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**LAKE ZURICH COMMUNITY UNIT
SCHOOL DISTRICT NO. 95
STATE OF ILLINOIS**

ANNUAL FINANCIAL REPORT

JUNE 30, 2022

eder, casella & co

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Lake Zurich Community Unit School District No. 95
Lake Zurich, Illinois

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of

Lake Zurich Community Unit School District No. 95

as of and for the year ended June 30, 2022, 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2022, and the respective changes in financial position thereof 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 (GAAS) 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 Lake Zurich Community Unit School District No. 95 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.

Change in Accounting Principle

As described in Note 16 to the financial statements, the District implemented GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

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 one year after the date that the financial statements are issued.

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 GAAS and *Government 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 Lake Zurich Community Unit School District No. 95'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 Lake Zurich Community Unit School District No. 95'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 required supplementary information 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 District's basic financial statements. The supplementary information as listed in the table of contents and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information, except for the average daily attendance figure included in the computation of operating expense per pupil and per capita tuition charges, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and the Schedule of Expenditures of Federal Awards 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 7, 2022 on our consideration of Lake Zurich Community Unit School District No. 95's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Lake Zurich Community Unit School District No. 95's internal control over financial reporting and compliance.

Eder, Casella & Co.
EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
October 7, 2022

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

To the Board of Education
Lake Zurich Community Unit School District No. 95
Lake Zurich, 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 the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of

Lake Zurich Community Unit School District No. 95

as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Lake Zurich Community Unit School District No. 95's basic financial statements, and have issued our report thereon dated October 7, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lake Zurich Community Unit School District No. 95'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 Lake Zurich Community Unit School District No. 95's internal control. Accordingly, we do not express an opinion on the effectiveness of Lake Zurich Community Unit School District No. 95'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lake Zurich Community Unit School District No. 95'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*.

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.

Eder, Casella & Co.
EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
October 7, 2022

REQUIRED SUPPLEMENTARY INFORMATION

Lake Zurich Community Unit School District No. 95

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2022

The Management's Discussion and Analysis of Lake Zurich Community Unit School District No. 95's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2022. 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.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at June 30, 2022 by \$139,798,521 (net position).
- The District's total net position increased by \$6,982,540, including a net position adjustment of \$2,885,720. This increase represents the degree to which increases in ongoing revenues exceeded similar increases in ongoing expenses.
- At June 30, 2022 the District's governmental funds reported combined ending fund balances of \$109,015,251, a decrease of \$6,953,622 in comparison with the prior year.
- At June 30, 2022 the unassigned fund balance for the General Fund was \$60,296,137, or 59.89% of total General Fund expenditures.
- The District's total long-term debt decreased by \$4,626,041 during the year ended June 30, 2022 due to retirement of existing debt.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the 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 and deferred outflows of resources, less its liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the 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 (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). Governmental activities include instruction, support services, operations and maintenance, transportation, food services, and certain other activities and expenses such as payments to other districts and governmental units and interest and fees.

The government-wide financial statements can be found on the pages listed in the table of contents.

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

Governmental 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 government'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 District'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 six 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, Operations and Maintenance, Debt Services, Transportation, Illinois Municipal Retirement/Social Security, and Capital Projects Funds, 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 statement, which is required supplementary information, has been provided for the General Fund and each major special revenue fund to demonstrate compliance with this budget.

The basic fund financial statements can be found on the pages listed in the table of contents.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on the pages listed in the table of contents.

Other Information - In addition to the basic financial statements, accompanying notes, and required supplementary information, this report also presents certain supplementary information concerning the District's progress in meeting its obligation to provide fully adequate educational services and extracurricular activities to all of its resident's students.

Supplemental financial information can be found on the pages listed in the table of contents.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$139,798,521 at the close of the most recent fiscal year.

The following table presents a summary of the District's net position for the years ended June 30, 2022 and 2021:

Lake Zurich Community Unit School District No. 95's Net Position at Year-End

	Governmental Activities	
	FY 2022	FY 2021
Assets		
Current and Other Assets	\$ 165,648,234	\$ 170,097,316
Capital Assets	174,991,416	167,954,831
Total Assets	\$ 340,639,650	\$ 338,052,147
Deferred Outflow s of Resources		
Pension Expense - IMRF	\$ 480,940	\$ 563,912
Pension Expense - TRS	24,188	219,256
OPEB Expense - THIS	1,010,779	1,357,639
OPEB Expense - IMRF/TRS	283,108	152,169
Employer Pension Contribution - IMRF	397,106	422,767
Employer Pension Contribution - TRS	270,880	261,437
Employer OPEB Contribution - THIS	312,913	413,956
Total Deferred Outflow s of Resources	\$ 2,779,914	\$ 3,391,136
Liabilities		
Other Liabilities	\$ 9,931,215	\$ 10,820,320
Long-term Liabilities Outstanding	82,531,800	87,685,520
Net Pension Liability - TRS	3,914,114	4,576,885
Other Postemployment Benefits Liability - THIS	38,235,022	47,148,768
Other Postemployment Benefits Liability - IMRF/TRS	466,746	338,056
Total Liabilities	\$ 135,078,897	\$ 150,569,549
Deferred Inflow s of Resources		
Unavailable Revenue - Property Taxes	\$ 44,857,596	\$ 43,810,137
Pension Revenue - IMRF	4,312,169	2,632,295
Pension Revenue - TRS	1,156,809	1,124,557
OPEB Revenue - THIS	18,156,108	10,458,257
OPEB Revenue - IMRF/TRS	59,464	32,507
Total Deferred Inflow s of Resources	\$ 68,542,146	\$ 58,057,753
Net Position		
Net Investment in Capital Assets	\$ 92,742,032	\$ 87,440,831
Restricted	35,456,600	38,947,131
Unrestricted	11,599,889	6,428,019
Total Net Position	\$ 139,798,521	\$ 132,815,981

The net investment in capital assets (66.34% of total net position) represents assets such as land, buildings, and equipment less any related debt used to acquire those assets that is still outstanding. The District uses its assets to provide educational services and extracurricular activities for the students of the local community. Although the District's investment in 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 of the District's net position (25.36%) represents resources that are subject to external restrictions on how they may be used.

The District's net position increased by \$6,982,540, including a net position adjustment of \$2,885,720. Substantially, all of this increase represents the degree to which increases in ongoing revenues exceeded similar increases in ongoing expenses

Governmental Activities. Governmental activities increased the District's net position by \$6,982,540, including a net position adjustment of \$2,885,720. Key elements of this increase are as follows:

Lake Zurich Community Unit School District No. 95's Change in Net Position

	Governmental Activities	
	FY 2022	FY 2021
Revenues:		
Program Revenues		
Charges for Services	\$ 4,081,318	\$ 2,298,905
Operating Grants and Contributions	31,393,644	45,614,197
Capital Grants and Contributions	272,081	217,429
General Revenues:		
Property Taxes	88,134,192	86,740,093
Other Payments in Lieu of Taxes	793,630	365,633
Grants and Contributions not Restricted to Specific Activities	4,046,118	4,040,451
Unrestricted Investment Earnings	92,938	70,741
TIF Revenues	544,699	539,664
Gain on Sale of Capital Assets	613,619	-
Miscellaneous	77,927	88,958
Total Revenues	<u>\$ 130,050,166</u>	<u>\$ 139,976,071</u>
Expenses:		
Instruction	\$ 74,302,449	\$ 88,253,462
Support Services	43,472,210	36,065,335
Community Services	92,470	101,767
Intergovernmental Payments	311,753	303,116
Interest and Fees on Long-Term Debt	2,981,397	2,027,256
Depreciation - Unallocated	4,793,067	4,209,262
Total Expenses	<u>\$ 125,953,346</u>	<u>\$ 130,960,198</u>
Change in Net Position	\$ 4,096,820	\$ 9,015,873
Net Position - Beginning	132,815,981	123,719,990
Net Position Adjustment (Note 16)	2,885,720	80,118
Net Position - Ending	<u>\$ 139,798,521</u>	<u>\$ 132,815,981</u>

- Charges for services increased by \$1,782,413 due to tuition, food service revenue and pupil activities revenue being higher in the current year since school was in person all year.
- Operating Grants and Contributions decreased by \$14,220,553 primarily due to a decrease in transportation grants (\$469,709) and state retirement contributions (\$14,644,339), offset partially by an increase in Child Nutrition Cluster grants (\$781,953).
- Property Taxes increased by \$1,394,099 over the prior year due to an overall increase in the EAV for the District.
- The District's total expenses decreased \$5,006,852 (3.82%) primarily due to a \$14,644,339 decrease in State Retirement Contributions, offset by an increase of \$5,563,092 in facilities acquisition and construction services, \$931,141 in transportation services, \$968,361 in food services, and \$954,141 in interest and fees.

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of June 30, 2022, the District's six governmental funds reported combined ending fund balances of \$109,015,251, a decrease of \$6,953,622 in comparison with the prior year.

General Fund – The greatest variety and the largest volume of transactions shall be recorded in the General Fund because the General Fund covers transactions that are not specifically covered in another fund. Certain expenditures that must be charged to this fund include the direct costs of instructional, health, and attendance services, lunch programs, all costs of administration, and related insurance costs. Certain revenues that must be credited to this fund include educational and working cash tax levies, tuition, and textbook rentals.

At June 30, 2022 the General Fund had an unassigned fund balance of \$60,296,137. This unassigned fund balance represents 59.89% of total General Fund expenditures.

The remaining five funds had a combined fund balance of \$47,020,854. The significant transactions of these funds for the year ended June 30, 2022 are summarized as follows:

	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund
Beginning Fund Balance	\$ 11,894,761	\$ 4,494,815	\$ 6,049,459	\$ 1,604,553	\$ 32,840,663
Net Change in Fund Balance	1,205,741	35,787	(1,020,443)	(53,568)	(10,030,914)
Ending Fund Balance	<u>\$ 13,100,502</u>	<u>\$ 4,530,602</u>	<u>\$ 5,029,016</u>	<u>\$ 1,550,985</u>	<u>\$ 22,809,749</u>

The Transportation Fund had a decrease in fund balance due to capital outlay expenditures, as the District purchased buses and other vehicles in the current year. The Illinois Municipal Retirement/Social Security Fund had a decrease in fund balance due to an increase in benefits paid. The Capital Projects Fund had a decrease in fund balance due to expenditures for facilities acquisition and construction services being higher than the revenue and interfund transfers made by the Operation and Maintenance Fund.

General Fund Budgetary Highlights

The District amended the budget during the year ended June 30, 2022. Significant differences between the original and final budget were as follows:

- Instruction expenditures increased by \$54,000, while support services expenditures decreased by the same amount.

Significant differences between budgeted and actual revenues and expenditures are summarized as follows:

- The difference between budgeted revenues and actual revenues was \$12,670,292 (unfavorable) which is 12.21% of total revenues. The most significant factor was state retirement contributions being lower than budgeted by \$12,728,291.
- The difference between budgeted expenditures and actual expenditures was \$15,323,383 (favorable) which is 15.22% of total expenditures. The most significant factor was state retirement contributions being lower than budgeted by \$12,728,291, followed by lower than expected student activity fund expenditures (\$704,534), private tuition – special education programs K-12 expenditures (\$649,804) and special education program expenditures (\$381,178).

Capital Asset and Debt Administration

Capital Assets. At June 30, 2022 the District had invested \$174,991,416 (net of depreciation) in a broad range of capital assets, including land, building and building improvements, site improvements and infrastructure, capitalized equipment, and construction in progress. Total depreciation expense for the year was \$5,478,201.

Major capital asset events during the current fiscal year included the following:

- Major building improvement projects finalized in the current year at Isaac Fox and Middle School South for a total of \$2,123,458.
- Major land improvement project finalized in the current year related to the parking lot at Sarah Adams for a total of \$1,544,427.
- District purchased various equipment, including two John Deere utility tractors, 3D printers and other miscellaneous equipment for a total of \$111,757.
- District purchased various transportation equipment: 26 buses (\$2,370,940), four Chrysler Pacifica vehicles (\$153,760) and two Toyota Camry vehicles (\$60,239).

Lake Zurich Community Unit School District No. 95's Capital Assets
(net of depreciation)

	Governmental Activities	
	2022	2021
Land	\$ 11,953,158	\$ 11,953,158
Building and Building Improvements	137,497,280	136,385,924
Site Improvements and Infrastructure	7,613,206	6,670,442
Capitalized Equipment	5,778,671	5,441,202
Construction in Progress	12,149,101	7,504,105
	<u>\$ 174,991,416</u>	<u>\$ 167,954,831</u>

For more detail on the District's capital assets, see the Notes to the Financial Statements.

Long-Term Debt. At June 30, 2022 the District had \$74,949,426 in long-term debt.

Lake Zurich Community Unit School District No. 95's Outstanding Debt

	Governmental Activities	
	2022	2021
Bonds	\$ 72,420,000	\$ 79,270,321
Lease/Purchase Agreements	2,529,426	305,146
Total	<u>\$ 74,949,426</u>	<u>\$ 79,575,467</u>

For more detail on the District's long-term debt see the Notes to the Financial Statements.

