a date that is within the employer's prior fiscal year. If the actuarial valuation used to determine the total OPEB liability is calculated as of the beginning of the year, the results are required to be rolled forward from the actuarial valuation date to the measurement date.

The total OPEB liability shown in this report is based on the census data and financial information provided for the actuarial valuation performed as of June 30, 2024.

SECTION THREE: ANNUAL REPORTING UNDER GASB STATEMENTS NOS. 74/75

Financial Reporting Under GASB 74/75

Schedules of Required Supplementary Information Schedule of Changes in the Net OPEB Liability and Related Ratios Multiyear

Fiscal Year Ending	6/30/2024	6/30/2023
Total OPEB Liability		
Service Cost including Administrative Expenses	\$ 63,067	\$ 67,976
Interest on the Total OPEB Liability	65,892	67,928
Benefit Changes	0	0
Differences Between Expected and Actual Experience	93,440	0
Assumption Changes	3,586	(15,655)
Benefit Payments	(258,377)	(249,710)
Refunds	0	0
OPEB Plan Administrative Expense	0	0
Net Change in Total OPEB Liability	\$ (32,392)	\$ (129,461)
Total OPEB Liability - Beginning	\$ 1,836,248	\$ 1,965,709
Total OPEB Liability - Ending	\$ 1,803,856	\$ 1,836,248
Plan Fiduciary Net Position		
Employer Contributions	\$ 258,377	\$ 249,710
Employee Contributions	0	0
OPEB Plan Net Investment Income	0	0
Benefit Payments, Including Refunds of Member Contributions	(258,377)	(249,710)
Other	0	0
Administrative Expense	0	0
Net Change in Plan Fiduciary Net Position	\$ 0	\$ 0
Plan Fiduciary Net Position - Beginning	\$ 0	\$ 0
Plan Fiduciary Net Position - Ending	\$ 0	\$ 0
Net OPEB Liability - Ending	\$ 1,803,856	\$ 1,836,248
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%
Covered-employee payroll	\$ 16,366,965	\$ 15,009,475
Net OPEB Liability as a Percentage of Covered-Employee Payroll	11.02%	12.23%
Notes to Schedule	10 fiscal years to be built prospectively	

SECTION THREE: ANNUAL REPORTING UNDER GASB STATEMENTS NOS. 74/75

The additional exhibits and information needed to comply with the GASB 75 disclosure requirements for the 2024 fiscal year end are included here.

NET OPEB LIABILITY AND RELATED RATIOS

Item	TRS	IMRF	Total
Total OPEB Liability	\$ 1,335,781	\$ 468,075	\$ 1,803,856
Plan Fiduciary Net Position	0	0	0
Net OPEB Liability	\$ 1,335,781	\$ 468,075	\$ 1,803,856
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%	0.00%

GASB 74/75 - SCHEDULE OF CHANGES IN NET OPEB LIABILITY

GASB Statements Nos. 74/75 requires a 10-year schedule of changes in the net OPEB liability. The statement provides that the required supplementary information should be presented for as many years for which information measured in conformity with the requirements of the Statement is available and that the schedules should not include information that is not measured in conformity with the requirements of the Statement.

The information prior to 2018 necessary to provide a schedule of changes in net OPEB liability measured in conformity with the requirements of GASB Statement No. 74 is not available. The 10-year schedule will be built prospectively.

Fiscal Year Ending 6/30	Total OPEB Liability	Plan Net Position	Net OPEB Liability	Plan Net Position as a % of Total OPEB Liability	Covered Employee Payroll	Net OPEB Liability as a % of Covered Payroll
2024	\$1,803,856	\$0	\$1,803,856	0.00%	\$16,366,965	11.02%
2023	1,836,248	0	1,836,248	0.00%	15,009,475	12.23%
2022	1,965,709	0	1,965,709	0.00%	14,293,229	13.75%
2021	2,067,486	0	2,067,486	0.00%	14,733,066	14.03%
2020	2,211,659	0	2,211,659	0.00%	14,373,723	15.39%
2019	5,126,180	0	5,126,180	0.00%	14,079,363	36.41%
2018	4,915,105	0	4,915,105	0.00%	13,522,519	36.35%

SENSITIVITY OF NET OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE

GASB Statements Nos. 74/75 requires a disclosure of measures of the net OPEB liability calculated using

- a discount rate that is 1 percentage point higher than the discount rate used for the actuarial valuation; and
- a discount rate that is 1 percentage point lower than the discount rate used for the actuarial valuation.

The sensitivity of the net OPEB liability to changes in the Single Discount rate is presented in the below table. The table presents the plan's net OPEB liability, calculated using a Single Discount Rate of 3.97%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is 1-percentage-point lower or 1-percentage point higher:

SECTION THREE: ANNUAL REPORTING UNDER GASB STATEMENTS NOS. 74/75

SENSITIVITY OF NET OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE (Continued)

	1% Decrease (2.97%)	Current Discount Rate (3.97%)	1% Increase (4.97%)
TRS	\$1,403,087	\$1,335,781	\$1,271,490
IMRF	<u>491,660</u>	<u>468,075</u>	<u>445,547</u>
Total	\$1,894,747	\$1,803,856	\$1,717,037

SENSITIVITY OF NET OPEB LIABILITY TO CHANGES IN THE HEALTHCARE TREND

GASB Statements Nos. 74/75 requires a disclosure of measures of the net OPEB liability calculated using:

- healthcare trend rates that are 1 percentage point higher than the trend rates used for the actuarial valuation; and
- healthcare trend rates that are 1 percentage point lower than the trend rates used for the actuarial valuation.

	1% Decrease 5.25% Decr. to 4.00%	Current Trend Rates 6.25% Decr. to 5.00%	1% Increase 7.25% Decr. to 6.00%
TRS	\$1,298,535	\$1,335,781	\$1,374,882
IMRF	<u>455,023</u>	<u>468,075</u>	<u>481,777</u>
Total	\$1,753,558	\$1,803,856	\$1,856,659

TEN YEAR SCHEDULE OF ACTUARIALLY DETERMINED CONTRIBUTIONS

GASB Statements Nos. 74/75 requires a schedule presenting a comparison of the actual employer contributions with the actuarially determined contributions over the past 10 fiscal years. The 10-year schedule is shown below.

Fiscal Year Ending 6/30	Actuarially Determined Contribution*	Employer Contribution in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Employer Contribution as a % of Covered Employee Payroll
2024	N/A	N/A	\$0	\$16,366,965	0.00%
2023	N/A	N/A	0	15,009,475	0.00%
2022	N/A	N/A	0	14,293,229	0.00%
2021	N/A	N/A	0	14,733,066	0.00%
2020	N/A	N/A	0	14,373,723	0.00%
2019	N/A	N/A	0	14,079,363	0.00%
2018	N/A	N/A	0	13,522,519	0.00%

* Pay-as-you-go

SECTION THREE: ANNUAL REPORTING UNDER GASB STATEMENTS NOS. 74/75

Financial Reporting Under GASB 74/75 OPEB Expense Fiscal Year Ending June 30, 2024

Fiscal Year Ending	6/30/2024	6/30/2023
<u>Expense</u>		
Service Cost	\$ 63,067	\$ 67,976
Administrative Expense	0	0
Interest on the Total OPEB Liability	65,892	67,928
Current-Period Benefit Changes	0	0
Employee Contributions	0	0
Projected Earnings on Plan Investments	0	0
Other Changes in Plan Fiduciary Net Position	0	0
Recognition of Outflow (Inflow) of Resources due to Liabilities	33,762	26,032
Recognition of Outflow (Inflow) of Resources due to Assets	0	0
Total OPEB Expense	\$ 162,721	\$ 161,936
<u>Reconciliation of Net OPEB Liability</u>		
Net OPEB Liability Beginning of Year	\$ 1,836,248	\$ 1,965,709
OPEB Expense	162,721	161,936
Employer Contributions	(258,377)	(249,710)
Deferred Investment Experience (inflows)/outflows	0	0
Deferred Liability Experience (inflows)/outflows	66,267	(19,729)
Deferred Assumption Changes (inflows)/outflows	(3,003)	(21,958)
Net OPEB Liability End of Year	\$ 1,803,856	\$ 1,836,248

SECTION THREE: ANNUAL REPORTING UNDER GASB STATEMENTS NOS. 74/75

OPEB Expense Fiscal Year Ending June 30, 2024 Schedule of Outflows and Inflows of Resources

A. Change in Outflows and (Inflows) of Resources during Current Plan Year

Experience (Gain) / Loss	Initial Balance	Amortization Factor	Amortization	Balance at End of Year
1. Difference between expected and actual non-investment experience	\$ 93,440	12.5525	\$ 7,444	\$ 85,996
2. Assumption Changes	3,586	12.5525	286	3,300
3. Difference between expected and actual investment earnings	0	5.0000	0	0
4. Total	\$ 97,026		\$ 7,730	\$ 89,296

B. Outflows and Inflows of Resources by Source to be recognized in Current OPEB Expense

	Outflows of Resources	Inflows of Resources	Net Outflows (Inflows) of Resources
1. Difference between expected and actual non-investment experience	\$ 27,173	\$ 0	\$ 27,173
2. Assumption Changes	17,105	(10,516)	6,589
3. Difference between expected and actual investment earnings	0	0	0
4. Total	\$ 44,278	\$ (10,516)	\$ 33,762

C. Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future OPEB Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
1. Difference between expected and actual non-investment experience	\$ 271,064	\$ 0	\$ 271,064
2. Assumption Changes	109,145	(108,634)	511
3. Difference between expected and actual investment earnings	0	0	0
4. Total	\$ 380,209	\$ (108,634)	\$ 271,575

D. Deferred Outflows and Inflows of Resource by Year to be recognized in Future OPEB Expenses

Year Ending	Net Deferred Outflows of Resources	Net Deferred Inflows of Resources
June 30		
2025	\$ 44,278	\$ (10,516)
2026	44,278	(10,516)
2027	44,278	(10,516)
2028	44,278	(10,516)
2029	44,278	(10,516)
Thereafter	158,819	(56,054)
Total	\$ 380,209	\$ (108,634)

SECTION FOUR: SUMMARY OF ACTUARIAL ASSUMPTIONS AND COST METHOD

Actuarial Assumption Item	Annual Actuarial Valuation					
Actuarial Cost Method	The Actuarial Cost Method used in this valuation is the Entry Age Normal Actuarial Cost Method. Under this Method, a Normal Cost is developed by spreading the actuarial value of benefits expected to be received by each active participant over the total working lifetime of that participant, from hire to termination, as a level percentage of pay.					
Discount (Interest) Rate	A discount rate of 3.86% was used as of July 1, 2023 and 3.97% was used as of June 30, 2024.					
Salary Increase	Salaries are assumed to increase at the rate of 2.50% per annum.					
Monthly Health Plan Premium Costs (Blended)*	Coverage	IMRF		TRS		
		PPO	HMO	MCP	TCHP (MCA)	TCHP (MCUA)
	EE Only	\$1,217.70	\$798.04	\$347.20	\$810.30	\$405.14
	EE and SP	\$2,106.56	\$1,458.33	\$1,388.78	\$2,430.88	\$2,025.72
	EE & CH	\$2,106.56	\$1,542.80	N/A	N/A	N/A
	Family	\$2,849.32	\$2,204.15	N/A	N/A	N/A
	* For valuation calculations, blended rates are adjusted to reflect the individual participant age through actuarial rate factors. The factors used are from the Society of Actuaries June 2013 report: "Health Care Costs – From Birth to Death"					
Mortality	Base Rates: IMRF-PubG; TRS-PubT. Improvement Scale: MP2021FG					
Disability	Representative Disability rates by Age and Sex:					
		TRS		IMRF		
	Age	Male	Female	Male	Female	
	25	0.0001	0.0003	0.0000	0.0000	
	35	0.0002	0.0006	0.0001	0.0000	
	45	0.0005	0.0010	0.0003	0.0001	
	55	0.0014	0.0020	0.0007	0.0003	
65	0.0025	0.0030	0.0009	0.0006		
Withdrawal	Representative Withdrawal rates by Age, Sex and Service:					
	TRS-Male			TRS-Female		
	Age	Less than 5 Years of Service	5 or More Years of Service	Age	Less than 5 Years of Service	5 or More Years of Service
	25	0.070	0.030	25	0.065	0.050
	30	0.065	0.030	30	0.070	0.048
	40	0.100	0.018	40	0.080	0.015
	50	0.120	0.013	50	0.080	0.015
	60	0.150	0.030	60	0.140	0.025
	IMRF					
	Service	Male	Female	Service	Male	Female
	0	0.245	0.285	5	0.088	0.103
	1	0.195	0.222	6	0.073	0.085
	2	0.150	0.178	7	0.070	0.080
	3	0.130	0.145			
4	0.103	0.118				
				8 or More YOS		
			Age	Male	Female	
			25	0.000	0.080	
			35	0.035	0.058	
			45	0.023	0.036	
			55	0.015	0.025	

SECTION FOUR: SUMMARY OF ACTUARIAL ASSUMPTIONS AND COST METHOD

Actuarial Assumption Item	Annual Actuarial Valuation					
Retirement	Representative Retirement rates by Age and Service:					
	<u>TRS Tier 1</u>					
		Years of Service				
	Age	5-18	19-29	30-31	32-33	34+
	55	0.00	0.07	0.08	0.40	0.45
	60	0.20	0.30	0.40	0.60	0.40
	65	0.25	0.40	0.45	0.50	0.40
	70	1.00	1.00	1.00	0.50	0.30
	<u>TRS Tier 2</u>					
		Years of Service				
	Age	9-18	19-30	31	32+	
	55	0.00	0.00	0.00	0.00	
	62	0.13	0.15	0.20	0.25	
	65	0.08	0.10	0.15	0.20	
	67	0.20	0.40	0.70	0.70	
	70	1.00	1.00	1.00	1.00	
		<u>IMRF Tier 1</u>				
	Age	Reduced Early		Normal Retirement		
		Male	Female	Male	Female	
	55	0.071	0.06	0.37	0.26	
	56	0.071	0.06	0.28	0.20	
	57	0.071	0.06	0.21	0.17	
	58	0.071	0.06	0.21	0.17	
	59	0.071	0.06	0.23	0.19	
	60			0.13	0.11	
	61			0.13	0.10	
	62			0.21	0.18	
63			0.19	0.18		
64			0.18	0.17		
65			0.25	0.26		
66			0.31	0.28		
67			0.26	0.26		
68			0.24	0.22		
69			0.22	0.23		
70			0.22	0.23		
71			0.22	0.21		
72			0.19	0.21		
73			0.20	0.23		
74			0.21	0.21		
75			0.21	0.22		
76			0.21	0.22		
77			0.21	0.22		
78			0.21	0.22		
79			0.21	0.22		
80			1.00	1.00		

SECTION FOUR: SUMMARY OF ACTUARIAL ASSUMPTIONS AND COST METHOD

Actuarial Assumption Item	Annual Actuarial Valuation								
Retirement (cont.)	Age	IMRF - Tier 2							
		Reduced Early		Normal Retirement					
				Service Less Than 30 Years		Service Between 30-35 Years		Service 35 Years or More	
		Male	Female	Male	Female	Male	Female	Male	Female
	62	0.15	0.13						
	63	0.15	0.13						
	64	0.15	0.13						
	65	0.15	0.13						
	66	0.15	0.13						
	67			0.30	0.25	0.50	0.50	0.75	0.75
	68			0.30	0.25	0.50	0.50	0.75	0.75
	69			0.25	0.20	0.50	0.50	0.75	0.75
	70			0.20	0.18	0.50	0.50	0.75	0.75
	71			0.20	0.18	0.50	0.50	0.75	0.75
	72			0.20	0.18	0.50	0.50	0.75	0.75
	73			0.18	0.18	0.50	0.50	0.75	0.75
	74			0.18	0.18	0.50	0.50	0.75	0.75
	75			0.18	0.18	0.50	0.50	0.75	0.75
	76			0.18	0.18	0.50	0.50	0.75	0.75
	77			0.18	0.18	0.50	0.50	0.75	0.75
Participation	78			0.18	0.18	0.50	0.50	0.75	0.75
	79			0.18	0.18	0.50	0.50	0.75	0.75
	80			1.00	1.00	1.00	1.00	1.00	1.00
	100% of TRS employees eligible for a District Stipend were assumed to participate in the plan.								
	100% of all other employees currently enrolled in medical plans were assumed to participate in the plan.								
	33-1/3% of employees who waived coverage were assumed to participate in the plan at retirement.								
Plan Election	IMRF-100% of employees were assumed to continue in their current medical plan (HMO or PPO) at retirement through Medicare eligibility; 100% of retirees were assumed to continue in their medical plan through Medicare eligibility.								
	TRS Employees-100% of employees were assumed to receive the District Stipend to pay for TRIP medical coverage at retirement through Medicare eligibility, with assumed election percentages: MCP-27%, TCHP(MCA)-60%, TCHP(MCUA)-13%								
	TRS Grandfathered Retirees-100% of retirees were assumed to continue in their current medical plan through Medicare eligibility (MCP, TCHP (MCA) or TCHP (MCUA)).								
Spouse Information	50% of employees were assumed to have participating spouses. Females were assumed to be three years younger than males.								