Economic Factors and Next Year's Budget

Fiscal year 2022 represents the 15th consecutive balanced budget adopted by the District. The District annually completes a five-year long-range plan to anticipate and address the revenue and expenses of the District. The District's 2021 assessed property values declined slightly due to market assessment. Standard and Poor's reaffirmed the District's AAA bond rating in 2020. The communities served by the District strongly support the District; this was illustrated by passing a building referendum for \$77,600,000 by a 2 to 1 vote in March of 2018. \$5.3 million in debt extension bonds were issued in January 2021 for the purpose of capital improvements. These funding sources continue to support projects associated with the promises made as part of the referendum. The District has a stable workforce and has a labor agreement with the District's certified staff through the 2025-2026 school year.

The fiscal year 2023 budget is balanced on an operating fund basis. The District will continue spending referendum and local dollars from the Capital Projects Fund in accordance with the referendum related projects and capital projects identified within the Long Range Facilities Plan. The District has strong fund balances which will provide additional resources through investment earnings.

Requests for Information

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

Lake Zurich Community Unit School District No. 95
832 South Rand Road
Lake Zurich, IL 60047-2459

BASIC FINANCIAL STATEMENTS

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 54,739,962
Investments, at Fair Value	55,318,894
Interest Receivable, net of allowance of \$0	74,948
Taxes Receivable, net of allowance of \$0	49,795,839
Due from Other Governments, net of allowance of \$0	1,691,582
Prepaid Expenses	984,009
IMRF Pension Asset	3,043,000
Capital Assets:	
Land	11,953,158
Construction in Progress	12,149,101
Depreciable Buildings, Property, and Equipment, net of depreciation	150,889,157
Total Assets	<u>\$ 340,639,650</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Pension Expense - IMRF	\$ 480,940
Deferred Pension Expense - TRS	24,188
Deferred OPEB Expense - THIS	1,010,779
Deferred OPEB Expense - IMRF/TRS	283,108
Deferred Employer Pension Contributions - IMRF	397,106
Deferred Employer Pension Contributions - TRS	270,880
Deferred Employer OPEB Contributions - THIS	312,913
Total Deferred Outflows of Resources	<u>\$ 2,779,914</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 343,419,564</u>
LIABILITIES	
Accounts Payable	\$ 3,800,220
Accrued Expenses	1,198,828
Payroll Liabilities	4,917,118
Unearned Revenue	15,049
Noncurrent Liabilities	
Due Within One Year	5,572,289
Due in More Than One Year	76,959,511
Net Pension Liability - TRS	3,914,114
Other postemployment benefits liability - THIS	38,235,022
Other postemployment benefits liability - IMRF/TRS	466,746
Total Liabilities	<u>\$ 135,078,897</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable Revenue - Property Taxes	\$ 44,857,596
Deferred Pension Revenue - IMRF	4,312,169
Deferred Pension Revenue - TRS	1,156,809
Deferred OPEB Revenue - THIS	18,156,108
Deferred OPEB Revenue - IMRF/ TRS	59,464
Total Deferred Inflows of Resources	<u>\$ 68,542,146</u>
NET POSITION	
Net Investment in Capital Assets	\$ 92,742,032
Restricted for:	
Student Activity Funds	79,022
Operations and Maintenance	7,325,134
Debt Service	3,219,767
Transportation	3,551,169
Retirement	1,187,860
Future Capital Projects	20,093,648
Unrestricted/(Deficit)	11,599,889
Total Net Position	<u>\$ 139,798,521</u>

The Notes to Financial Statements are an integral part of this statement.

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for	Operating	Capital	Revenue and Changes
		Services	Grants and	Grants and	in Net Position
			Contributions	Contributions	Governmental
					Activities
Governmental Activities					
Instruction					
Regular Programs	\$ 32,502,011	\$ 469,469	\$ 896,799	\$ -	\$ (31,135,743)
Pre-K Programs	12,844	-	-	-	(12,844)
Special Education Programs	9,447,954	-	1,611,034	-	(7,836,920)
Special Education Programs Pre-K	591,974	-	-	-	(591,974)
Other Instructional Programs	6,961,598	2,169,552	90,686	-	(4,701,360)
Student Activity Fund	695,466	705,502	-	-	10,036
State Retirement Contributions	24,090,602	-	24,090,602	-	-
Support Services					
Pupil	6,152,384	-	269,593	-	(5,882,791)
Instructional Staff	1,575,543	-	20,106	-	(1,555,437)
General Administration	2,268,502	-	-	-	(2,268,502)
School Administration	4,814,269	-	-	-	(4,814,269)
Business	1,162,726	-	-	-	(1,162,726)
Facilities Acquisition and Construction Services	6,557,650	-	-	272,081	(6,285,569)
Operations and Maintenance	6,771,971	20,797	81,186	-	(6,669,988)
Transportation	4,609,702	9,150	1,544,777	-	(3,055,775)
Food Services	2,082,511	706,848	1,836,345	-	460,682
Internal Services	22,230	-	-	-	(22,230)
Central	7,069,343	-	-	-	(7,069,343)
Other Support Services	385,379	-	-	-	(385,379)
Community Services	92,470	-	-	-	(92,470)
Intergovernmental Payments					
Payments to Other Districts and Governmental Units	311,753	-	952,516	-	640,763
Debt Services					
Interest and Fees	2,981,397	-	-	-	(2,981,397)
Depreciation - Unallocated	4,793,067	-	-	-	(4,793,067)
Total Governmental Activities	<u>\$ 125,953,346</u>	<u>\$ 4,081,318</u>	<u>\$ 31,393,644</u>	<u>\$ 272,081</u>	<u>\$ (90,206,303)</u>
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes					\$ 81,060,708
Property Taxes, Levied for Debt Service					7,073,484
Other Payments in Lieu of Taxes					793,630
Grants and Contributions not Restricted to Specific Activities					4,046,118
Unrestricted Investment Earnings					92,938
TIF Revenues					544,699
Gain on Sale of Capital Assets					613,619
Miscellaneous Income					77,927
Total General Revenues					<u>\$ 94,303,123</u>
Change in Net Position					\$ 4,096,820
Net Position - July 1, 2021					132,815,981
Net Position Adjustment (Note 16)					<u>2,885,720</u>
Net Position - June 30, 2022					<u><u>\$ 139,798,521</u></u>

The Notes to Financial Statements are an integral part of this statement.

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
FUND FINANCIAL STATEMENTS
BALANCE SHEET
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Total Governmental Funds
ASSETS							
Cash and Cash Equivalents	\$ 30,693,913	\$ 6,300,620	\$ 2,039,622	\$ 2,279,279	\$ 739,422	\$ 12,687,106	\$ 54,739,962
Investments, at Fair Value	30,454,574	6,512,527	2,107,424	2,371,029	764,002	13,109,338	55,318,894
Interest Receivable, net of allowance of \$0	-	74,948	-	-	-	-	74,948
Taxes Receivable, net of allowance of \$0	36,426,291	6,805,255	3,945,366	1,236,547	1,125,458	256,922	49,795,839
Due from Other Governments, net of allowance of \$0	1,305,385	-	-	386,197	-	-	1,691,582
Prepaid Items	976,009	-	1,600	6,400	-	-	984,009
Total Assets	<u>\$ 99,856,172</u>	<u>\$ 19,693,350</u>	<u>\$ 8,094,012</u>	<u>\$ 6,279,452</u>	<u>\$ 2,628,882</u>	<u>\$ 26,053,366</u>	<u>\$ 162,605,234</u>
LIABILITIES							
Accounts Payable	\$ 353,270	\$ 393,587	\$ -	\$ 41,795	\$ -	\$ 3,011,568	\$ 3,800,220
Payroll Liabilities	4,711,087	52,832	-	91,806	61,393	-	4,917,118
Unearned Revenue	15,049	-	-	-	-	-	15,049
Total Liabilities	<u>\$ 5,079,406</u>	<u>\$ 446,419</u>	<u>\$ -</u>	<u>\$ 133,601</u>	<u>\$ 61,393</u>	<u>\$ 3,011,568</u>	<u>\$ 8,732,387</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue - Property Taxes	\$ 32,782,369	\$ 6,146,429	\$ 3,563,410	\$ 1,116,835	\$ 1,016,504	\$ 232,049	\$ 44,857,596
Total Deferred Inflows of Resources	<u>\$ 32,782,369</u>	<u>\$ 6,146,429</u>	<u>\$ 3,563,410</u>	<u>\$ 1,116,835</u>	<u>\$ 1,016,504</u>	<u>\$ 232,049</u>	<u>\$ 44,857,596</u>
FUND BALANCES							
Nonspendable							
Prepaid Items	\$ 976,009	\$ -	\$ 1,600	\$ 6,400	\$ -	\$ -	\$ 984,009
Restricted							
Student Activity Funds	79,022	-	-	-	-	-	79,022
Operations and Maintenance	-	7,325,134	-	-	-	-	7,325,134
Debt Service	-	-	3,219,767	-	-	-	3,219,767
Transportation	-	-	-	3,551,169	-	-	3,551,169
Illinois Municipal Retirement	-	-	-	-	721,280	-	721,280
Social Security	-	-	-	-	466,580	-	466,580
Capital Projects	-	-	-	-	-	20,093,648	20,093,648
Committed							
Construction Projects	-	-	-	-	-	1,981,587	1,981,587
Assigned							
Health Insurance Funds	643,229	-	-	-	-	-	643,229
Operations and Maintenance	-	5,775,368	-	-	-	-	5,775,368
Debt Service	-	-	1,309,235	-	-	-	1,309,235
Transportation	-	-	-	1,471,447	-	-	1,471,447
Illinois Municipal Retirement	-	-	-	-	363,125	-	363,125
Capital Projects	-	-	-	-	-	734,514	734,514
Unassigned	60,296,137	-	-	-	-	-	60,296,137
Total Fund Balances	<u>\$ 61,994,397</u>	<u>\$ 13,100,502</u>	<u>\$ 4,530,602</u>	<u>\$ 5,029,016</u>	<u>\$ 1,550,985</u>	<u>\$ 22,809,749</u>	<u>\$ 109,015,251</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 99,856,172</u>	<u>\$ 19,693,350</u>	<u>\$ 8,094,012</u>	<u>\$ 6,279,452</u>	<u>\$ 2,628,882</u>	<u>\$ 26,053,366</u>	<u>\$ 162,605,234</u>

The Notes to Financial Statements are an integral part of this statement.

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
FUND FINANCIAL STATEMENTS
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total Fund Balances - Governmental Funds	\$ 109,015,251
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Deferred pension costs in governmental activities are not financial resources and therefore are not reported in the funds.

Deferred Pension Expense - IMRF	\$ 878,046	
Deferred Pension Expense - TRS	295,068	
Deferred OPEB Expense - THIS	1,323,692	
Deferred OPEB Expense - IMRF/TRS	283,108	
Deferred Pension Revenue - IMRF	(4,312,169)	
Deferred Pension Revenue - TRS	(1,156,809)	
Deferred OPEB Revenue - THIS	(18,156,108)	
Deferred OPEB Revenue - IMRF/ TRS	<u>(59,464)</u>	
		(20,904,636)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Capital Assets	\$ 252,964,621	
Accumulated Depreciation on Capital Assets	<u>(77,973,205)</u>	
		174,991,416

Deferred charges and credits for debt issue discounts or premiums are not financial resources and therefore are not reported in the funds.

Bond Premiums, net of related amortization	(7,299,958)
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Some liabilities are not due and payable in the current period and therefore are not reported in the funds.

Bonds and Notes Payable	\$ (74,949,426)	
Accrued Interest on Long-Term Debt	(1,198,828)	
Compensated Absences Payable	(282,416)	
Net Pension Liability - IMRF	3,043,000	
Net Pension Liability - TRS	(3,914,114)	
Net OPEB Liability - THIS	(38,235,022)	
Total OPEB Liability - IMRF/TRS	<u>(466,746)</u>	
		<u>(116,003,552)</u>

Net Position of Governmental Activities	<u>\$ 139,798,521</u>
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The Notes to Financial Statements are an integral part of this statement.