SECTION FOUR: SUMMARY OF ACTUARIAL ASSUMPTIONS AND COST METHOD

Actuarial Assumption Item	Annual Actuarial Valuation		
Health Care Cost Inflation Rates	<u>Period</u>	<u>Medical</u>	<u>Dental</u>
	2024	6.25%	3% per Year
	2025	6.00%	
	2026	5.75%	
	2027	5.50%	
	2028	5.25%	
	2029 and After	5.00%	

SECTION FIVE: PARTICIPANT DATA

PARTICIPANT SUMMARY AS OF JUNE 30, 2024

Status	TRS	IMRF	Total
Active Participants	130	53	183
Retired Participants	11	3	14
Total	141	56	197

SECTION FIVE: PARTICIPANT DATA

ACTIVE PARTICIPANT AGE AND SERVICE DISTRIBUTIONS AS OF JUNE 30, 2024

TRS

Age Group	Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 20										0
20 - 24	3									3
25 - 29	12	3								15
30 - 34	7	1								8
35 - 39	12	6	5							23
40 - 44	2	10	5	6	1					24
45 - 49	2	6	5	7	8	2				30
50 - 54	3	1		2	7	5				18
55 - 59			1		1	1	4			7
60 - 64	1				1					2
65 & Over										0
Total	42	27	16	15	18	8	4	0	0	130

Average Age: 42.67 years

Average Length of Service: 11.75 years

IMRF

Age Group	Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 20										0
20 - 24	1									1
25 - 29	6	1								7
30 - 34		2								2
35 - 39	3			1						4
40 - 44	4									4
45 - 49	1	2								3
50 - 54	1	2		1						4
55 - 59	3	3	1	2	1		1			11
60 - 64	4	1	1	1	1	1				9
65 & Over	1	1	1		2	3				8
Total	24	12	3	5	4	4	1	0	0	53

Average Age: 50.76 years

Average Length of Service: 9.43 years

SECTION SIX: SUMMARY OF PRINCIPAL PLAN PROVISIONS

Item	Provision														
Eligibility	Full-Time Employees - IMRF (Cafeteria, Custodian, Support, Admin and Teacher Aide)														
	Full-Time Employees - TRS (Teacher and Special Teacher)														
	<u>IMRF Tier 1:</u>														
	Normal Retirement: Age 55 and 35 years of service; or Age 60 and 8 years of service.														
	Early Retirement: Age 55 and 8 years of service. Age 55 and 30 years of service.														
	<u>IMRF Tier 2:</u>														
	Normal Retirement: Age 62 and 35 years of service; or Age 67 and 10 years of service.														
	Early Retirement: Age 62 and 10 years of service. Age 62 and 30 years of service.														
	<u>TRS (Teacher and Special Teacher):</u> 15 years of service in District 74; and														
	<u>TRS Tier 1:</u>														
Coverage and Benefits	Normal Retirement: Age 55 and 35 years of service; or Age 60 and 10 years of service; or Age 62 and 5 years of service.														
	Early Retirement: Age 55 and 20 years of service.														
	<u>TRS Tier 2:</u>														
	Normal Retirement: Age 67 and 10 years of service.														
	Early Retirement: Age 62 and 10 years of service.														
	<u>Medical/Prescription Coverage</u>														
	IMRF: PPO or HMO														
	TRS: Managed Care Plan (MCP), TCHP (MCA) or TCHP (MCUA)														
	<u>Retirees - IMRF</u>														
	<u>Pre-65 Medical Coverage</u>														
For those employees who had ten years of service with the District as of June 1, 2011 and have been a full-time employee with the District for at least the following periods:															
<table><tr><td>Age</td><td>55</td><td>56</td><td>57</td><td>58</td><td>59</td><td>60</td></tr><tr><td>Years</td><td>20</td><td>19</td><td>18</td><td>17</td><td>16</td><td>15</td></tr></table>		Age	55	56	57	58	59	60	Years	20	19	18	17	16	15
Age	55	56	57	58	59	60									
Years	20	19	18	17	16	15									
The District will pay the same rate as is available to active employees for single or family premium coverage given the employee had such coverage at time of retirement. The current rate for active employees is approximately 30% and the District pays the remaining percentage (approximately 70%).															
For those employees who did not have ten years of service to the District as of June 1, 2011, the employer contribution for insurance coverage for retired support personnel shall be at the same rate as is available to active employees for single premium coverage.															

SECTION SIX: SUMMARY OF PRINCIPAL PLAN PROVISIONS

Item	Provision
Coverage and Benefits (cont.)	<p><u>Post-65 Medical Coverage</u></p> <p>Retirees are not allowed to remain on the District insurance once Medicare eligible.</p> <p style="text-align: center;"><u><i>Retirees - TRS</i></u></p> <p><u>Pre-65 Medical Coverage</u></p> <p>Retirees are not allowed to remain on the District insurance and must seek outside coverage such as that offered through TRIP.</p> <p>The District will pay one of the below benefits for any teacher who has retired through TRS and who has been a full-time employee with the District for at least 15 years at the time of retirement:</p> <ol style="list-style-type: none"> 1. Single premium cost for TRIP insurance, up to a maximum of \$5,000 annually until the retiree becomes Medicare-eligible; or 2. A lump sum payment of \$35,000 to be paid in January following the year in which the teacher retired. <p>There may be current retirees who were grandfathered into the District paying 100% of the premium for single, spousal or family coverage - dependent on if the employee had this coverage level at the time of retirement - for any of the TRIP or TRAIL plans.</p> <p>Eligible Spouse/Dependent coverage may continue should the Retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs. The Spouse/Dependent is responsible for the full cost of coverage at no additional cost to the District.</p> <p><u>Post-65 Medical Coverage</u></p> <p>Retirees are not allowed to remain on the District insurance and must seek outside coverage such as that offered through TRIP or TRAIL. The District does not pay for any portion of premium costs once the retiree is Medicare-eligible.</p>
	<p><u>Dental and Life Coverage</u></p> <p>Types of Coverage: Dental and Life Insurance (\$50K for Teaching Staff, \$150K for Administrators and Varies for Superintendent).</p> <p style="text-align: center;"><u><i>Retirees - IMRF</i></u></p> <p>Retiree pays the same rate as actives for the cost of dental coverage. The current rate for active employees is 15% and the District pays the remaining 85%. Coverage ends once the retiree is Medicare-eligible.</p> <p>Retirees are not eligible for life insurance coverage.</p> <p style="text-align: center;"><u><i>Retirees - TRS</i></u></p> <p>Retirees are not eligible for dental or life insurance coverage.</p> <p>There may be current retirees who were grandfathered into the following benefit: If the employee had dental insurance and life insurance at the time of retirement, the District will pay 100% of the premium until age 65 for either single or family coverage - dependent on what level the employee had at the time of retirement.</p>



Executive Summary Finance Committee Meeting

DATE: November 21, 2024

TOPIC: 2025-26 School Fees Draft

PREPARED BY: Courtney Whited

Recommended for:

- ☒ Action
- ☒ Discussion
- ☒ Information

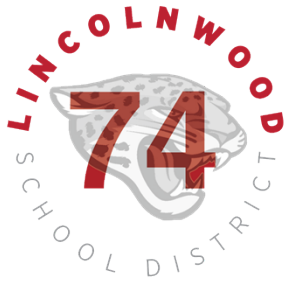
Purpose/Background:

To recommend the School Fee Schedule for the 2025-26 fiscal year, as presented below:

Description	2021-22 Fees	2022-23 Fees	2023-24 Fees	2024-25 Fees	2025-26 Draft
Gr. Kdg - 5 Registration	\$160	\$160	\$160	\$160	\$160
Gr. 6 - 8 Registration	\$260	\$260	\$260	\$260	\$260
Graduation	\$40	\$40	\$40	\$40	\$50
Registration for Child #4+ in the Family	\$0	\$0	\$0	\$0	\$0
Pre-K Tuition	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200
Bus Fees	\$0	\$0	\$0	\$0	\$0
Lunch Program	\$2.50 per meal	\$2.50 per meal	\$2.50 per meal	\$3.00 per meal	\$3.00 per meal

Recommendation:

The Finance Committee concurs with the Administration's recommendation to the Board of Education to approve the 2025-26 School Fee Schedule, as presented.



Executive Summary Finance Committee Meeting

DATE: November 21, 2024

TOPIC: Annual Renewal of Building Automated Systems (BAS) Maintenance and Support

PREPARED BY: Courtney Whited / Jim Caldwell

Recommended for:

- ☒ Action
- ☒ Discussion
- ☒ Information

Purpose:

The Board of Education approves all contracts.

Background:

The District's Legal Counsel reviewed the Everest Energy and Control Technologies, LLC contract and is conducting further legal review on the Terms & Conditions versus prior versions. Everest specifies that this amendment is for 12 months "and will renew automatically." The District may ask for a revision relative to automatic renewal, but nothing that should impede approval.

Fiscal Impact:

\$9,464

The District paid \$9,188 for calendar year 2024

Recommendation:

The Finance Committee concurs with the Administration's recommendation to the Board of Education to accept this Agreement from Everest Energy and Control Technologies, LLC to continue Annual BAS Maintenance and Support in the amount of \$9,464 from January 1, 2025 through December 31, 2025.



**BUILDING AUTOMATION SYSTEM
PREVENTATIVE MAINTENANCE PLAN**

PREPARED FOR

SD 74 Lincolnwood

Lincolnwood School District 74

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Contact Information

Serviced Site

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Address:	6950 N. East Prairie Road Lincolnwood, IL 60712

Key Contact Information

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Service:	Mark Koscielniak
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Summary

At Everest we want to provide you with a service that fits you and your buildings' needs. The following services are presented in an à la carte fashion.

Preserve Your Investment

Preventive maintenance is a highly effective method for ensuring ongoing cost savings and longevity of your building and investment. When it comes to a major investment like a building automation system (BAS), our goal is to ensure its optimal operation and maximize its lifetime value. We are dedicated to enhancing your BAS performance, maintaining optimal comfort levels, and reducing energy consumption.

Day One Active Optimization

While warranties provide coverage for equipment functionality, they do not actively guarantee system performance. At Everest, we go beyond warranties by continuously refining optimization sequences to consistently achieve optimal performance. We understand that a system may be perfect one day, but it doesn't guarantee its performance for a lifetime as performance naturally fluctuates over time. Even a slight decline in performance can lead to increased energy consumption.

System Modernization

Building automation software is continuously advancing in terms of functionality and security. Our commitment is to ensure that you have access to the most secure and feature-rich software available. We prioritize keeping your system up to date with the latest advancements, guaranteeing that you can benefit from enhanced security measures and take advantage of the latest features and capabilities.