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
FUND FINANCIAL STATEMENTS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Total Governmental Funds
REVENUES							
Property Taxes	\$ 64,660,566	\$ 12,406,188	\$ 7,073,484	\$ 1,805,118	\$ 1,956,955	\$ 231,881	\$ 88,134,192
Payments in Lieu of Taxes	703,630	-	-	-	90,000	-	793,630
Tuition	456,403	-	-	-	-	-	456,403
Transportation Fees	-	-	-	9,150	-	-	9,150
Earnings on Investments	41,374	10,269	2,205	2,439	996	35,655	92,938
Food Services	706,848	-	-	-	-	-	706,848
District/School Activity Income	2,343,956	-	-	-	-	-	2,343,956
Textbooks	367,571	-	-	-	-	-	367,571
Other Local Sources	712,299	138,828	-	75	-	272,081	1,123,283
State Aid	5,078,871	50,000	-	1,544,777	-	-	6,673,648
Federal Aid	4,588,079	-	-	-	56,247	-	4,644,326
State Retirement Contributions	24,090,602	-	-	-	-	-	24,090,602
Total Revenues	\$ 103,750,199	\$ 12,605,285	\$ 7,075,689	\$ 3,361,559	\$ 2,104,198	\$ 539,617	\$ 129,436,547
EXPENDITURES							
Current							
Instruction							
Regular Programs	\$ 32,836,520	\$ -	\$ -	\$ -	\$ 465,710	\$ -	\$ 33,302,230
Pre-K Programs	-	-	-	-	12,844	-	12,844
Special Education Programs	9,455,905	-	-	-	285,946	-	9,741,851
Special Education Programs Pre-K	557,142	-	-	-	34,832	-	591,974
Other Instructional Programs	6,968,447	-	-	-	129,705	-	7,098,152
Student Activity Fund	695,466	-	-	-	-	-	695,466
State Retirement Contributions	24,090,602	-	-	-	-	-	24,090,602
Support Services							
Pupil	6,150,844	-	-	-	203,107	-	6,353,951
Instructional Staff	1,573,173	-	-	-	40,971	-	1,614,144
General Administration	2,288,033	-	-	-	37,826	-	2,325,859
School Administration	4,944,040	-	-	-	161,115	-	5,105,155
Business	1,178,209	-	-	-	41,039	-	1,219,248
Facilities Acquisition and Construction Services	-	-	-	-	-	5,720,801	5,720,801
Operations and Maintenance	2,119	6,690,222	-	-	176,992	-	6,869,333
Transportation	-	-	-	3,851,432	212,604	-	4,064,036
Food Services	2,051,833	-	-	-	-	-	2,051,833
Internal Services	22,230	-	-	-	-	-	22,230
Central	7,011,573	-	-	-	323,006	-	7,334,579
Other Support Services	376,414	-	-	-	25,802	-	402,216
Community Services	89,404	-	-	-	6,267	-	95,671
Intergovernmental Payments							
Payments to Other Districts and Governmental Units	299,125	12,628	-	-	-	-	311,753
Debt Services							
Principal	-	-	4,626,041	-	-	-	4,626,041
Interest and Fees	-	-	2,887,904	-	-	-	2,887,904
Capital Outlay	88,298	83,698	-	2,524,700	-	9,149,730	11,846,426
Total Expenditures	\$ 100,679,377	\$ 6,786,548	\$ 7,513,945	\$ 6,376,132	\$ 2,157,766	\$ 14,870,531	\$ 138,384,299

The Notes to Financial Statements are an integral part of this statement.

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
FUND FINANCIAL STATEMENTS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Total Governmental Funds
Continued							
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 3,070,822	\$ 5,818,737	\$ (438,256)	\$ (3,014,573)	\$ (53,568)	\$ (14,330,914)	\$ (8,947,752)
OTHER FINANCING SOURCES (USES)							
Interfund Transfers	\$ (161,047)	\$ (4,612,996)	\$ 474,043	\$ -	\$ -	\$ 4,300,000	\$ -
Sale or Compensation for Fixed Assets	-	-	-	1,994,130	-	-	1,994,130
Total Other Financing Sources (Uses)	\$ (161,047)	\$ (4,612,996)	\$ 474,043	\$ 1,994,130	\$ -	\$ 4,300,000	\$ 1,994,130
NET CHANGE IN FUND BALANCES	\$ 2,909,775	\$ 1,205,741	\$ 35,787	\$ (1,020,443)	\$ (53,568)	\$ (10,030,914)	\$ (6,953,622)
FUND BALANCE - JULY 1, 2021	59,084,622	11,894,761	4,494,815	6,049,459	1,604,553	32,840,663	115,968,873
FUND BALANCE - JUNE 30, 2022	<u>\$ 61,994,397</u>	<u>\$ 13,100,502</u>	<u>\$ 4,530,602</u>	<u>\$ 5,029,016</u>	<u>\$ 1,550,985</u>	<u>\$ 22,809,749</u>	<u>\$ 109,015,251</u>

The Notes to Financial Statements are an integral part of this statement.

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
FUND FINANCIAL STATEMENTS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

Net Change in Fund Balances - Total Governmental Funds \$ (6,953,622)

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. This is the amount by which capital outlay exceeds depreciation expense in the current period.

Depreciation Expense	\$ (5,478,201)	
Capital Outlays	<u>11,009,577</u>	
		5,531,376

In the Statement of Activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the undepreciated balance of the capital assets sold.

Gain/(Loss) on Sale of Capital Assets	\$ 613,619	
Proceeds from Sale of Fixed Assets	<u>(1,994,130)</u>	
		(1,380,511)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Amortization of Bond Premiums	\$ 474,078	
Accrued Interest	(567,571)	
Compensated Absences	56,601	
Pension Expense - IMRF	305,124	
Pension Expense - TRS	174,447	
Pension Expense - THIS	455,054	
Pension Expense - IMRF/TRS	<u>(68,930)</u>	
		828,803

Employer Pension Contributions are expensed in the fund financial statements but are treated as a reduction in the Net Pension Liability on the government-wide financial statements.

Pension Contributions - IMRF	\$ 817,126	
Pension Contributions - TRS	270,447	
OPEB Contributions - THIS	312,938	
OPEB Contributions - IMRF/TRS	<u>44,222</u>	
		1,444,733

Repayment of long-term debt requires the use of current financial resources of governmental funds and is therefore shown as an expenditure in the Statement of Revenues, Expenditures, and Changes in Fund Balances, but the repayment reduces long-term liabilities in the Statement of Net Position and is therefore not reported in the Statement of Activities.

Repayment of Long-Term Debt		<u>4,626,041</u>
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Change in Net Position of Governmental Activities		<u><u>\$ 4,096,820</u></u>
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The Notes to Financial Statements are an integral part of this statement.

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lake Zurich Community Unit School District No. 95's (District) accounting policies conform to generally accepted accounting principles as applicable to local education agencies.

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as applied to local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies established in GAAP and used by the District are discussed below.

A. *Reporting Entity*

The accompanying financial statements comply with the provisions of GASB Statements, *The Financial Reporting Entity*, in that the financial statements include all organizations, activities, and functions that comprise the District. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the District. Using these criteria, the District has no component units. In addition, the District is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

B. *Basic Financial Statements – Government-Wide Financial Statements*

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund (reporting the District's major funds) financial statements. Both the government-wide and fund financial statements categorize all of the primary activities of the District as governmental activities. The District does not have any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column (a) is presented on a consolidated basis, and (b) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. 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. The functions are also supported by general government revenues (property taxes, personal property replacement taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular programs, special education programs, payments to other districts and governmental units, etc.). Program revenues include charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenue (property taxes, personal property replacement taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.).

The District does not allocate indirect costs.

NOTES TO FINANCIAL STATEMENTS (Continued)

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified. Interfund services provided and used are not eliminated in the process of consolidation.

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.

C. *Basic Financial Statements – 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, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of all governmental funds) for the determination of major funds. The District electively made all governmental funds major funds.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

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 District reports these major governmental funds:

General Fund – The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Educational and Working Cash levies and included in this fund.

Special Revenue Funds – The Special Revenue Funds (Operations and Maintenance Fund, Transportation Fund, and Illinois Municipal Retirement/Social Security Fund) are used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes other than debt service or capital projects.

Debt Services Fund – The Debt Services Fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for the periodic payment of principal, interest, and related fees on general long-term debt.

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

D. *Basis of Accounting*

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which levied. Other nonexchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

NOTES TO FINANCIAL STATEMENTS (Continued)

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. An exception was made to the 60 day recognition period for State Aid revenues due to delayed payments from the State of Illinois. The exception was made to preserve the consistency of revenue recognition between years. Property tax revenues are recognized in the period for which levied provided they are also available. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

E. *Cash and Cash Equivalents and Investments*

Separate bank accounts are not maintained for all of the District's funds. Instead, the funds maintain their cash balances in common accounts, with accounting records being maintained to show the portion of the common bank account balances attributable to each participating fund.

Occasionally certain of the funds participating in the common bank account may incur overdrafts (deficits) in the account. Such overdrafts in effect constitute cash borrowed from other District funds and are, therefore, interfund loans that have not been authorized by District Board action.

No District fund had a cash overdraft at June 30, 2022.

The District has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents are accounted for at cost, which approximates market.

Investments are stated at fair value. Fair value is determined by quoted market prices. Gains or losses on the sale of investments are recognized as they are incurred. The District has adopted a formal written investment and cash management policy.

F. *Receivables*

All receivables are reported net of estimated uncollectible amounts.

G. *Prepaid Expenses*

Prepaid expenses are for payments made by the District in the current year for goods and services received in the subsequent fiscal year.

H. *Inventories*

No inventory accounts are maintained to reflect the values of resale or supply items on hand. Instead, the costs of such items are charged to expense when purchased. The value of the District's inventories is not deemed to be material.

I. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

NOTES TO FINANCIAL STATEMENTS (Continued)

J. *Capital Assets*

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. 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. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building and Building Improvements	5 - 50 years
Site Improvements and Infrastructure	20 years
Capitalized Equipment	5 - 20 years

K. *Deferred Outflows and Inflows of Resources*

In addition to assets and liabilities, the Balance Sheet and Statement of Net Position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resource until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource until that time.

L. *Compensated Absences*

Vacation benefits are granted to employees in varying amounts up to specified maximums depending on tenure with the District. A portion of unused vacation time can accumulate and carryover to the subsequent year depending upon which department the employee is employed in.

M. *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 on a straight-line basis. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as debt service expenditure.

In the fund financial statements, governmental funds 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.

N. *Government-Wide Net Position*

Net position is divided into three components:

- Net Investment in Capital Assets – consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted Net Position – consists of net position that is restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted Net Position – the remaining net position is reported in this category.

NOTES TO FINANCIAL STATEMENTS (Continued)

O. *Governmental Fund Balances*

Governmental fund balances are divided between nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact.

The spendable fund balances are arranged in a hierarchy based on spending constraints.

- **Restricted** – Restricted fund balances are restricted when constraints are placed on the use by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.
- **Committed** – Committed fund balances are amounts that can only be used for specific purposes as a result of a resolution of the Board of Education. Committed amounts cannot be used for any other purpose unless the Board of Education removes those constraints by way of resolution. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- **Assigned** – Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by an appointed body (e.g. a budget or finance committee) or official to which the Board of Education has delegated the authority to assign, modify or rescind amounts to be used for specific purposes. Pursuant to a resolution by the Board of Education, the Assistant Superintendent of Business and Operations has been delegated this authority.

Assigned fund balances also include (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects or debt services fund are assigned for purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the District itself.

- **Unassigned** – Unassigned fund balance is the residual classification for the General Fund. This classification represents the General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance in the General Fund also includes amounts levied and/or borrowed for working cash. This classification is also used to represent negative fund balances in special revenue, debt services, and capital projects funds.

The District permits funds to be expended in the following order: Restricted, Committed, Assigned and Unassigned.

P. *Property Tax Calendar and Revenues*

The District's property tax is levied each calendar year on all taxable real property located in the District's district on or before the last Tuesday in December. The 2021 levy was passed by the Board on December 2, 2021. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year they are for and are payable in two installments early in June and early in September of the following calendar year. The District receives significant distributions of tax receipts approximately one month after these dates.

NOTES TO FINANCIAL STATEMENTS (Continued)

Q. *Estimates*

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

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits with financial institutions are fully insured or collateralized by securities held in the District's name.

The District is allowed to invest in securities as authorized by the School Code of Illinois, Chapter 30, Section 235/2 and 6; and Chapter 105, Section 5/8-7.

Investments

As of June 30, 2022, the District had the following investments and maturities:

Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 - 5	5 - 10	More Than 10
State Investment Pool	\$ 37,355,681	\$ 37,355,681	\$ -	\$ -	\$ -
U.S. Treasury Securities	50,473,782	39,733,035	10,740,747	-	-
Total	<u>\$ 87,829,463</u>	<u>\$ 77,088,716</u>	<u>\$ 10,740,747</u>	<u>\$ -</u>	<u>\$ -</u>

The fair value of investments in the State Investment Pool is the same as the value of pool shares. The State Investment Pool is not SEC-registered but does have regulatory oversight through the State of Illinois.

Interest Rate Risk. The District does have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State law limits investments based on credit risk. The District has an investment policy that would further limit its investment choices. As of June 30, 2022, the District's investments were rated as follows:

Investment	Credit Rating	Rating Source
State Investment Pool	AAAm	Standard and Poor's

NOTE 3 - FAIR VALUE MEASUREMENT

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. The District has the following recurring fair value measurements as of June 30, 2022:

NOTES TO FINANCIAL STATEMENTS (Continued)

Investments by fair value level	6/30/2022	Fair Value Measurements Using:	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
State Investment Pool	\$ 37,355,681	\$ -	\$ 37,355,681
US Treasury Securities	50,473,782	50,473,782	-
Certificates of Deposit	519,210	-	519,210
Total Investments by fair value level	<u>\$ 88,348,673</u>	<u>\$ 50,473,782</u>	<u>\$ 37,874,891</u>

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities and certificates of deposit classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Adjustments	Increases	Decreases	Balance June 30, 2022
Governmental Activities					
Capital Assets not being depreciated					
Land	\$ 11,953,158	\$ -	\$ -	\$ -	\$ 11,953,158
Construction in Progress	7,504,105	-	5,481,844	836,848	12,149,101
Total Capital Assets not being depreciated	<u>\$ 19,457,263</u>	<u>\$ -</u>	<u>\$ 5,481,844</u>	<u>\$ 836,848</u>	<u>\$ 24,102,259</u>
Other Capital Assets					
Building and Building Improvements	\$ 198,460,289	\$ 3,142,345	\$ 2,123,458	\$ -	\$ 203,726,092
Site Improvements and Infrastructure	12,122,367	-	1,544,427	-	13,666,794
Capitalized Equipment	10,613,461	-	2,696,696	1,840,681	11,469,476
Total Other Capital Assets at historical cost	<u>\$ 221,196,117</u>	<u>\$ 3,142,345</u>	<u>\$ 6,364,581</u>	<u>\$ 1,840,681</u>	<u>\$ 228,862,362</u>
Less Accumulated Depreciation for					
Building and Building Improvements	\$ 62,074,365	\$ 256,625	\$ 3,897,822	\$ -	\$ 66,228,812
Site Improvements and Infrastructure	5,451,925	-	601,663	-	6,053,588
Capitalized Equipment	5,172,259	-	978,716	460,170	5,690,805
Total Accumulated Depreciation	<u>\$ 72,698,549</u>	<u>\$ 256,625</u>	<u>\$ 5,478,201</u>	<u>\$ 460,170</u>	<u>\$ 77,973,205</u>
Other Capital Assets, Net	<u>\$ 148,497,568</u>	<u>\$ 2,885,720</u>	<u>\$ 886,380</u>	<u>\$ 1,380,511</u>	<u>\$ 150,889,157</u>
Governmental Activities Capital Assets, Net	<u>\$ 167,954,831</u>	<u>\$ 2,885,720</u>	<u>\$ 6,368,224</u>	<u>\$ 2,217,359</u>	<u>\$ 174,991,416</u>

Depreciation expense was charged to functions as follows:

Governmental Activities	
Transportation	\$ 654,456
Food Services	30,678
Unallocated	4,793,067
Total Governmental Activities Depreciation Expense	<u>\$ 5,478,201</u>

NOTE 5 - LONG-TERM LIABILITY ACTIVITY

Long-term liability activity for the year ended June 30, 2022 was as follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

	Balance July 1, 2021	Additions	Retirement	Balance July 1, 2022	Amounts Due Within One Year
Governmental Activities:					
Long-Term Debt					
GO Limited Tax School					
Bonds, Series 2017	\$ 680,000	\$ -	\$ 680,000	\$ -	\$ -
GO Bond, Series 2019	36,750,000	-	1,435,000	35,315,000	1,490,000
GO Bond, Series 2020	33,915,000	-	1,680,000	32,235,000	1,770,000
GO Bond, Series 2021	5,350,000	-	480,000	4,870,000	1,190,000
Copier Purchase Agreement	305,146	-	149,818	155,328	155,328
Admin Building Purchase Agreement	2,575,321	-	201,223	2,374,098	210,467
Total Long-Term Debt	<u>\$ 79,575,467</u>	<u>\$ -</u>	<u>\$ 4,626,041</u>	<u>\$ 74,949,426</u>	<u>\$ 4,815,795</u>
Other Long-Term Liabilities					
Bond Premiums	\$ 7,774,036	\$ -	\$ 474,078	\$ 7,299,958	\$ 474,078
Compensated Absences	339,017	282,416	339,017	282,416	282,416
Total Other Long-Term Liabilities	<u>\$ 8,113,053</u>	<u>\$ 282,416</u>	<u>\$ 813,095</u>	<u>\$ 7,582,374</u>	<u>\$ 756,494</u>
Governmental Activities					
Long-Term Liabilities	<u>\$ 87,688,520</u>	<u>\$ 282,416</u>	<u>\$ 5,439,136</u>	<u>\$ 82,531,800</u>	<u>\$ 5,572,289</u>

Bonds and notes payable consisted of the following at June 30, 2022:

	Maturity Date	Interest Rate	Face Amount	Carrying Amount
GO Bond, Series 2019	1/15/2039	4.00%	\$ 36,750,000	\$ 35,315,000
GO Bond, Series 2020	1/15/2036	2.125% - 5.00%	33,915,000	32,235,000
GO Bond, Series 2021	1/15/2026	0.6% - 0.9%	5,350,000	4,870,000
Copier Purchase Agreement	11/5/2022	2.35%	747,727	155,328
Admin Building Purchase Agreement	4/30/2024	4.50%	3,142,345	2,374,098
Total			<u>\$ 79,905,072</u>	<u>\$ 74,949,426</u>

At June 30, 2022 the annual debt service requirements to service long-term debt are:

Year Ending June 30	Principal	Interest	Total
2023	\$ 4,815,795	\$ 2,714,496	\$ 7,530,291
2024	6,783,631	2,528,487	9,312,118
2025	4,805,000	2,287,158	7,092,158
2026	4,945,000	2,115,348	7,060,348
2027	3,895,000	1,934,868	5,829,868
2028-2032	22,110,000	7,023,440	29,133,440
2033-2037	22,120,000	3,058,472	25,178,472
2038-2039	5,475,000	330,600	5,805,600
	<u>\$ 74,949,426</u>	<u>\$ 21,992,869</u>	<u>\$ 96,942,295</u>

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
Bonds and Notes Payable	Debt Services Fund
Compensated Absences	Education Fund, Operations and Maintenance Fund and Transportation Fund

Reconciliation to the Statement of Net Position

The following summarizes non-current liabilities as shown on the Statement of Net Position:

NOTES TO FINANCIAL STATEMENTS (Continued)

	Due Within One Year	Due in More Than One Year	Total
Bonds and Notes Payable	\$ 4,815,795	\$ 70,133,631	\$ 74,949,426
Bond Premiums, net of amortization	474,078	6,825,880	7,299,958
Compensated Absences	282,416	-	282,416
	<u>\$ 5,572,289</u>	<u>\$ 76,959,511</u>	<u>\$ 82,531,800</u>

NOTE 6 - NET INVESTMENT IN CAPITAL ASSETS CALCULATION

Net investment in capital asset calculation as of June 30, 2022 was as follows:

Governmental Activities

Capital Assets, Net of Accumulated Depreciation	\$ 174,991,416
Less:	
Capital Related Debt	(82,249,384)
Investment in Capital Assets	<u>\$ 92,742,032</u>

NOTE 7 - PROPERTY TAXES

Property taxes receivable and unavailable revenue recorded in these financial statements are from the 2021 tax levy. The unavailable revenue is 50% of the 2021 tax levy. These taxes are unavailable as only a portion of the taxes (approximately 50%) are collected before the end of the fiscal year and the District does not consider the remaining amounts to be available and does not budget for their use until the following fiscal year. The District has determined that 50% of the 2021 tax levy (\$44,857,596) and 50% of the 2020 tax levy, plus back taxes, less uncollectible amounts (\$43,276,596) are allocable for use in fiscal year 2022. Therefore, 50% of each of these levies are recorded in these financial statements as property taxes revenue. A summary of tax rates, assessed valuations, and extensions for tax years 2021, 2020, and 2019 is as follows:

TAX YEAR	2021		2020		2019	
ASSESSED VALUATION	\$1,723,218,851		\$1,721,018,622		\$1,731,428,495	
	Rate	Extension	Rate	Extension	Rate	Extension
Educational	3.7312	\$ 64,296,276	3.6945	\$ 63,583,687	3.5758	\$ 61,911,935
Special Education	0.0454	781,928	0.0358	616,950	0.0328	568,393
Operations and Maintenance	0.7134	12,292,857	0.7366	12,676,524	0.7217	12,495,391
Debt Service	0.4136	7,126,820	0.4130	7,108,358	0.4632	8,019,232
Transportation	0.1296	2,233,671	0.0810	1,394,473	0.0762	1,319,054
Municipal Retirement	0.0373	642,916	0.0364	627,191	0.0334	577,812
Social Security	0.0807	1,390,086	0.0742	1,277,443	0.0680	1,176,887
Working Cash	0.0282	486,534	0.0195	335,650	0.0148	255,715
PTAB/CE Recapture	0.0269	464,097	-	-	-	-
	<u>5.2063</u>	<u>\$ 89,715,185</u>	<u>5.0912</u>	<u>\$ 87,620,276</u>	<u>4.9857</u>	<u>\$ 86,324,419</u>

NOTE 8 - OVEREXPENDITURE OF BUDGET

For the year ended June 30, 2022, none of the District's funds had expenditures that exceeded budgeted amounts.

NOTE 9 - RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

General Information About the Pension Plan

Plan Description

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

TRS issues a publicly available financial report that can be obtained at <http://www.trsil.org/financial/cafrs/fy2021>; 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 I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with ten years, or age 55 with twenty years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last ten years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2% of final average salary up to a maximum of 75% with 34 years of service.

Tier II members qualify for retirement benefits at age 67 with ten years of service, or a discounted annuity can be paid at age 62 with ten 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 II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Essentially all Tier I retirees receive an annual 3% increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of 3% of the original benefit or ½% 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 III 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 program that expire on June 30, 2024. One program allows retiring Tier I members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier I and II members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and will be funded by bonds issued by the state of Illinois.

Contributions

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

NOTES TO FINANCIAL STATEMENTS (Continued)

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, 2021 was 9.0% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2022, State of Illinois contributions recognized by the District were based on the State's proportionate share of the pension expense associated with the District, and the District recognized revenue and expenditures of 23,529,303 in pension contributions from the State of Illinois.

2.2 Formula Contributions. Districts contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2022, were \$270,880 and are deferred because they were paid after the June 30, 2021 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, 2022, the District pension contribution was 10.31% of salaries paid from federal and special trust funds. For the year ended June 30, 2022, salaries totaling \$39,797 were paid from federal and special trust funds that required District contributions of \$4,097. These contributions are deferred because they were paid after the June 30, 2021 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% if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2022, the District paid \$2,761 to TRS for employer contributions due on salary increases in excess of 6% and \$0 for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2021, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related State support and the total portion of the net pension liability that was associated with the District follows below:

District's proportionate share of the net pension liability	\$ 3,914,114
State's proportionate share of the net pension liability associated with the District	328,044,361
Total	<u>\$ 331,958,475</u>

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The employer's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2021, relative to the contributions of all participating TRS employers

NOTES TO FINANCIAL STATEMENTS (Continued)

and the State during that period. At June 30, 2021, the District's proportion was 0.00501737%, which was a decrease of 0.0002913% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized pension expense of \$23,529,303 and revenue of \$23,529,303 for support provided by the State. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Net Outflow s of Resources
Differences between expected and actual experience	\$ 22,453	\$ (16,138)	\$ 6,315
Net difference between projected and actual earnings on pension plan investments	-	(262,546)	(262,546)
Changes of assumptions	1,735	(19,341)	(17,606)
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	(858,784)	(858,784)
Employer contributions subsequent to the measurement date	270,880	-	270,880
	<u>\$ 295,068</u>	<u>\$ (1,156,809)</u>	<u>\$ (861,741)</u>

\$270,880 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year Ended June 30	
2023	\$ (457,405)
2024	(308,629)
2025	(177,325)
2026	(162,106)
2027	(27,156)
	<u>\$ (1,132,621)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary Increases	varies by amount of service credit
Investment Rate of Return	7.0%, net of pension plan investment expenses, including inflation

In the June 30, 2021 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, 2020 actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2017.

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

NOTES TO FINANCIAL STATEMENTS (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	16.7%	6.2%
U.S. equities small/mid cap	2.2%	7.4%
International equities developed	10.6%	6.9%
Emerging market equities	4.5%	9.2%
U.S. bonds core	3.0%	1.6%
Cash equivalents	2.0%	0.1%
TIPS	1.0%	0.8%
International debt developed	1.0%	0.4%
Emerging international debt	4.0%	4.4%
Real estate	16.0%	5.8%
Private Debt	10.0%	6.5%
Hedge Funds	10.0%	3.9%
Private Equity	15.0%	10.4%
Infrastructure	4.0%	6.3%
Total	100.0%	

Discount Rate

At June 30, 2021, the discount rate used to measure total pension liability was 7.00%, which was the same as the June 30, 2020 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, 2021 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Employer's proportionate share of the net pension liability	\$ 4,847,549	\$ 3,914,114	\$ 3,138,772

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2021 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

NOTES TO FINANCIAL STATEMENTS (Continued)

B. *Illinois Municipal Retirement Fund*

Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

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

All three IMRF benefit plans have two tiers. Employees hired **before** January 1, 2011 are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last ten 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 ten years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

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

Employees Covered by Benefit Terms

All appointed employees of a participating employer who are employed in a position normally requiring 600 hours (1,000 hours for certain employees hired after 1981) or more of work in a year are required to participate. As of December 31, 2021, the following employees were covered by the benefit terms:

Inactive plan members and beneficiaries currently receiving benefits	214
Inactive plan members entitled to but not yet receiving benefits	269
Active plan members	249
Total	<u>732</u>

NOTES TO FINANCIAL STATEMENTS (Continued)

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2021 was 9.38%. For the fiscal year ended June 30, 2022, the District contributed \$817,126 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset)

The components of the net pension liability/(asset) of the IMRF actuarial valuation performed as of December 31, 2019, and a measurement date as of December 31, 2021, calculated in accordance with GASB Statement No. 68, were as follows:

Total Pension Liability	\$ 35,094,280
IMRF Fiduciary Net Position	38,137,280
District's Net Pension Liability/(Asset)	(3,043,000)
IMRF Fiduciary Net Position as a Percentage of the Total Pension Liability	108.67%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the Required Supplementary Information following the notes to the financial statements for additional information related to the funded status of the plan.