Backup & Recovery

To ensure you are prepared for unforeseen events, we will establish a robust off-site backup process, securely storing all your covered systems. This proactive measure guarantees a swift recovery in case of any unexpected incidents. You can have peace of mind knowing that your systems will be quickly restored, minimizing any potential downtime or disruptions.

System Satisfaction

Our team will collaborate closely with your team to enhance the user-friendliness of the system. We understand the importance of a seamless user experience, and our goal is to ensure that the system is intuitive and easy to navigate. Furthermore, we are dedicated to surpassing your evolving expectations by customizing and fine-tuning the system according to your specific requirements. Your satisfaction with the system's performance and usability is our top priority.

Priority Response

As a valued customer, we prioritize addressing your critical issues as our utmost priority. Your satisfaction and the smooth operation of your systems are of paramount importance to us. Our dedicated team is committed to promptly and effectively resolving any critical issues you may encounter, ensuring minimal disruption and maximizing your overall experience with our services.

Proposed Services

Tailored Solutions

We understand that your requirements may vary, and we do not expect you to conform to a pre-determined plan. Instead, we are committed to designing a customized preventative maintenance plan that aligns perfectly with your unique needs. By tailoring the plan specifically for your organization, we aim to optimize your operational efficiency and ultimately enhance your bottom line. Our focus is on delivering solutions that directly contribute to your success and help you achieve your business objectives.

Included & Proposed Services

- Building Performance Data – Fault Detection Diagnostics*
- Remote System Maintenance
- Onsite System Maintenance & Service
- Continuous Training
- Phone & Online Support
- Critical Alarm Monitoring*
- Software Update Subscription – Tridium Niagara
- Cloud Backup and Recovery Services
- BACnet Network Health Diagnostics & Reports*
- Smart Secure Remote Connectivity
- Cloud Based Building Automation Supervisor Service*

* Addon services.

Building Automation – Digital Services


Data-Driven Building Analytics*

Our advanced analytics tool also enables proactive maintenance. By continuously monitoring system performance and utilizing advanced algorithms, we can detect potential issues and predict equipment failures before they occur. This translates to minimal downtime, fewer disruptions, and substantial savings on unexpected repairs.


In addition, our building analytics solution enhances occupant comfort by monitoring and fine-tuning environmental parameters such as temperature, humidity, and air quality. This ensures optimal conditions at all times, leading to happier, more productive occupants.

- Real-time fault detection & alerts
- Deep-dive equipment & energy analytics
- On-demand performance reports
- Root-cause analysis & prescriptive solutions
- Prioritized action items & tasks


Energy is just the beginning




Complete & centralized operational visibility to improve efficiencies, reduce costs, and make informed capital investment decisions.



Optimize indoor air quality (IAQ) and temperature to maximize occupant comfort while minimizing health risks.



Improve equipment performance, extend equipment expected life, and ensure facility code and regulatory compliance.



Protect against building-related cyber-attacks while bolstering brand through sustainability and superior facility performance.

Remote System Maintenance

Through secure and reliable connections, our team can remotely access your building automation systems. This enables us to actively monitor critical parameters, diagnose issues, and implement necessary adjustments without the need for on-site visits. Our experts can analyze data, identify trends, and address potential problems before they escalate, ensuring uninterrupted operation and minimizing downtime.

- Applicable Software Updates
- BACnet DDC Controller Health
- Server Maintenance
- System Alarms
- History Verifications
- Overridden Points & Systems

Phone & Online Support

At Everest, we believe that exceptional support is the backbone of a successful partnership. We are dedicated to being there for you every step of the way, ensuring that your experience with our products and services is smooth and hassle-free. Our preventative maintenance customers can contact us for free assistance with supported systems.

Programming changes or remote engineering work is not included in the base agreement and may be charged at an hourly rate per our attached Labor Rates.

Software Update Subscription – Tridium Niagara

Niagara 4 development cadence is at-pace with fast-evolving market needs. Everest will keep your system up to date during our remote system maintenance sessions.

These updates include the following benefits:

- Latest software updates.
- Access to cybersecurity updates.
- Access to newest features.
- Access to latest performance improvements.



Cloud Backup & Recovery Services

Our backup service is designed to provide you with peace of mind by securely storing your critical information. We will regularly perform backups of your HVAC control system, ensuring that all important data is safely stored and readily available for restoration if any catastrophic event occurs.

In the event of a system failure or data loss, our team will swiftly assist you in recovering your system by reloading the backed-up data. This minimizes downtime and allows you to quickly resume normal operations, ensuring that your HVAC control system is up and running smoothly. (Should a recovery service need to be performed on site, the service will be billed as an additional service call)

BACnet Network Health Diagnostics & Reports*

With our industry-leading software solution, we prioritize the health and performance of your critical BACnet networks. Our software continuously monitors these networks, ensuring optimal performance and accuracy of your building automation systems. As part of our remote maintenance sessions, we conduct thorough reviews of network health reports to proactively identify any potential issues and take appropriate actions.

By monitoring your BACnet networks, we can detect sub-optimal performance indicators and address them promptly. Our software analyzes network traffic, identifies bottlenecks, and pinpoints areas of concern. This allows us to optimize network performance, improve data accuracy, and ensure seamless communication between devices and systems.

Critical Alarm Monitoring*

We understand you have a lot going on, Everest will monitor a defined quantity of critical alarms during normal business hours.

Our experienced team will work closely with your team to diagnose the underlying cause and provide effective resolutions. Through remote connectivity, we can access your systems, evaluate data, and perform in-depth diagnostics to identify the root cause of the issue. Our expertise allows us to guide your team through troubleshooting steps and implement necessary fixes, all while ensuring minimal disruption to your operations.

Cloud Based Building Automation Supervisor*

Elevate your building's capabilities by harnessing the power of the cloud with Everest. Our cutting-edge solutions offer a fully functional Building Automation System (BAS) supervisor system on server-grade hardware, seamlessly connected to a secure and reliable data center.

By migrating your BAS supervisor system to the cloud, you unlock a host of benefits. Our server-grade hardware ensures optimal performance and reliability, providing a robust foundation for your building automation needs. With data center connectivity, you can securely access and manage your BAS from anywhere, anytime, with the confidence of a stable and high-bandwidth connection.

The cloud-based approach enables seamless scalability, allowing you to expand your system effortlessly as your needs evolve. Whether you have multiple buildings or a single location, our solutions adapt to your requirements, providing the flexibility and scalability you demand.

BAAS

NIAGARA N4 SUPERVISOR

FEATURES	ON-PREMISE	CLOUD
Fully Functional BAS	✓	✓
Remote Access	✓	✓
Always Up-To Date Hardware		✓
Fully Automated System Backups		✓
Zero Customer IT Maintenance		✓
Fail Safe Environment & Disaster Recovery		✓

Building Automation – Onsite Services

Onsite Maintenance & Service

Everest will provide comprehensive onsite support in addition to regular preventative maintenance. Our experienced service team is dedicated to servicing covered Direct Digital Control (DDC) systems as required or as discovered during remote maintenance sessions.

Client-Centered Support

During our scheduled onsite maintenance visits, our team will work under your direction, prioritizing your specific objectives and requirements. Whether you need assistance with routine maintenance tasks or have special projects in mind, our team is ready to lend a hand. Please note that our services are limited to our field of expertise, and repairs or materials are not covered.

Covered Equipment & Schedules

Equipment

Building	Equipment	Quantity	Coverage

Coverage Key: 1 = Scheduled Visit Maintenance
 2 = Remote BAS Software Updates
 3 = Data Driven Analytics*
 4 = BACnet Network Health Monitoring*

Service Schedules

Service	Frequency (Per yr)	Location
Remote System Maintenance	2	Remote
Building Performance Reports*	0	Remote
Tridium Software Service	2	Remote
Onsite System Maintenance	4	Onsite
BACnet Network Health Analysis*	N/A	Remote
Cloud Backup Service	12	Remote

* Addon services must be taken for applicable visits to apply.

General Conditions

1. Everest Energy & Control Technologies, LLC will provide regularly scheduled maintenance inspections during normal working hours (7:00am to 3:30pm) Monday through Friday, excluding holidays.
2. After each service call, a completed copy of the service work order will be presented for your authorized signature.
3. Everest Energy & Control Technologies, LLC will be available to provide emergency service on all equipment covered by this agreement 24 hours a day, 365 days a year. Unless otherwise noted within, this service will be invoiced at our current rates. These rates are subject to change.
4. Everest Energy & Control Technologies, LLC will provide instruction to the purchaser in the proper operation of their equipment.
5. Everest Energy & Control Technologies, LLC will take all reasonable precautions to prevent injury to persons and property. Everest Energy & Control Technologies, LLC shall not be held liable for incidental losses associated with control or equipment malfunction, nor acts of God or other occurrences outside of our control.
6. Everest Energy & Control Technologies, LLC will use qualified personnel directly employed or supervised by the same.
7. Everest Energy & Control Technologies, LLC may provide factory trained supervisory personnel to assist when necessary.