Actuarial Assumptions

The total pension liability/(asset) above was determined by an actuarial valuation performed as of December 31, 2021 using the following actuarial methods and assumptions:

Assumptions	
Inflation	2.25%
Salary Increases	2.85% to 13.75% including inflation
Interest Rate	7.25%
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market value of assets
Projected 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 for the period 2017-2019.

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 were used. 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 were used. 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 were used.

Long-Term Expected Rate of Return

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.

NOTES TO FINANCIAL STATEMENTS (Continued)

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2021:

Asset Class	Target Allocation	Projected Return
Equities	39.0%	1.90%
International Equities	15.0%	3.15%
Fixed Income	25.0%	-0.60%
Real Estate	10.0%	3.30%
Alternatives	10.0%	
Private Equity		5.50%
Hedge Funds		N/A
Commodities		1.70%
Cash Equivalents	1.0%	-0.90%
	<u>100.0%</u>	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2021. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 1.84%; and resulting single discount rate is 7.25%. The prior year single discount rate was 7.25% and increased 0.00% to the current year single discount rate.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Position Liability/(Asset) (A)-(B)
Balances at December 31, 2020	\$ 32,898,828	\$ 33,031,071	\$ (132,243)
Changes for the year:			
Service Cost	\$ 850,470	\$ -	\$ 850,470
Interest on the Total Pension Liability	2,360,771	-	2,360,771
Differences Between Expected and Actual			
Experience of the Total Pension Liability	507,620	-	507,620
Contributions - Employer	-	842,787	(842,787)
Contributions - Employee	-	404,323	(404,323)
Net Investment Income	-	5,540,384	(5,540,384)
Benefit Payments, including Refunds			
of Employee Contributions	(1,523,409)	(1,523,409)	-
Other (Net Transfer)	-	(157,876)	157,876
Net Changes	\$ 2,195,452	\$ 5,106,209	\$ (2,910,757)
Balances at December 31, 2021	\$ 35,094,280	\$ 38,137,280	\$ (3,043,000)

NOTES TO FINANCIAL STATEMENTS (Continued)

Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate

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

	1% Lower 6.25%	Current Discount Rate 7.25%	1% Higher 8.25%
Net Pension Liability/(Asset)	\$ 1,013,870	\$ (3,043,000)	\$ (6,293,970)

Pension Expense/(Income) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the District recognized pension expense/(income) of (\$305,124). At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Expense in Future Periods	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Net Outflow s of Resources
Differences between expected and actual experience	\$ 480,940	\$ -	\$ 480,940
Changes of assumptions	-	110,098	(110,098)
Net difference between projected and actual earnings on pension plan investments	-	4,202,071	(4,202,071)
Total deferred amounts to be recognized in pension expense in future periods	\$ 480,940	\$ 4,312,169	\$ (3,831,229)
Pension contributions made subsequent to the measurement date	397,106	-	397,106
Total deferred amounts related to pensions	\$ 878,046	\$ 4,312,169	\$ (3,434,123)

\$397,106 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Net Deferred Outflow s of Resources
2022	\$ (727,710)
2023	(1,435,349)
2024	(1,035,896)
2025	(632,274)
Total	\$ (3,831,229)

C. Social Security

Employees not qualifying for coverage under the Teachers' Retirement System of the State of Illinois or the Illinois Municipal Retirement Fund are considered "non-participating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The District paid the total required contribution for the current fiscal year.

NOTE 10 - POST-EMPLOYMENT BENEFIT COMMITMENTS – RETIREE INSURANCE PLAN

A. Teacher Health Insurance Security Fund (THIS)

General Information About the OPEB Plan

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. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General (<http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>). The current reports are listed under "Central Management Services" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>). Prior reports are available under "Healthcare and Family Services" (<http://www.auditor.illinois.gov/Audit-Reports/HEALTHCARE-FAMILY-SERVICES-Teacher-Health-Ins-Sec-Fund.asp>).

Benefits Provided

The State of Illinois offers comprehensive health plan options, all of which include prescription drug and behavioral health coverage. The State of Illinois offers TCHP, HMO, and OAP plans.

- Teachers' Choice Health Plan (TCHP) benefit recipients can choose any physician or hospital for medical services; however, benefit recipients receive enhanced benefits, resulting in lower out-of-pocket costs, when receiving services from a TCHP in-network provider. TCHP has a nationwide network and includes CVS/Caremark for prescription drug benefits and Magellan Behavioral Health for behavioral health services.
- Health Maintenance Organizations (HMO) benefit recipients are required to stay within the health plan provider network. No out-of-network services are available. Benefit recipients will need to select a primary care physician (PCP) from a network of participating providers. The PCP will direct all healthcare services and make referrals to specialists and hospitalization.
- Open Access Plan (OAP) benefit recipients will have three tiers of providers from which to choose to obtain services. The benefit level is determined by the tier in which the healthcare provider is contracted.
 - Tier I offers a managed care network which provides enhanced benefits and operates like an HMO.
 - Tier II offers an expanded network of providers and is a hybrid plan operating like an HMO and PPO.
 - Tier III covers all providers which are not in the managed care networks of Tiers I or II (i.e., out-of-network providers). Using Tier III can offer benefit recipients flexibility in selecting healthcare providers but involves higher out-of-pocket costs. Furthermore, benefit recipients who use out-of-network providers will be responsible for any amount that is over and above the charges allowed by the plan for services (i.e., allowable charges), which could result in substantial out-of-pocket costs. Benefit recipients enrolled in an OAP can mix and match providers and tiers.

NOTES TO FINANCIAL STATEMENTS (Continued)

Contributions

For the fiscal year ended June 30, 2022, the State Employees Group Insurance Act of 1971 (5 ILCS 375/6.6) requires that all active contributors of the THIS make contributions to the plan at a rate of 0.90% of salary and for every employer of a teacher to contribute an amount equal to 0.67% of each teacher's salary. For the fiscal year ended June 30, 2021, the employee contribution was 1.24% of salary and the employer contribution was 0.92% of each teacher's salary. The Department of Central Management Services determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the Teachers' Health Insurance Security Fund (THISF), an amount equal to the amount certified by the Board of Trustees of THIS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year. The member contribution, which may be paid on behalf of employees by the employer, is submitted to THIS by the employer.

On-Behalf Contributions to THIS. The State of Illinois makes employer benefit contributions on behalf of the District. For the year ended June 30, 2022, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net OPEB liability associated with the District, and the District recognized revenue and expenditures of \$561,299 in benefit contributions from the State of Illinois.

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

At June 30, 2021, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for state benefit support provided to the District. 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 follows:

District's proportionate share of the net pension liability	\$ 38,235,022
State's proportionate share of the net pension liability associated with the District	51,841,067
Total	<u>\$ 90,076,089</u>

The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020 and rolled forward to June 30, 2021. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2021, relative to the contributions of all participating THIS employers and the State during that period. At June 30, 2021, the District's proportion was 0.1733590%, which was a decrease of 0.002991% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized benefit income of \$455,054 and on-behalf revenue/expense of \$561,299 for support provided by the State. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTES TO FINANCIAL STATEMENTS (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows of Resources
Differences between expected and actual experience	\$ -	\$ (1,788,587)	\$ (1,788,587)
Net difference between projected and actual earnings on pension plan investments	603	(733)	(130)
Changes of assumptions	13,200	(14,317,293)	(14,304,093)
Changes in proportion and differences between employee contributions and proportionate share of contributions	996,976	(2,049,495)	(1,052,519)
Employer contributions subsequent to the measurement date	312,913	-	312,913
	<u>\$ 1,323,692</u>	<u>\$ (18,156,108)</u>	<u>\$ (16,832,416)</u>

\$312,913 reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows in these reporting years:

Year Ending June 30	
2023	\$ (6,924,081)
2024	(4,671,947)
2025	(2,684,301)
2026	(2,453,919)
2027	(411,081)
	<u>\$ (17,145,329)</u>

Actuarial Assumptions

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

Inflation	2.50%
Salary Increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment Rate of Return	2.75%, net of OPEB plan investment expense, including inflation
Healthcare Cost Trend Costs	Trend for fiscal year 2022 based on expected increases used to develop average costs. For fiscal years ending on or after 2023, trend starts at 8.00% for non-Medicare costs and post-Medicare costs, and gradually decreases to an ultimate trend of 4.25%.

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

The actuarial assumptions that were used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

The long-term expected rate of return on OPEB 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 OPEB 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

NOTES TO FINANCIAL STATEMENTS (Continued)

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
Illinois Public Treasurers' Investment Pool	100.0%	0.32%
	100.0%	

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 (Teachers' Retirement Insurance Program) is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 1.92% as of June 30, 2021, and 2.45% as of June 30, 2020. 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, THIS's fiduciary net position at June 30, 2021 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. 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 THIS investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

At June 30, 2021, the discount rate used to measure the total OPEB liability was 1.92%.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 1.92%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (0.92%) or 1 percentage-point higher (2.92%) than the current rate.

	1% Decrease 0.92%	Current Discount Rate 1.92%	1% Increase 2.92%
Employer's proportionate share of the net OPEB liability	\$ 45,931,483	\$ 38,235,022	\$ 32,134,473

Sensitivity of the Total OPEB Liability to Changes in the Health Care 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 healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher. The key trend rates are 8.00% in 2023 decreasing to an ultimate trend rate of 4.25% in 2038.

	1% Decrease (a)	Healthcare Cost Valuation Rate	1% Increase (b)
Employer's proportionate share of the net OPEB liability	\$ 30,609,036	\$ 38,235,022	\$ 48,594,289

- (a) One percentage point decrease in healthcare trend rates are 7.00% in 2023 decreasing to an ultimate trend rate of 3.25% in 2038.

NOTES TO FINANCIAL STATEMENTS (Continued)

- (b) One percentage point increase in healthcare trend rates are 9.00% in 2023 decreasing to an ultimate trend rate of 5.25% in 2038.

B. *Retiree Insurance Plan*

Plan Overview

In addition to providing the pension benefits described in Note 9, the District provides post-employment benefits other than pensions (“OPEB”) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the District’s governmental activities.

Benefits Provided

The District provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under the Illinois Municipal Retirement Fund (IMRF). IMRF employees may continue coverage into retirement on the District plan if they pay the entire premium. Dependents may also continue coverage on a pay-all basis. Coverage may continue for as long as required contributions are paid. All health care benefits are provided through the District’s insured health plan. The benefit levels are the same as those afforded to active employees.

Eligibility

Employees of the District are eligible for retiree health benefits as listed below:

Regular Plan Tier 1 (Enrolled in IMRF Prior to January 1, 2011)

- At least 55 years old and at least 8 years of credited service (reduced pension)
- At least 60 years old and at least 8 years of credited service (full pension)

Regular Plan Tier 2 (Enrolled in IMRF On or After January 1, 2011)

- At least 62 years old and at least 10 years of credited service (reduced pension)
- At least 67 years old and at least 10 years of credited service (full pension)

Membership

Membership in the plan consisted of the following at July 1, 2021, the date of the latest actuarial valuation:

Active employees	244
Inactive employees entitled to but not yet receiving benefits	-
Inactive employees currently receiving benefits	4
Total	<u>248</u>

Total OPEB Liability

The District’s total OPEB liability was measured as of June 30, 2022, and the total OPEB liability was determined by an actuarial valuation as of July 1, 2021.

Actuarial Assumptions

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

NOTES TO FINANCIAL STATEMENTS (Continued)

Actuarial Method	Entry Age Normal
Discount rate	4.09%
Inflation	3.00%
Salary Rate Increase	4.00%
Health Care Trend	
	Initial Trend Rate PPO plan - 5.00%
	HMO IL and Blue Adv. HMP Plans - 6.00%
	Ultimate Trend Rate 4.50%
	FY the Ultimate Rate is Reached Fiscal Year 2038
Mortality	<i>Active Employees</i> - PubG.H-2010(B) Mortality Table - General (below -median income) with future mortality improvement using Scale MP-2020
	<i>Retirees</i> - IPubG.H-2010(B) Mortality Table - General (below -median income), Male adjusted 106% and Female adjusted 105% tables, with future mortality improvement using scale MP-2020
Election at Retirement	10% of active employees will elect coverage at retirement
Marital Status	40% of employees electing coverage are assumed to be married and to elect spousal coverage with males three years older than females. Actual spouse data was used for current retirees.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2021 through June 30, 2022. Assumption changes reflect a change in the discount rate of 1.91% from 2.18% for the beginning of the year values and 4.09% for the disclosure date.

There is no long-term expected rate of return on OPEB plan investments because the District does not have a trust dedicated exclusively to the payment of OPEB benefits.