Labor Rates

	SERVICE AGREEMENT CUSTOMERS	NON-AGREEMENT CUSTOMERS
Telephone Support, Normal Business Hours	\$135.00 / HOUR	\$155.00 / HOUR
Telephone Support, Overtime	\$202.00 / HOUR	\$232.00 / HOUR
Telephone Support, Double Time	\$270.00 / HOUR	\$310.00 / HOUR
On Site Labor, Normal Business Hours	\$155.00 / HOUR	\$175.00 / HOUR
On Site Labor, Overtime	\$232.00 / HOUR	\$260.00 / HOUR
On Site Labor, Double Time	\$310.00 / HOUR	\$350.00 / HOUR

- These rates are guaranteed for the duration of contract, and only subject to change during renewal.
- Telephone support will be rounded up to the nearest one-half hour.
- Everest Energy & Control Technologies does not charge a tool or truck fee. It does reserve the right to impose a 2-hour minimum to all non-contracted customers.
- Normal business hours are from 7:00am to 5:00pm Monday through Friday, except holidays.
- Overtime is outside of normal business hours or beyond 8 hours on any given day, except Sundays and holidays which are double time.

Contract Terms

- This contract shall be in effect for 12 months and renewed automatically.
- Renewal notification shall be given 60 days from the contract renewal date.
- This contract may be terminated by either party in writing within 30 days of the contract anniversary.
- Contract anniversary date shall be the first of the month in which the agreement is signed, unless otherwise noted.

This contract has a total annual value of: **\$9,464**

Additional Selectable Services

- ☐ Building Performance Analytics: **\$xx,xxx**
- ☐ BACnet Network Health and Diagnostics: **\$xx,xxx**
- ☐ Critical Alarm Monitoring: **\$xx,xxx**
- ☐ Cloud Based Supervisor Service: **\$xx,xxx**

This contract is being offered in good faith by the following representative of Everest Energy & Control Technologies, LLC.

Proposal Submitted

By:

Philip May

Sales Engineer

Proposal Accepted By:

Name: _____

Title: _____

Company: _____



signature

date

11/1/2024

signature

date

Terms and Conditions

The purchaser agrees to provide reasonable means of access to the equipment being maintained. Everest Energy And Control Technologies, LLC shall be permitted to start and stop all equipment as necessary to perform the herein agreed upon services as arranged with your representative.

Everest Energy & Control Technologies, LLC shall not be liable for any loss, delay, injury, or damages that may be caused by circumstances beyond its control, including, but not limited to, Acts of God, war, civil commotions, acts of government, fire, theft, corrosion, floods, freeze-ups, strikes, lock-outs, differences with other trades, riots, explosions, delays in transportation, or malicious mischief.

Everest Energy & Control Technologies, LLC's responsibility for injury or damage to persons or property that may be caused by or arise through the maintenance service, or use of the system(s) shall be limited to injury or damage caused directly by our negligence in performing or failing to perform our obligations under this agreement. In no event shall Everest Energy & Control Technologies, LLC's be liable for business interruption or losses, nor consequential or speculative damages.

Everest Energy & Control Technologies, LLC will not be required to make safety tests, install new attachments or appurtenances, add additional controls, and/or revamp or renovate existing systems with devices of a different design or function to satisfy conditions established by insurance companies, laboratories, governmental agencies, etc.

In the event the system is altered, modified, changed, or moved, Everest Energy & Control Technologies, LLC reserves the right to terminate or re-negotiate the agreement based on the condition of the system after changes have been made.

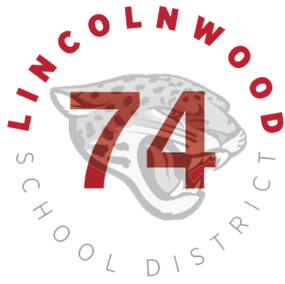
If emergency service is included in this agreement, and is requested at a time other than that at which we would have made a scheduled preventive maintenance call and inspection does not reveal any defect required to be serviced under this agreement, we reserve the right to charge you at our prevailing service labor rate.

If emergency service is included in this agreement, it is understood that we will make every effort to restore safe operation of the system, but can not guarantee the availability of parts and technologies that may be necessary to do so. We reserve the right to provide temporary arrangements until such time as a permanent repair can be made.

Everest Energy & Control Technologies, LLC will not be required to make replacements or repairs necessitated by reasons of negligence, misuse, or other causes beyond our control.

If replacement of parts are included in this agreement, it is understood that Everest Energy & Control Technologies, LLC will not be responsible for the replacement or repair of boiler tubes, boiler sections, boiler refractory, chimney, breaching, refrigeration evaporators, refrigeration condensers, water coils, steam coils, concealed air and piping lines, fan housings, heat exchangers, VAVs and associated parts, humidifier bottles, ductwork, electrical power wiring, water, steam, and condensate piping, or other structural non-moving parts of the heating, ventilation, and air conditioning systems. Excluded from this agreement are system enhancements, air balancing, obsolete refrigerant, repairs necessitated by power failures or fluctuations.

It is further understood that the equipment covered under this agreement is in maintainable condition and eligible for a maintenance agreement. If at the time of initial seasonal start-up or on the first inspection, repairs are found necessary, such repair charges will be submitted for the owner's approval. If these charges are declined, those items will be eliminated from the agreement and the price of the agreement will be adjusted in accordance with equipment covered.



Executive Summary Finance Committee

DATE: November 21, 2024

TOPIC: Donation of Floor Hockey Equipment from The Chicago Blackhawks

PREPARED BY: Courtney Whited

Recommended for:

- ☒ Action
- ☒ Discussion
- ☒ Information

Purpose/Background:

In accordance with District Policy 8:80, a donation approval is presented to Lincolnwood School District 74 for floor hockey equipment from The Chicago Blackhawks.

Fiscal Impact:

Value unknown

Recommendation:

The Finance Committee concurs with the Administration to recommend to the Board of Education to accept the donation of floor hockey equipment from The Chicago Blackhawks.



Donation Approval

Donation Procedures:

1. Donations may be in the form of cash, checks, securities, materials, or property.
2. This form should be completed on the day a donation is received.
3. The person receiving the donation must email or fax this form to the Business Manager for approval on the day the donation is received.
4. The Board of Education will consider ratifying the Business Manager's approval at the next Board Meeting.

Current Date: 10/31/24

Donor: Chicago Blackhawks

Building: Lincoln Hall

Donation Amount: Floorball Sticks

Date of Donation: 10/31/24

Person Receiving Donation: Mark Atkinson and Joe Segreti

Description:

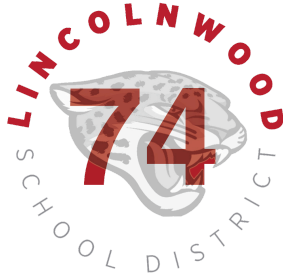
24 Blackhawks Floorball Sticks

Business Manager Approval: 

Board of Education Approval: _____

CREATE: May 7,
REVISE: 11/21/2022
REVIEW:

8:80AP



Executive Summary Finance Committee Meeting

DATE: November 21, 2024

TOPIC: Comprehensive District Software Inventory Report

PREPARED BY: Jordan Stephen

Recommended for:

- ☐ Action
- ☐ Discussion
- ☒ Information

Purpose/Background:

The purpose of this report and presentation is to provide a comprehensive overview of the various software packages, applications and websites that are utilized within Lincolnwood School District. This report goes beyond the general summary of numbers, but provides a thorough understanding of all of our software assets.

The updated charts and graphs provide information such as software titles, brief descriptions, and yearly cost increases. It is important to consider many external factors such as inflation that may contribute to increases in software costs. These titles are divided into four main categories, which include: Curriculum Tools, Supplemental Software, Assessment Tools, and Technology Operations.

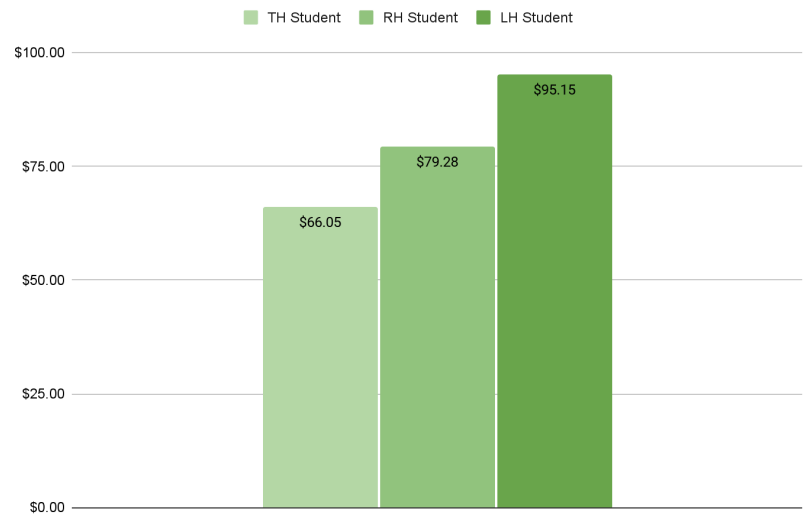
Curriculum Tools:

These software packages, even if acquired through different departments like Mathematics, Science, or Language Arts, all have significant technology components and are especially important, given our one-to-one personal learning device program, which extends throughout the District.

CORE CURRICULUM SOFTWARE			24-25	23-24
Amplify Science 6-8	Science Curriculum	100%	\$22,006.00	\$0.00
Carnegie Learning Math 6-8	Math Curriculum	0%	\$17,714.33	\$17,714.33
Carnegie Learning Math 3-5	Math Curriculum	100%	\$19,477.00	\$0.00
Carnegie Learning Math K-2	Math Curriculum	100%	\$19,477.00	\$0.00
EntreCulturas 1 by Wayside Publishing	Foreign Language	0%	\$7,294.00	\$7,294.00
Everyday Math ConnectED 4th edition	Math Curriculum		\$0.00	\$0.00
Everyday Speech	ELA Curriculum	0%	\$1,343.96	\$1,344.00
IMPACT Social Studies Grade 3 by McGraw-Hill	Social Science	0%	\$1,455.00	\$1,455.00
IMPACT Social Studies Grade 4 by McGraw-Hill	Social Science	0%	\$1,861.00	\$1,861.00
IMPACT Social Studies Grade 5 by McGraw-Hill	Social Science	0%	\$2,066.00	\$2,066.00
iScience Earth & Space by McGraw-Hill	Science Materials		\$0.00	\$5,000.00
iScience Life by McGraw-Hill	Science Materials		\$0.00	\$5,000.00
iScience Physical by McGraw-Hill	Science Curriculum		\$0.00	\$5,425.00
Mystery Science RH	Science Curriculum	0%	\$1,295.00	\$1,295.00
Mystery Science TH	Science Curriculum	0%	\$1,295.00	\$1,295.00
Number Worlds by McGraw-Hill	Math Curriculum		\$0.00	\$0.00
Pearson Easy Bridge for Realize	ELA Curriculum		\$0.00	\$0.00
PLTW (Project Lead The Way)	STEM Curriculum	0%	\$2,850.00	\$2,850.00
Quaver Ed	Music Curriculum	-64%	\$900.00	\$2,500.00
Second Step	SEL Curriculum	41%	\$7,785.00	\$4,574.67
Voices and Perspectives Grade 6 by McGraw-Hill	ELA Curriculum	0%	\$2,290.00	\$2,290.00
Voices and Perspectives Grade 7 by McGraw-Hill	ELA Curriculum	0%	\$2,900.00	\$2,900.00
Voices and Perspectives Grade 8 by McGraw-Hill	ELA Curriculum	0%	\$3,000.00	\$3,000.00
SUBTOTAL			\$93,003.29	\$68,363.00

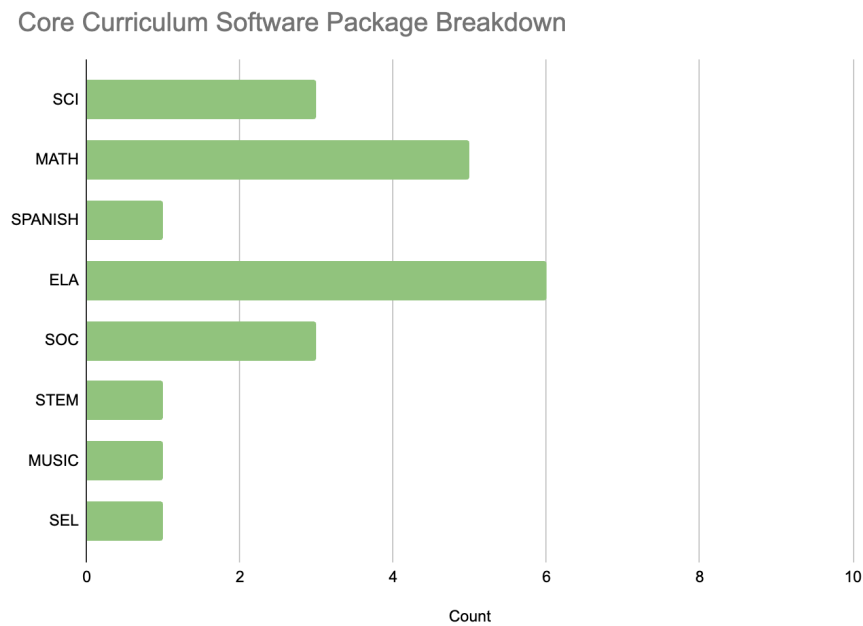
Overall Per Student Curriculum Costs:

These curriculum software packages average out to the following estimated costs for the students within the three schools. Please note that these costs are estimated as this is based strictly upon enrollment data and could vary depending on student schedules. These estimated costs include both packages that are essential to access resources at the individual school, along with package costs that are part of a district subscription.



Number of Curriculum Packages / Titles:

The following information details the number of software packages we are managing to help support the various curriculum categories.



Assessment Tools:

These software packages are used by the District to gather information on student growth and achievement as well as mandated packages, required by the Illinois State Board of education, to pull student data on Mathematics, Science, and Language Arts performance.

ASSESSMENT SOFTWARE			24-25	23-24
Fastbridge	RENEWED - INFLATION PRICE INCREASE	5%	\$7,434.07	\$7,080.00
FitnessGram by Human Kinetics	RENEWED AND KEPT PRICES THE SAME			\$399.00
ISBE ISA TESTING PLATFORM	NO COST		\$0.00	\$0.00
MAP by NWEA	RENEWED WITH MULTI YEAR DISCOUNTS	0%	\$15,164.10	\$15,164.10
Pearson Access Next for PARCC	NO COST		\$0.00	\$0.00
SUBTOTAL			\$22,598.17	\$22,643.10

Overall Per Student Costs for Assessments Tools.

The overall cost per student for assessment software remains at \$18.29 per student. This is due to stability in pricing and looking at multi year pricing models.

Supplemental Software:

These software packages are used by teachers and students to reinforce concepts, enhance skills, or cover specific skill areas which our current curriculum may lack. Some titles listed here may also target supplemental resources to specific student populations, such as Special Education or English Language Learners (EL), or used for intervention purposes.

SUPPLEMENTAL SOFTWARE	ACTIONS TAKEN		24-25	23-24
AutoDesk	PART OF PROJECT LEAD THE WAY CURRICULUM - NO COST		\$0.00	\$0.00
BoardMaker Online	ONLY BEING USED FOR SPECIAL ED STUDENT NEEDS		\$0.00	\$0.00
Bookflix	RENEWED SAME PRICE	0%	\$1,195.00	\$1,195.00
BrainPop.	RENEWED - INFLATION PRICE INCREASE	9%	\$7,371.00	\$6,696.00
BrainPop. Jr.	RENEWED - INFLATION PRICE INCREASE	10%	\$2,268.00	\$2,052.00
BrainPop. ELL	PILOT IN 2024 - ADDING TO RUTLEDGE HALL TO SUPPORT EL LEARNERS	100%	\$911.00	\$0.00
Breakout EDU	RENEWED SAME PRICE	0%	\$99.00	\$99.00
Britannica Encyclopedia	INFLATION COST INCREASE	25%	\$1,000.00	\$750.00
Culturegrams by ProQuest	REVIEWING USAGE AND LIKE TOOLS FOR 22-23 YEAR	3%	\$1,354.00	\$1,308.00
EdPuzzle			\$0.00	\$0.00
Facts4Me	USED NEW PRICING MODEL TO EXTEND SUBSCRIPTION	31%	\$144.50	\$100.00
Flipgrid			\$0.00	\$0.00
Flocabulary	RENEWED - INFLATION PRICE INCREASE	9%	\$3,696.00	\$3,360.00
Formative	NEGOTIATED PRICE FOR ADDITIONAL SAVING	-19%	\$3,515.89	\$4,200.00

Gim Kit			\$0.00	\$0.00
Gizmos Teaching and Learning			\$0.00	\$0.00
GoNoodle			\$0.00	\$0.00
Heggerty	NEW SUBSCRIPTION OF RESOURCES ADDED TO TODD HALL	100%	\$89.00	\$0.00
IXL ELA GR 6-8	MULTI YEAR AGREEMENT	0%	\$4,250.00	\$4,250.00
IXL Math & ELA GR 6-8 (+25 Stu)	MULTI YEAR AGREEMENT	0%	\$387.66	\$387.66
IXL RH Math & ELA GR 2-5	MULTI YEAR AGREEMENT	0%	\$8,137.66	\$8,137.66
IXL RH Math & ELA GR 1	MULTI YEAR AGREEMENT	0%	\$1,627.33	\$1,627.33
Jolly Phonics		0%	\$300.00	\$300.00
Kahoot			\$0.00	\$0.00
Khan Academy / Kids			\$0.00	\$0.00
Language Live	RENEWED AND KEPT PRICES THE SAME	0%	\$3,724.60	\$3,724.60
Learning A-Z - Raz Plus	INFLATION COST INCREASE PLUS ADDED RESOURCES TO NEW POSITIONS	13%	\$7,230.00	\$6,318.00
Learning A-Z - Raz Plus ELL	INFLATION COST INCREASE PLUS ADDED RESOURCES TO NEW POSITIONS	17%	\$504.00	\$420.00
Learning A-Z - Raz-Kids	MIGRATED TO RAZ PLUS - BETTER DEAL		\$0.00	\$0.00
Learning A-Z - Reading A-Z	MIGRATED TO RAZ PLUS - BETTER DEAL		\$0.00	\$0.00
Learning A-Z - Vocab A-Z	INFLATION PLUS ADDED RESOURCES TO NEW POSITIONS	3%	\$2,904.00	\$2,808.00
Lego Mindstorms NXT Robotics			\$0.00	\$0.00
LessonPix		0%	\$295.00	\$295.00
MyNGConnect by Cengage Inside	RENEWED FOR 22-28 SCHOOL YEAR	0%	\$1,125.93	\$1,125.93
Nearpod	MIGRATED SUBSCRIPTION FROM DISTRICT TO INDIVIDUALS	-87%	\$1,200.00	\$9,275.00
Neptune Navigate	RENEWED SAME PRICE	0%	\$1,750.00	\$1,750.00
NewsELA	RENEWED - INFLATION PRICE INCREASE	9%	\$7,721.12	\$7,020.00
Novel Effect		24%	\$25.00	\$19.00
Pebble Go! by Capstone	RENEWED AT SAME PRICE	0%	\$1,200.00	\$1,200.00
Quizlet - Flashcards & Study Tools			\$0.00	\$0.00
Rosetta Stone	DETERMINED ON LICENSING NEEDS FOR DISTRICT	0%	\$3,250.00	\$3,250.00
Scholastic - Storyworks Jr.	PREVIOUS YEARS COST DATA UNKNOWN	100%	\$4,083.80	\$0.00
Sibelius			\$0.00	\$0.00
StarFall	MULTI YEAR AGREEMENT		\$0.00	\$533.00
Typing Club	MULTI YEAR AGREEMENT		\$0.00	\$3,000.00
Vex ROBOTC	PART OF PROJECT LEAD THE WAY CURRICULUM - NO COST		\$0.00	\$0.00
XtraMath Premium	RENEWED SAME PRICE AND ADDED USERS TO RESOURCE	0%	\$500.00	\$500.00
Writable, Inc	RENEWED - INFLATION PRICE INCREASE	9%	\$3,480.00	\$3,168.00
Zaner-Bloser	PART OF K-2 CURRICULUM		\$0.00	\$0.00
SUBTOTAL			\$75,339.49	\$81,189.18