Discount Rate

The District does not have a dedicated trust to pay retiree healthcare benefits. Per GASB 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

A rate of 4.09% is used, which is the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2022.

Changes in the Total OPEB Liability

	Increase/(Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2021	\$ 338,056	\$ -	\$ 338,056
Changes for the year:			
Service Cost	\$ 23,632	\$ -	\$ 23,632
Interest on Total OPEB Liability	6,888	-	6,888
Actuarial Experience	29,748	-	29,748
Assumption Changes	112,644	-	112,644
Benefit Payments	(44,222)	-	(44,222)
Net Changes	\$ 128,690	\$ -	\$ 128,690
Balances at June 30, 2022	\$ 466,746	\$ -	\$ 466,746

NOTES TO FINANCIAL STATEMENTS (Continued)

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

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 discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current discount rate:

Plan's Total OPEB Liability/(Asset)		
1% Decrease	Valuation Rate	1% Increase
\$ 486,122	\$ 466,746	\$ 448,336

Sensitivity of the Total OPEB Liability to Changes in the Health Care 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 healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

Plan's Total OPEB Liability/(Asset)		
Healthcare Cost		
1% Decrease	Valuation Rate	1% Increase
\$ 441,467	\$ 466,746	\$ 494,982

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

For the fiscal year ended June 30, 2022, the District recognized OPEB expense of \$68,930. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Net Inflow s of Resources
Differences Between Expected and Actual Experience	\$ 26,092	\$ 14,763	\$ 11,329
Changes of Assumptions	257,016	44,701	212,315
Total	<u>\$ 283,108</u>	<u>\$ 59,464</u>	<u>\$ 223,644</u>

Changes in total OPEB liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in OPEB expense over the expected remaining service life of active employees (8.14 years) in the postretirement plan.

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

Year ending June 30	Net Outflow s of Resources
2023	\$ 38,410
2024	38,410
2025	38,410
2026	39,638
2027	30,762
Thereafter	38,014
	<u>\$ 223,644</u>

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 - DEFICIT FUND BALANCE

No fund had a deficit fund balance at June 30, 2022.

NOTE 12 - INTERFUND TRANSFERS

The following funds were transferred for the year ended June 30, 2022:

Transfer from	Transfer to	Amount
General Fund	Debt Services Fund	161,047
Operations and Maintenance Fund	Debt Services Fund	312,996
Operations and Maintenance Fund	Capital Projects Fund	4,300,000

- The transfer from the General Fund to the Debt Services Fund was made to pay principal and interest on capital leases.
- The transfer from the Operations and Maintenance Fund to the Debt Services Fund was made to pay principal and interest on capital leases.
- The transfer from the Operations and Maintenance Fund to the Capital Projects Fund was made to transfer funds for renovation projects.

NOTE 13 - JOINT VENTURE – LAKE COUNTY AREA VOCATIONAL SYSTEM (LCAVS)

The District and seventeen other districts within Lake and McHenry Counties have entered into a joint agreement to provide vocational programs for member districts that are not offering these services individually. Each member district has a financial responsibility for annual and special assessments as established by the management council.

A summary of financial condition (cash basis) of LCAVS at June 30, 2021 (most recent information available) is as follows:

Assets	\$ 34,307,531
Liabilities	\$ 1,026
Fund Equity	34,306,505
	<u>\$ 34,307,531</u>
Revenues Received	\$ 12,221,326
Expenditures Disbursed	12,944,548
Net Increase/(Decrease) in Fund Balance	<u>\$ (723,222)</u>

Complete financial statements for LCAVS can be obtained from the Administrative Offices at 19525 W. Washington Street, Grayslake, Illinois 60030.

NOTE 14 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and the destruction of assets; errors and omissions; and injuries to employees.

The District is a member of the Collective Liability Insurance Cooperative (CLIC), a joint risk management pool of school districts through which property, general liability, automobile liability, crime, excess property, excess liability, and boiler and machinery coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

The relationship between the District and CLIC is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The District is contractually obligated to make all annual and supplementary contributions for CLIC, to report claims on a timely basis, cooperate with CLIC,

NOTES TO FINANCIAL STATEMENTS (Continued)

management procedures as outlined by CLIC. Members have a contractual obligation to fund any deficit of CLIC attributable to a membership year during which they were a member.

CLIC is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Board of Directors. CLIC also provides its members with risk management services, including the defense of and settlement of claims, and establishes reasonable and necessary loss of reduction and prevention procedures to be followed by the members.

During the year ended June 30, 2022, there were no significant reductions in insurance coverage. Also, there have been no settlement amounts that have exceeded insurance coverage in the past three years. The District is insured under a retrospectively-rated policy for workers' compensation coverage. Whereas the initial premium may be adjusted based on actual experience. Adjustments in premiums are recorded when paid or received. During the year ended June 30, 2022, there were no significant adjustments in premiums based on actual experience.

NOTE 15 - CONSTRUCTION COMMITMENTS

The District has entered into contracts for building repairs at various schools. The total amount of outstanding contracts is \$14,904,023. As of June 30, 2022, \$2,216,988 has been accrued to be paid on these contracts of which \$638,329 is retainage payable.

NOTE 16 - CHANGE IN ACCOUNTING PRINCIPLE/NET POSITION ADJUSTMENT

The District has implemented GASB Statement No. 87, *Leases*. This statement establishes financial reporting standards related to leases. Implementation of this standard resulted in recognizing the fair market value of the liability and asset at the commencement of the agreement. There have been no changes to the previously issued audited financial statements which would be required on a retrospective basis. During the evaluation of the ongoing leases, it was noted that the District's administrative building, which is currently being leased with the intent to purchase at the expiration of the lease, should be added as a capital asset. The addition of the building and related accumulated depreciation resulted in a net position adjustment of \$2,885,720.

NOTE 17 - LEGAL DEBT LIMITATION

The Illinois School Code limits the amount of indebtedness to 13.8% of the most recent available equalized assessed valuation (EAV) of the District. The District's legal debt limitation is as follows:

2021 EAV	\$ 1,723,218,851
Rate	13.8%
Debt Margin	\$ 237,804,201
Current Debt	74,949,426
Remaining Debt Margin	<u>\$ 162,854,775</u>

REQUIRED SUPPLEMENTARY INFORMATION

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION
LIABILITY AND RELATED RATIOS
JUNE 30, 2022

	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
TOTAL PENSION LIABILITY								
Service Cost	\$ 850,470	\$ 905,687	\$ 869,784	\$ 809,884	\$ 811,275	\$ 785,893	\$ 769,744	\$ 759,848
Interest on the Total Pension Liability	2,360,771	2,239,668	2,071,280	1,934,315	1,843,321	1,724,142	1,610,109	1,426,663
Differences Between Expected and Actual Experience	507,620	304,441	663,514	385,281	378,878	33,774	30,795	126,797
Changes of Assumptions	-	(306,090)	-	796,973	(757,981)	(58,945)	55,792	962,055
Benefit Payments, Including Refunds of Member Contributions	(1,523,409)	(1,368,020)	(1,231,854)	(1,123,915)	(999,184)	(940,740)	(844,495)	(824,221)
Net Change in Total Pension Liability	\$ 2,195,452	\$ 1,775,686	\$ 2,372,724	\$ 2,802,538	\$ 1,276,309	\$ 1,544,124	\$ 1,621,945	\$ 2,451,142
Total Pension Liability - Beginning	32,898,828	31,123,142	28,750,418	25,947,880	24,671,571	23,127,447	21,505,502	19,054,360
Total Pension Liability - Ending	\$ 35,094,280	\$ 32,898,828	\$ 31,123,142	\$ 28,750,418	\$ 25,947,880	\$ 24,671,571	\$ 23,127,447	\$ 21,505,502
PLAN FIDUCIARY NET POSITION								
Contributions - Employer	\$ 842,787	\$ 783,757	\$ 675,121	\$ 748,466	\$ 727,025	\$ 677,406	\$ 644,504	\$ 682,318
Contributions - Member	404,323	385,897	380,629	362,433	350,270	317,204	316,913	300,900
Net Investment Income	5,540,384	4,121,951	4,565,732	(1,328,258)	3,846,587	1,400,189	102,786	1,174,242
Benefit Payments, Including Refunds of Member Contributions	(1,523,409)	(1,368,020)	(1,231,854)	(1,123,915)	(999,184)	(940,740)	(844,495)	(824,221)
Other (Net Transfer)	(157,876)	(20,613)	135,555	457,851	(415,578)	34,300	(229,537)	(4,926)
Net Change in Plan Fiduciary Net Position	\$ 5,106,209	\$ 3,902,972	\$ 4,525,183	\$ (883,423)	\$ 3,509,120	\$ 1,488,359	\$ (9,829)	\$ 1,328,313
Plan Net Position - Beginning	33,031,071	29,128,099	24,602,916	25,486,339	21,977,219	20,488,860	20,498,689	19,170,376
Plan Net Position - Ending	\$ 38,137,280	\$ 33,031,071	\$ 29,128,099	\$ 24,602,916	\$ 25,486,339	\$ 21,977,219	\$ 20,488,860	\$ 20,498,689
District's Net Pension Liability/(Asset)	\$ (3,043,000)	\$ (132,243)	\$ 1,995,043	\$ 4,147,502	\$ 461,541	\$ 2,694,352	\$ 2,638,587	\$ 1,006,813
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	108.67%	100.40%	93.59%	85.57%	98.22%	89.08%	88.59%	95.32%
Covered Payroll	\$ 8,984,934	\$ 8,569,910	\$ 8,456,671	\$ 8,039,377	\$ 7,709,711	\$ 7,048,963	\$ 6,741,674	\$ 6,630,887
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	-33.87%	-1.54%	23.59%	51.59%	5.99%	38.22%	39.14%	15.18%

* This information presented is based on the actuarial valuation performed as of the December 31 year end prior to the fiscal year end listed above.

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

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTION
JUNE 30, 2022

	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
Actuarially-Determined Contribution	\$ 842,787	\$ 783,756	\$ 658,826	\$ 748,466	\$ 727,026	\$ 677,405	\$ 644,504	\$ 682,318
Contributions in Relation to Actuarially-Determined Contribution	842,787	783,757	675,121	748,466	727,025	677,406	644,504	682,318
Contribution Deficiency/(Excess)	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (16,295)</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 9,314,684	\$ 8,556,285	\$ 8,483,655	\$ 8,141,091	\$ 7,959,134	\$ 7,048,963	\$ 6,741,674	\$ 6,630,887
Contributions as a Percentage of Covered Payroll	9.05%	9.16%	7.96%	9.19%	9.13%	9.61%	9.56%	10.29%

Notes to Schedule:

Actuarial Method and Assumptions Used on the Calculation of the 2021 Contribution Rate *

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

Actuarial Cost Method: Aggregate Entry Age Normal

Amortization Method: Level percentage of payroll, closed

Remaining Amortization Period: 22-year closed period

Asset Valuation Method: 5-year smoothed market; 20% corridor

Wage Growth: 3.25%

Price Inflation: 2.50%, approximate; No explicit price inflation assumption is used in this valuation.

Salary Increases: 3.35% to 14.25%, including inflation

Investment Rate of Return: 7.25%

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016.

Mortality: For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

*Based on Valuation Assumptions used in the December 31, 2019 actuarial valuation; note two year lag between valuation and rate setting.

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

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
JUNE 30, 2022

	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
Employer's proportion of the Net Pension Liability	0.0050174%	0.0053087%	0.0056164%	0.0060262%	0.0078663%	0.0083766%	0.0076401%	0.0065414%
Employer's proportionate share of the Net Pension Liability	\$ 3,914,114	\$ 4,576,885	\$ 4,555,389	\$ 4,697,110	\$ 6,009,691	\$ 6,612,193	\$ 5,005,063	\$ 3,980,983
State's proportionate share of the Net Pension Liability associated with the employer	328,044,361	358,485,433	324,202,066	321,771,705	304,141,140	319,652,142	252,187,576	233,914,815
Total	<u>\$ 331,958,475</u>	<u>\$ 363,062,318</u>	<u>\$ 328,757,455</u>	<u>\$ 326,468,815</u>	<u>\$ 310,150,831</u>	<u>\$ 326,264,335</u>	<u>\$ 257,192,639</u>	<u>\$ 237,895,798</u>
Employer's Covered Payroll	\$ 44,995,229	\$ 44,614,767	\$ 43,855,889	\$ 43,164,712	\$ 41,085,437	\$ 40,263,644	\$ 38,944,406	\$ 37,909,516
Employer's proportionate share of the Net Pension Liability as a percentage of its Covered Payroll	8.70%	10.26%	10.39%	10.88%	14.63%	16.42%	12.85%	10.50%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	45.10%	37.80%	39.60%	40.00%	39.30%	36.40%	41.50%	43.00%

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

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

Changes of Assumptions:

For the 2021 measurement year, the assumed investment rate of return was of 7.0%, including an inflation rate of 2.25% and a real return of 4.75%. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated Sept. 30, 2021.

For the 2020-2016 measurement years, the assumed investment rate of return was of 7.0%, including an inflation rate of 2.5% and a real return of 4.5%. 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%, including an inflation rate of 3.0% and a real return of 4.5%. 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.