Overall Per Student Supplemental Software Costs:

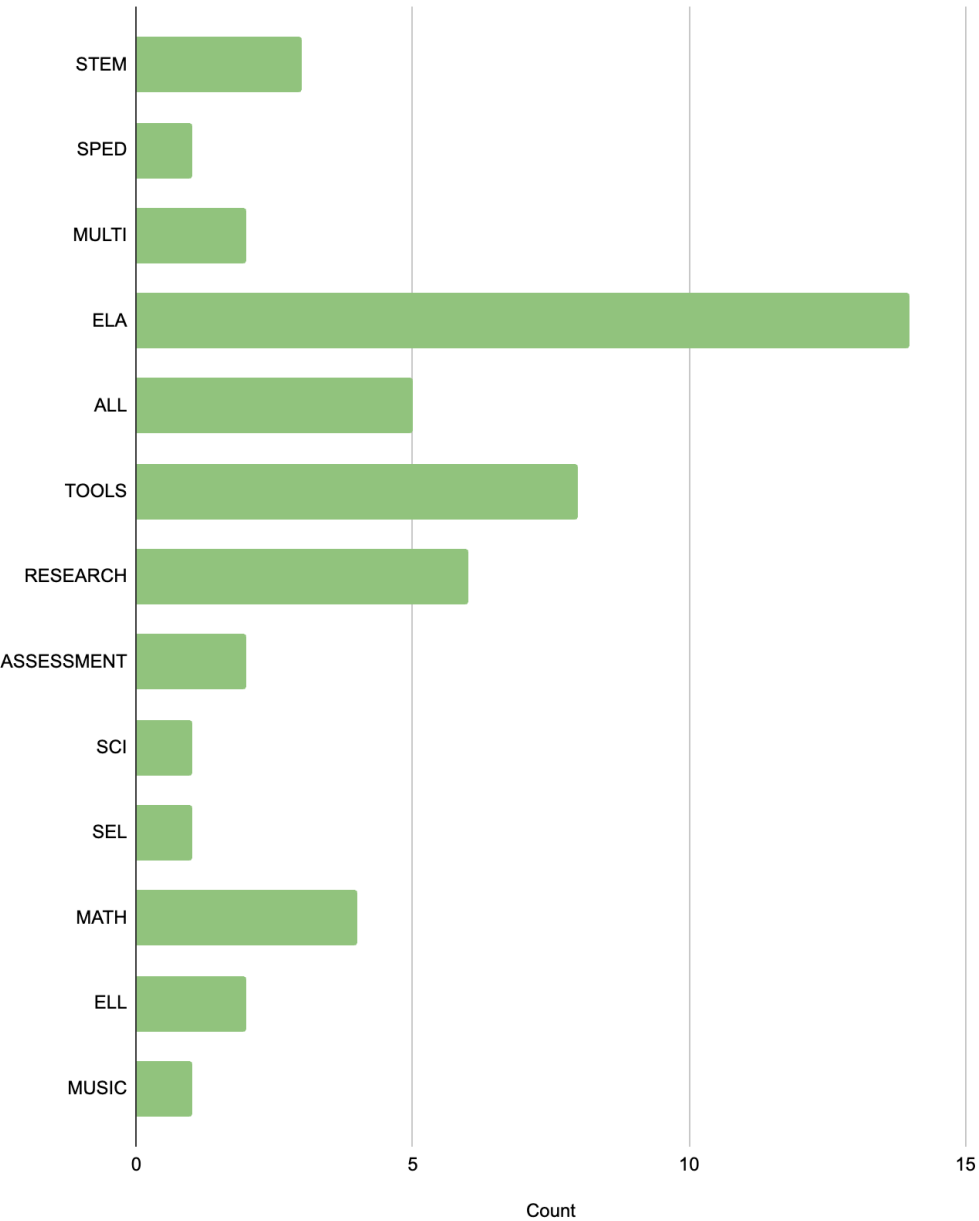
These supplemental software packages average out to the following estimated costs for the students within the three schools. Please note that these costs are estimated as this is based strictly upon enrollment data and could vary depending on student schedules. These estimated costs include both packages that would be essential to access resources at the individual school, along with package costs that would be part of a district subscription.



Number of Supplemental Software Packages / Titles:

The following information details the number of software packages we are managing to help support the various curriculum categories.

Supplemental Software Package Breakdown



Technology Operations:

This category covers software purchased for the operational needs of the school and District, individual purchases solely related to the upkeep and operation of the technology systems, and software used by all students and faculty.

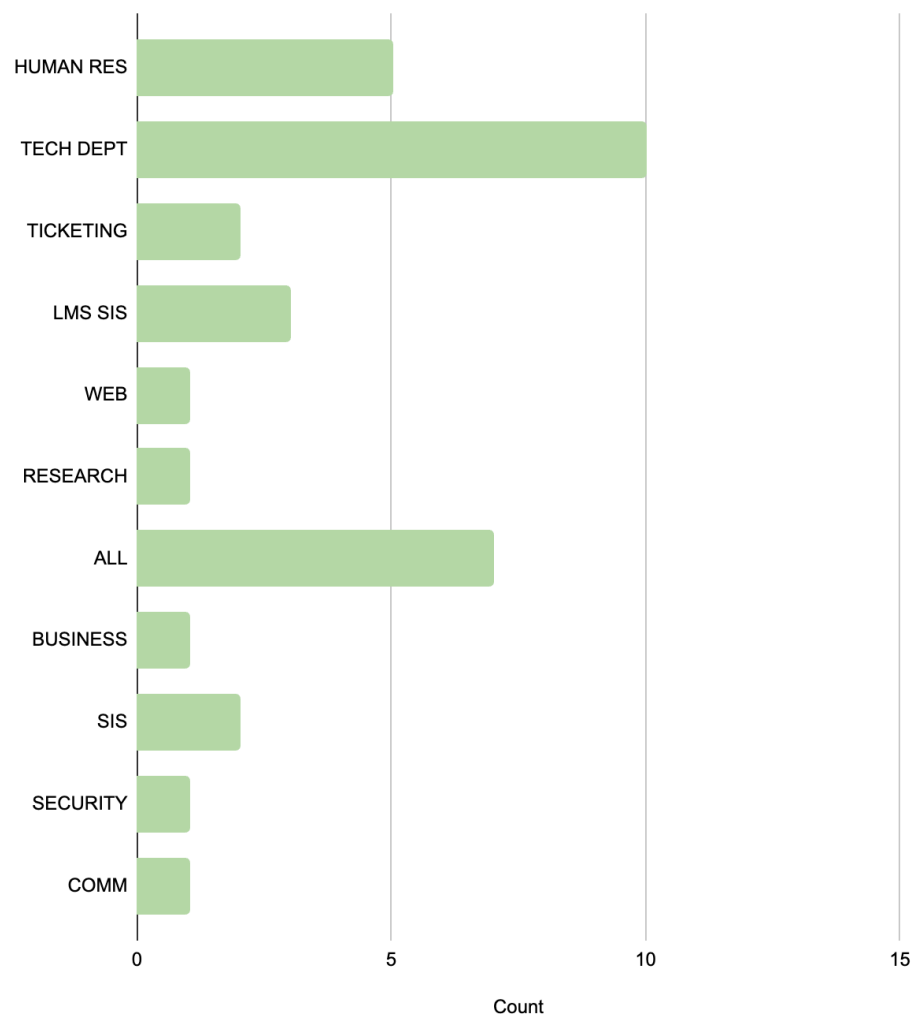
TECH DEPARTMENT PURCHASES			24-25	23-24
Adobe Suite Software	RENEWED AND KEPT PRICES THE SAME	0%	\$350.00	\$350.00
Aesop by Frontline Absence Management	MULTI YEAR AGREEMENT	4%	\$4,438.66	\$4,247.50
Aesop by Frontline Applicant Tracking	MULTI YEAR AGREEMENT	4%	\$1,853.50	\$1,782.21
Apple School Manager	FREE FOR EDU CLIENTS		\$0.00	\$0.00
Brightly /SchoolDude Maint	TOOK ADVANTAGE OF NEW PRICING STRUCTURE	-22%	\$6,785.67	\$8,594.00
Bright Arrow	NEW MASS MESSAGING SYSTEM	100%	\$3487.50	\$0.00
Carbon Copy Cloner from Bombich	NO LONGER NEEDED		\$0.00	\$29.00
Classlink	POSSIBLY CAN NEGOTIATE NEW 3 YEAR PLAN FOR ADDITIONAL SAVING	3%	\$5,818.00	\$5,666.00
File Maker Maintenance	NOT NEEDED DISTRICT OWNS SOFTWARE		\$0.00	\$0.00
Final Site/BlackBoard	BLACKBOARD NOW KNOW AS FINALSITE	8%	\$2,429.00	\$2,229.00
Follett/Destiny	RENEWED - INFLATION PRICE INCREASE	9%	\$5,043.00	\$4,600.00
Gaggle Archiving	REVIEW USAGE AND ACCOUNTS	0%	\$3,510.00	\$3,505.00
Genuity	REPLACEMENT FOR IT DIRECT SAVING	0%	\$329.00	\$329.00
Go Daddy	CERTIFICATES FOR SERVERS 3YR PLAN	0%	\$0.00	\$1,000.00
Google- GAFE	FREE FOR EDU CLIENTS		\$0.00	\$0.00
Imagetec Printer Lease	MULTI YEAR AGREEMENT	0%	\$50,080.00	\$50,080.00
Infinitec	NO COST		\$0.00	\$0.00
iVisions			\$0.00	\$0.00
JAMF Suite	RENEWED AT LOWER PRICE WITH SIMPLIFIED SUPPORT OPTIONS	-42%	\$8,250.00	\$13,509.00
JotForm for New Employees	NO COST		\$0.00	\$0.00
Lincolnwood Public Library	NO COST		\$0.00	\$0.00
MealViewer Digital Suite	RENEWED AND KEPT PRICES THE SAME	0%	\$1,470.00	\$1,470.00
Meraki Licensing			\$0.00	\$0.00
Microsoft Office 16			\$0.00	\$0.00
PowerSchool Maintenance and Support	RENEWED - INFLATION PRICE INCREASE	7%	\$8,756.06	\$8,102.00
PowerSchool Registration	RENEWED - INFLATION PRICE INCREASE	7%	\$12,486.68	\$11,563.00
Raptor	RENEWED - INFLATION PRICE INCREASE	5%	\$3,300.00	\$3,125.00
Schoolology Enterprise	RENEWED - INFLATION PRICE INCREASE	7%	\$5,246.35	\$4,875.00
Seesaw	RENEWED - INFLATION PRICE INCREASE	5%	\$3,276.00	\$3,120.00
SignUp Genius	RENEWED AT LOWER PRICE	0%	\$485.00	\$485.00
SMORE	RENEWED AND KEPT PRICES AT SAME PRICE	0%	\$180.00	\$180.00
Total K 12/POS+ Lunch System			\$0.00	\$0.00