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTION
JUNE 30, 2022

	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
Statutorily-required contribution	\$ 261,437	\$ 258,766	\$ 254,364	\$ 250,383	\$ 324,088	\$ 324,360	\$ 267,693	\$ 233,359
Contributions in relation to statutorily-required contribution	261,003	258,793	254,356	250,355	324,137	324,360	267,693	233,359
Contribution deficiency/(excess)	\$ 434	\$ (27)	\$ 8	\$ 28	\$ (49)	\$ -	\$ -	\$ -
Employer's Covered Payroll	\$ 46,703,427	\$ 44,995,229	\$ 44,614,767	\$ 43,855,889	\$ 43,164,712	\$ 40,263,644	\$ 38,944,406	\$ 37,909,516
Contributions as a percentage of Covered Payroll	0.56%	0.58%	0.57%	0.57%	0.75%	0.81%	0.69%	0.62%

* - This information presented is based on the actuarial valuation performed as of the prior June 30 year end.

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

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
TEACHER HEALTH INSURANCE SECURITY FUND OF THE STATE OF ILLINOIS
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
JUNE 30, 2022

	<u>6/30/2022 *</u>	<u>6/30/2021 *</u>	<u>6/30/2020 *</u>	<u>6/30/2019 *</u>	<u>6/30/2018 *</u>
Employer's proportion of the Net OPEB Liability	0.1733590%	0.1763500%	0.1783950%	0.1820920%	0.1785630%
Employer's proportionate share of the Net OPEB Liability	38,235,022	\$ 47,148,768	\$ 49,375,200	\$ 47,973,672	\$ 46,336,328
State's proportionate share of the Net OPEB Liability associated with the employer	<u>51,841,067</u>	<u>63,873,671</u>	<u>66,860,307</u>	<u>64,418,368</u>	<u>60,851,113</u>
Total	<u>\$ 90,076,089</u>	<u>\$ 111,022,439</u>	<u>\$ 116,235,507</u>	<u>\$ 112,392,040</u>	<u>\$ 107,187,441</u>
Employer's Covered Payroll	\$ 44,995,229	\$ 44,614,767	\$ 43,855,889	\$ 43,164,712	\$ 41,085,437
Employer's proportionate share of the Net OPEB Liability as a percentage of Covered Payroll	84.98%	105.68%	112.59%	111.14%	112.78%
OPEB Plan Net Position as a percentage of the Total OPEB Liability	1.40%	0.70%	0.25%	-0.07%	-0.17%

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

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

Changes of Assumptions:

For the 2021 measurement year, the assumed investment rate of return was 2.75%, including an inflation rate of 2.50%, and the healthcare cost trend rates used the actual trend. Salary increases include a 3.25% wage inflation. □

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
TEACHER HEALTH INSURANCE SECURITY FUND OF THE STATE OF ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTION
JUNE 30, 2022

	<u>6/30/2022 *</u>	<u>6/30/2021 *</u>	<u>6/30/2020 *</u>	<u>6/30/2019 *</u>	<u>6/30/2018 *</u>
Statutorily-Required Contribution	\$ 413,982	\$ 410,456	\$ 403,474	\$ 379,864	\$ 345,054
Contributions in relation to the Statutorily-Required Contribution	<u>413,956</u>	<u>410,421</u>	<u>403,387</u>	<u>379,849</u>	<u>345,118</u>
Contribution deficiency/(excess)	<u>\$ 26</u>	<u>\$ 35</u>	<u>\$ 87</u>	<u>\$ 15</u>	<u>\$ (64)</u>
Employer's Covered Payroll	\$ 46,703,427	\$ 44,995,229	\$ 44,614,767	\$ 43,855,889	\$ 43,164,712
Contributions as a percentage of Covered Payroll	0.89%	0.91%	0.90%	0.87%	0.80%

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

* - This information presented is based on the actuarial valuation performed as of the prior June 30 year end.

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
OTHER POST-EMPLOYMENT BENEFIT
SCHEDULE OF CHANGES IN THE EMPLOYER'S TOTAL OPEB
LIABILITY AND RELATED RATIOS
JUNE 30, 2022

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
TOTAL OPEB LIABILITY					
Service Cost	\$ 23,632	\$ 13,061	\$ 13,248	\$ 11,754	\$ 12,540
Interest	6,888	8,857	5,244	6,030	6,054
Differences Between Expected and Actual Experience	29,748	-	(24,431)	-	-
Benefit Payments	(44,222)	(46,434)	(39,331)	(14,022)	(12,378)
Changes in Assumptions	112,644	6,383	28,102	1,620	1,263
Other Changes	-	-	165,745	(7,124)	(14,585)
Net Change in Total OPEB Liability	\$ 128,690	\$ (18,133)	\$ 148,577	\$ (1,742)	\$ (7,106)
Total OPEB Liability - Beginning	338,056	356,189	207,612	209,354	216,460
District's Total OPEB Liability - Ending	<u>\$ 466,746</u>	<u>\$ 338,056</u>	<u>\$ 356,189</u>	<u>\$ 207,612</u>	<u>\$ 209,354</u>
OPEB Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-Employee Payroll	\$ 7,905,377	\$ 7,985,203 *	\$ 7,985,203	\$ 6,656,975 *	\$ 6,656,975
Employer's Net OPEB Liability as a Percentage of Covered-Valuation Payroll	5.90%	4.23%	4.46%	3.12%	3.14%

Notes to Schedule:

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

There is no actuarially-determined contribution (ADC) or employer contribution in relation to the ADC as the total OPEB liabilities are currently an unfunded obligation.

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period.

The following are the discount rates used in each period: 4.09 2.18% 2.66% 2.79% 2.98%

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

* - Covered-Employee Payroll is the same as the prior year due to the valuation being a rollforward instead of a new valuation.

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 66,313,018	\$ 66,313,018	\$ 64,660,566
Payments in Lieu of Taxes	283,000	283,000	703,630
Tuition	410,000	410,000	456,403
Earnings on Investments	106,000	106,000	41,374
Food Services	157,000	157,000	706,848
District/School Activity Income	2,658,000	2,658,000	2,343,956
Textbooks	211,000	211,000	367,571
Other Local Sources	690,628	690,628	712,299
State Aid			
Evidence Based Funding	4,045,400	4,045,400	4,046,118
Special Education	1,068,428	1,068,428	955,210
Career and Technical Education	29,263	29,263	28,138
State Free Lunch and Breakfast	-	-	14,249
Driver Education	28,100	28,100	15,050
Other Restricted Revenue from State Sources	4,120	4,120	20,106
Federal Aid			
Food Service	775,000	775,000	1,822,096
Title I	156,212	156,212	150,318
Title IV	10,515	10,515	17,854
Federal Special Education	1,528,000	1,528,000	1,553,380
CTE - Perkins	16,432	16,432	16,432
Emergency Immigrant Assistance	-	-	6,300
Title III - English Language Acquisition	55,000	55,000	40,736
Title II - Teacher Quality	70,000	70,000	76,637
Medicaid Matching Funds - Administrative Outreach	86,000	86,000	97,018
Medicaid Matching Funds - Fee-for-Service Program	288,000	288,000	172,575
Other Federal Aid	612,482	612,482	634,733
State Retirement Contributions	36,818,893	36,818,893	24,090,602
Total Revenues	\$ 116,420,491	\$ 116,420,491	\$ 103,750,199
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	\$ 27,312,726	\$ 27,312,726	\$ 27,205,083
Employee Benefits	3,712,068	3,712,068	3,718,671
Purchased Services	385,553	385,553	476,938
Supplies and Materials	1,649,417	1,649,417	1,375,442
Non-Capitalized Equipment	28,848	28,848	60,386
	\$ 33,088,612	\$ 33,088,612	\$ 32,836,520
Special Education Programs			
Salaries	\$ 6,284,977	\$ 6,284,977	\$ 5,943,648
Employee Benefits	823,260	823,260	800,922
Purchased Services	58,550	112,550	73,418
Supplies and Materials	47,600	47,600	71,721
Non-Capitalized Equipment	2,500	2,500	-
	\$ 7,216,887	\$ 7,270,887	\$ 6,889,709
Special Education Programs Pre-K			
Salaries	\$ 476,000	\$ 476,000	\$ 459,901
Employee Benefits	68,765	68,765	71,856
Purchased Services	1,300	1,300	65
Supplies and Materials	26,000	26,000	25,320
	\$ 572,065	\$ 572,065	\$ 557,142
CTE Programs			
Salaries	\$ 1,058,555	\$ 1,058,555	\$ 1,084,294
Employee Benefits	163,535	163,535	150,411
Purchased Services	-	-	1,260
Supplies and Materials	66,912	66,912	56,967
	\$ 1,289,002	\$ 1,289,002	\$ 1,292,932

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Instruction (Continued)			
Interscholastic Programs			
Salaries	\$ 1,743,741	\$ 1,743,741	\$ 1,674,069
Employee Benefits	24,580	24,580	17,744
Purchased Services	301,000	301,000	265,488
Supplies and Materials	234,743	234,743	170,414
Other Objects	29,400	29,400	59,988
Non-Capitalized Equipment	9,000	9,000	13,943
	<u>\$ 2,342,464</u>	<u>\$ 2,342,464</u>	<u>\$ 2,201,646</u>
Summer School Programs			
Salaries	\$ 432,000	\$ 432,000	\$ 474,327
Employee Benefits	11,965	11,965	10,098
Purchased Services	473,132	473,132	472,432
Supplies and Materials	47,500	47,500	15,202
	<u>\$ 964,597</u>	<u>\$ 964,597</u>	<u>\$ 972,059</u>
Gifted Programs			
Salaries	\$ 369,240	\$ 369,240	\$ 362,820
Employee Benefits	47,925	47,925	53,809
Supplies and Materials	500	500	297
	<u>\$ 417,665</u>	<u>\$ 417,665</u>	<u>\$ 416,926</u>
Driver's Education Programs			
Salaries	\$ 245,000	\$ 245,000	\$ 243,894
Employee Benefits	17,775	17,775	16,093
Purchased Services	3,500	3,500	3,914
Supplies and Materials	4,600	4,600	1,754
	<u>\$ 270,875</u>	<u>\$ 270,875</u>	<u>\$ 265,655</u>
Bilingual Programs			
Salaries	\$ 1,499,816	\$ 1,499,816	\$ 1,586,370
Employee Benefits	212,926	212,926	223,016
Purchased Services	750	750	229
Supplies and Materials	10,000	10,000	9,614
	<u>\$ 1,723,492</u>	<u>\$ 1,723,492</u>	<u>\$ 1,819,229</u>
Private Tuition			
Special Education Programs K-12			
Other Objects	\$ 3,216,000	\$ 3,216,000	\$ 2,566,196
	<u>\$ 3,216,000</u>	<u>\$ 3,216,000</u>	<u>\$ 2,566,196</u>
Student Activity Fund Expenditures			
Other Objects	\$ 1,400,000	\$ 1,400,000	\$ 695,466
	<u>\$ 1,400,000</u>	<u>\$ 1,400,000</u>	<u>\$ 695,466</u>
State Retirement Contributions	\$ 36,818,893.00	\$ 36,818,893.00	\$ 24,090,602
Total Instruction	<u>\$ 89,320,552</u>	<u>\$ 89,374,552</u>	<u>\$ 74,604,082</u>
Support Services			
Pupil			
Attendance and Social Work Services			
Salaries	\$ 1,208,252	\$ 1,208,252	\$ 1,207,931
Employee Benefits	179,260	179,260	176,767
Purchased Services	-	-	27,195
Supplies and Materials	5,200	5,200	9,105
	<u>\$ 1,392,712</u>	<u>\$ 1,392,712</u>	<u>\$ 1,420,998</u>
Guidance Services			
Salaries	\$ 823,300	\$ 823,300	\$ 886,067
Employee Benefits	128,017	128,017	129,809
Purchased Services	5,000	5,000	6,529
Supplies and Materials	10,999	10,999	18,640
	<u>\$ 967,316</u>	<u>\$ 967,316</u>	<u>\$ 1,041,045</u>
Health Services			
Salaries	\$ 1,001,340	\$ 1,001,340	\$ 954,008
Employee Benefits	94,652	94,652	83,181
Purchased Services	2,300	2,300	5,840
Supplies and Materials	27,000	27,000	16,012
	<u>\$ 1,125,292</u>	<u>\$ 1,125,292</u>	<u>\$ 1,059,041</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Pupil (Continued)			
Psychological Services			
Salaries	\$ 841,681	\$ 841,681	\$ 827,749
Employee Benefits	127,093	127,093	130,294
Purchased Services	17,959	17,959	36,756
Supplies and Materials	7,500	7,500	7,340
	<u>\$ 994,233</u>	<u>\$ 994,233</u>	<u>\$ 1,002,139</u>
Speech Pathology and Audiology Services			
Salaries	\$ 1,005,931	\$ 1,005,931	\$ 1,000,920
Employee Benefits	123,249	123,249	123,181
Purchased Services	365,000	365,000	281,925
Supplies and Materials	9,000	9,000	5,253
Non-Capitalized Equipment	1,000	1,000	-
	<u>\$ 1,504,180</u>	<u>\$ 1,504,180</u>	<u>\$ 1,411,279</u>
Other Support Services - Pupil			
Purchased Services	\$ 210,541	\$ 210,541	\$ 206,925
Supplies and Materials	21,000	21,000	9,417
	<u>\$ 231,541</u>	<u>\$ 231,541</u>	<u>\$ 216,342</u>
Total Support Services - Pupil	<u>\$ 6,215,274</u>	<u>\$ 6,215,274</u>	<u>\$ 6,150,844</u>
Instructional Staff			
Improvement of Instruction Services			
Salaries	\$ 72,200	\$ 72,200	\$ 47,081
Employee Benefits	1,100	1,100	583
Purchased Services	625,779	625,779	264,351
Supplies and Materials	54,150	54,150	10,187
Non-Capitalized Equipment	2,000	2,000	-
	<u>\$ 755,229</u>	<u>\$ 755,229</u>	<u>\$ 322,202</u>
Educational Media Services			
Salaries	\$ 904,962	\$ 904,962	\$ 906,758
Employee Benefits	120,473	120,473	117,982
Purchased Services	2,000	2,000	7,349
Supplies and Materials	112,349	112,349	83,730
Non-Capitalized Equipment	1,500	1,500	1,464
	<u>\$ 1,141,284</u>	<u>\$ 1,141,284</u>	<u>\$ 1,117,283</u>
Assessment and Testing			
Salaries	\$ 3,000	\$ 3,000	\$ -
Purchased Services	100,000	100,000	117,777
Supplies and Materials	24,700	24,700	15,911
	<u>\$ 127,700</u>	<u>\$ 127,700</u>	<u>\$ 133,688</u>
Total Support Services - Instructional Staff	<u>\$ 2,024,213</u>	<u>\$ 2,024,213</u>	<u>\$ 1,573,173</u>
General Administration			
Board of Education Services			
Purchased Services	\$ 424,500	\$ 424,500	\$ 285,236
Supplies and Materials	6,000	6,000	2,287
Other Objects	30,000	30,000	26,983
	<u>\$ 460,500</u>	<u>\$ 460,500</u>	<u>\$ 314,506</u>
Executive Administration Services			
Salaries	\$ 281,079	\$ 281,079	\$ 281,974
Employee Benefits	79,887	79,887	82,261
Purchased Services	20,000	20,000	42,418
Supplies and Materials	22,000	22,000	22,329
Other Objects	7,000	7,000	7,240
	<u>\$ 409,966</u>	<u>\$ 409,966</u>	<u>\$ 436,222</u>