Veeam Support Maintenance Renewal	MULTI YEAR AGREEMENT			\$0.00
Vimeo WRH WLH	RENEWED AND KEPT PRICES AT SAME PRICE	0%	\$84.00	\$84.00
Zoom	RENEWED SAME PRICE AND ADDED USERS TO RESOURCE	38%	\$480.00	\$300.00
SUBTOTAL			\$124,650.92	\$129,224.71

Number of Curriculum Packages:

The following information details the number of software packages we are managing to help support the various curriculum categories.

Tech DepartmentBreakdown



Inventory of IOS Applications

Last year included a section that reported on an overview of the iOS applications that are currently being used within our School District. Again, these are differentiated from our paid subscriptions, as iOS iPad apps are typically a one-time purchase. During the 2024-2025 school year, the District **did not add any** notable applications to our inventory, other than the specific packages that were required to support the Amplify Science curriculum package. These required additions did not add any additional costs to our budgets.

Conclusion

While costs keep rising, it is important to remember that there are a number of economic factors that contribute to these changes. Behind each piece of software or service, there are costs to consider for personnel, infrastructure equipment, utilities, insurance, etc. As a team, we continue to attempt to keep these under control by utilizing several measures:

- **Removal of Unused Software:** Products that are no longer in use have been phased out or removed.
- **Reduction in Subscription:** The team has reviewed products that are in use by many staff members, but not to justify a full District subscription.
- **Cost Reduction Strategies:** The team has implemented cost reduction strategies, such as renegotiating contracts for more favorable terms and using databases only during school hours to avoid unnecessary expenses.
- **Product Substitution:** The discontinuation of certain software products, favoring more cost-effective alternatives.
- **Redesigned Software Application Process:** This revised process allows teachers to fill out an online form which requires a bit more research and includes a more stringent questioning approach.

Fiscal Impact:

N/A

Recommendation:

Should you have any questions or require further discussion on this report, please do not hesitate to contact our Tech Department at any time. We are here to provide any clarification or insights needed.

HIGHLIGHTS:

Curriculum Highlights:

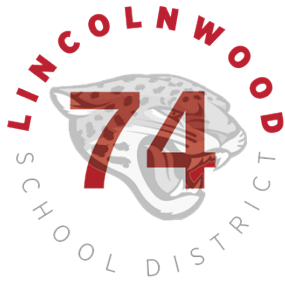
- There was an overall increase in the budget to the Curriculum materials
- New additions included:
 - Amplify Science: +\$20K
 - Carnegie Math: Added K-2 Students
 - Carnegie Math: Added 3-5 Students
 - Year 2 for grades 6-8: +\$20K
- Removed My Math by McGraw Hill
- Streamlined Music Curriculum Offerings Quaver Ed
- Added Mystery Writing as a Pilot Program to review resources - \$0.00

Supplemental Highlights:

- Small Changes, Big Impact
- The district successfully kept costs in check despite inflation
- Currently spending less money at this time than last year
- Saw some increases in price due to additional resources being allocated to new staff members
 - Learning A-Z Products
 - Brainpop EL - Added to support students
- Added smaller items for single teachers to share digital resources across grade levels
 - Heggerty as an ELA supplement
- License Adjustments: Shifted from district-wide licenses to individual licenses for underused apps
 - Nearpod - saved \$8000
- Pricing Renegotiations: New deals following mergers, resulting in optimized costs for various products
 - Formative (now owned by Newsela) - saved \$800

Tech Department (District) Highlights:

- Pricing Negotiations - Negotiated with vendors to honor new, lower-tier pricing structures for contracts
 - Brightly software changed to take advantage of new pricing - saved \$2000
- Specific support agreements for software were removed to streamline contracts
 - JAMF Management subscription was changed - saved \$5200
- Added individual subscriptions and continued to manage Zoom subscriptions for district use
 - Zoom software



Finance Committee Meeting

DATE: November 21, 2024

TOPIC: District Finance Update

PREPARED BY: Courtney Whited

Recommended for:

Action

☒ Discussion

☒ Information

Purpose/Background:

To provide the Finance Committee an update on ongoing Districtwide matter(s)

1. After consultation with Legal Counsel, the Niles Township transportation cohort (70, 71, 74, 219) agreed to negotiate with First Student, Inc. Bus Company for a one-year extension for regular education transportation spanning 08/01/2025 to 07/31/2026.
2. The District will hold a public hearing at the December 5, 2024 Board of Education meeting to receive public testimony from educators, parents, and students on a proposal to seek a waiver of a School Code mandate. Following the conclusion of the hearing, the Board of Education may take action to approve the waiver application. Approval of the proposal would seek a one-year waiver of School Code Section 17-1.5, which limits the increase in administrative expenditures for the current school year to not exceed 5% over the prior school year. Waivers may be granted due to circumstances beyond the control of the district where the district has exhausted all available and reasonable remedies to comply with the limitation. The attached notice is scheduled to appear in the 11/21/2024 *Lincolnwood Review*.

Order ID: 7725193

* Agency Commission not included

GROSS PRICE * : \$44.02

PACKAGE NAME: IL Govt Legal Pioneer North

Product(s): SubTrib_Pioneer North , Publicnotices.com

AdSize(s): 1 Column

Run Date(s): Thursday, November 21, 2024

Zone: Full Run

Color Spec. B/W

Preview

**NOTICE OF PUBLIC HEARING
OF THE
BOARD OF EDUCATION
OF LINCOLNWOOD SCHOOL
DISTRICT NO. 74,
COOK COUNTY, ILLINOIS,
CONCERNING THE WAIVER OF
SCHOOL CODE MANDATE**

NOTICE IS HEREBY GIVEN that the Board of Education of Lincolnwood School District No. 74, Cook County, Illinois, will hold a public hearing on Thursday, December 5, 2024, at 7:30 p.m. The hearing will be held in the Lincolnwood Village Hall, 6900 North Lincoln Avenue, Lincolnwood IL 60712. The purpose of the hearing will be to receive public testimony from educators, parents, and students on a proposal to seek a waiver of a School Code mandate. Following the conclusion of the hearing, the Board of Education may take action to approve the waiver application.

Approval of the proposal would seek a one-year waiver of School Code Section 17-1.5, which limits the increase in administrative expenditures for the current school year to not exceed 5% over the prior school year. Waivers may be granted due to circumstances beyond the control of the district where the district has exhausted all available and reasonable remedies to comply with the limitation.

DATED this 21st day
of November, 2024.

John P. Vranas
Secretary, Board of Education
Lincolnwood School District
No. 74, Cook County, Illinois
11/21/24 7725193