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LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
General Administration (Continued)			
Special Area Administrative Services			
Salaries	\$ 512,115	\$ 512,115	\$ 534,809
Employee Benefits	148,350	148,350	138,903
Purchased Services	70,000	16,000	48,313
Supplies and Materials	10,000	10,000	3,586
Other Objects	4,000	4,000	1,981
Non-Capitalized Equipment	-	-	1,506
Termination Benefits	-	-	4,685
	<u>\$ 744,465</u>	<u>\$ 690,465</u>	<u>\$ 733,783</u>
Tort Immunity Services			
Purchased Services	\$ 813,050	\$ 813,050	\$ 803,522
Other Objects	75,000	75,000	-
	<u>\$ 888,050</u>	<u>\$ 888,050</u>	<u>\$ 803,522</u>
Total Support Services - General Administration	<u>\$ 2,502,981</u>	<u>\$ 2,448,981</u>	<u>\$ 2,288,033</u>
School Administration			
Office of the Principal Services			
Salaries	\$ 3,704,954	\$ 3,704,954	\$ 3,693,305
Employee Benefits	1,194,305	1,194,305	1,172,511
Purchased Services	5,450	5,450	2,903
Supplies and Materials	32,711	32,711	21,980
Other Objects	18,210	18,210	14,610
Non-Capitalized Equipment	4,000	4,000	-
Termination Benefits	1,000	1,000	38,731
	<u>\$ 4,960,630</u>	<u>\$ 4,960,630</u>	<u>\$ 4,944,040</u>
Total Support Services - School Administration	<u>\$ 4,960,630</u>	<u>\$ 4,960,630</u>	<u>\$ 4,944,040</u>
Business			
Direction of Business Support Services			
Salaries	\$ 223,000	\$ 223,000	\$ 222,767
Employee Benefits	58,580	58,580	56,254
Purchased Services	11,000	1,000	23
Supplies and Materials	1,000	1,000	93
Other Objects	5,000	5,000	1,728
	<u>\$ 298,580</u>	<u>\$ 288,580</u>	<u>\$ 280,865</u>
Fiscal Services			
Salaries	\$ 509,308	\$ 509,308	\$ 518,229
Employee Benefits	135,508	135,508	134,758
Purchased Services	271,500	281,500	184,090
Supplies and Materials	35,000	35,000	10,901
Other Objects	85,000	85,000	47,846
Non-Capitalized Equipment	40,000	40,000	-
Termination Benefits	2,000	2,000	1,520
	<u>\$ 1,078,316</u>	<u>\$ 1,088,316</u>	<u>\$ 897,344</u>
Total Support Services - Business	<u>\$ 1,376,896</u>	<u>\$ 1,376,896</u>	<u>\$ 1,178,209</u>
Operations and Maintenance of Plant Services			
Supplies and Materials	\$ -	\$ -	\$ 2,119
Total Support Services - Operations and Maintenance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,119</u>
Food Services			
Purchased Services	1,130,000	1,130,000	\$ 1,761,459
Supplies and Materials	45,000	45,000	22,678
Other Objects	33,000	33,000	20,001
Non-Capitalized Equipment	5,000	5,000	247,695
Total Support Services - Food Services	<u>\$ 1,213,000</u>	<u>\$ 1,213,000</u>	<u>\$ 2,051,833</u>
Internal Services			
Purchased Services	\$ 20,200	\$ 20,200	\$ 22,230
Total Support Services - Internal Services	<u>\$ 20,200</u>	<u>\$ 20,200</u>	<u>\$ 22,230</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Central			
Planning, Research, Development and Evaluation Services			
Salaries	\$ 1,830,200	\$ 1,830,200	\$ 1,670,073
Employee Benefits	362,401	362,401	339,889
Purchased Services	191,500	191,500	362,395
Supplies and Materials	7,500	7,500	2,732
Other Objects	1,500	1,500	722
Termination Benefits	-	-	1,948
	<u>\$ 2,393,101</u>	<u>\$ 2,393,101</u>	<u>\$ 2,377,759</u>
Information Services			
Salaries	\$ 211,890	\$ 211,890	\$ 185,324
Employee Benefits	47,142	47,142	39,543
Purchased Services	110,500	110,500	73,178
Supplies and Materials	31,000	31,000	18,556
Other Objects	1,000	1,000	161
Non-Capitalized Equipment	5,500	5,500	5,400
	<u>\$ 407,032</u>	<u>\$ 407,032</u>	<u>\$ 322,162</u>
Staff Services			
Salaries	\$ 443,450	\$ 443,450	\$ 423,915
Employee Benefits	147,252	147,252	119,531
Purchased Services	170,800	170,800	178,565
Supplies and Materials	4,000	4,000	11,418
Other Objects	1,500	1,500	1,690
Termination Benefits	3,000	3,000	-
	<u>\$ 770,002</u>	<u>\$ 770,002</u>	<u>\$ 735,119</u>
Data Processing Services			
Salaries	\$ 1,142,735	\$ 1,142,735	\$ 1,136,480
Employee Benefits	157,352	157,352	171,268
Purchased Services	345,000	345,000	358,927
Supplies and Materials	670,000	670,000	794,743
Other Objects	2,000	2,000	965
Non-Capitalized Equipment	1,400,000	1,400,000	1,114,150
Termination Benefits	2,000	2,000	-
	<u>\$ 3,719,087</u>	<u>\$ 3,719,087</u>	<u>\$ 3,576,533</u>
Total Support Services - Central	<u>\$ 7,289,222</u>	<u>\$ 7,289,222</u>	<u>\$ 7,011,573</u>
Other Support Services			
Salaries	\$ 132,505	\$ 132,505	\$ 158,192
Employee Benefits	10,890	10,890	17,838
Purchased Services	171,675	171,675	171,565
Supplies and Materials	20,000	20,000	15,719
Non-Capitalized Equipment	10,000	10,000	13,100
Total Support Services - Other Support Services	<u>\$ 345,070</u>	<u>\$ 345,070</u>	<u>\$ 376,414</u>
Total Support Services	<u>\$ 25,947,486</u>	<u>\$ 25,893,486</u>	<u>\$ 25,598,468</u>
Community Services			
Salaries	\$ 49,500	\$ 49,500	\$ 38,281
Employee Benefits	115	115	77
Purchased Services	64,551	64,551	43,816
Supplies and Materials	19,273	19,273	7,230
Other Objects	5,000	5,000	-
Total Community Services	<u>\$ 138,439</u>	<u>\$ 138,439</u>	<u>\$ 89,404</u>
Intergovernmental Payments			
Payments to Other Districts and Governmental Units-Tuition (In-State)			
Payments for Regular Programs			
Other Objects	\$ 250,000	\$ 250,000	\$ 193,512
Payments for Special Education Programs			
Other Objects	180,000	180,000	105,613
Total Payments to Other Districts and Governmental Units-Tuition (In-State)	<u>\$ 430,000</u>	<u>\$ 430,000</u>	<u>\$ 299,125</u>
Total Intergovernmental Payments	<u>\$ 430,000</u>	<u>\$ 430,000</u>	<u>\$ 299,125</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Capital Outlay			
Instruction			
Regular Programs	\$ 15,000	\$ 15,000	\$ 5,534
Other Instructional Programs	51,283	51,283	82,764
Support Services			
Central	100,000	100,000	-
Total Capital Outlay	<u>\$ 166,283</u>	<u>\$ 166,283</u>	<u>\$ 88,298</u>
Total Expenditures	<u>\$ 116,002,760</u>	<u>\$ 116,002,760</u>	<u>\$ 100,679,377</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 417,731	\$ 417,731	\$ 3,070,822
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	<u>(161,047)</u>	<u>(161,047)</u>	<u>(161,047)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 256,684</u>	<u>\$ 256,684</u>	\$ 2,909,775
FUND BALANCE - JULY 1, 2021			<u>59,084,622</u>
FUND BALANCE - JUNE 30, 2022			<u>\$ 61,994,397</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - OPERATIONS AND MAINTENANCE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual
	Original	Final	Amounts
REVENUES			
Property Taxes	\$ 12,779,564	\$ 12,779,564	\$ 12,406,188
Earnings on Investments	25,000	25,000	10,269
Other Local Sources	106,000	106,000	138,828
State Aid			
School Infrastructure - Maintenance	-	-	50,000
Total Revenues	<u>\$ 12,910,564</u>	<u>\$ 12,910,564</u>	<u>\$ 12,605,285</u>
EXPENDITURES			
Support Services			
Operations and Maintenance			
Salaries	\$ 1,221,356	\$ 1,221,356	\$ 1,124,976
Employee Benefits	202,465	202,465	190,707
Purchased Services	3,655,638	3,655,638	3,470,487
Supplies and Materials	2,141,707	2,141,707	1,830,581
Other Objects	102,500	102,500	3,063
Non-Capitalized Equipment	67,700	67,700	68,601
Termination Benefits	2,000	2,000	1,807
Total Support Services - Operations and Maintenance	<u>\$ 7,393,366</u>	<u>\$ 7,393,366</u>	<u>\$ 6,690,222</u>
Total Support Services	<u>\$ 7,393,366</u>	<u>\$ 7,393,366</u>	<u>\$ 6,690,222</u>
Intergovernmental Payments			
Payments to Other Districts and Governmental Units (In-State)			
Payments for Regular Programs			
Other Objects	\$ -	\$ -	\$ 12,628
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,628</u>
Total Intergovernmental Payments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,628</u>
Capital Outlay			
Support Services			
Operations and Maintenance	\$ 275,000	\$ 275,000	\$ 83,698
Total Capital Outlay	<u>\$ 275,000</u>	<u>\$ 275,000</u>	<u>\$ 83,698</u>
Total Expenditures	<u>\$ 7,668,366</u>	<u>\$ 7,668,366</u>	<u>\$ 6,786,548</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 5,242,198	\$ 5,242,198	\$ 5,818,737
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	(4,287,995)	(4,287,995)	(4,612,996)
NET CHANGE IN FUND BALANCE	<u>\$ 954,203</u>	<u>\$ 954,203</u>	\$ 1,205,741
FUND BALANCE - JULY 1, 2021			<u>11,894,761</u>
FUND BALANCE - JUNE 30, 2022			<u>\$ 13,100,502</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - TRANSPORTATION FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 1,484,339	\$ 1,484,339	\$ 1,805,118
Transportation Fees	-	-	9,150
Earnings on Investments	8,000	8,000	2,439
Other Local Sources	-	-	75
State Aid			
Transportation	1,539,813	1,539,813	1,544,777
Total Revenues	<u>\$ 3,032,152</u>	<u>\$ 3,032,152</u>	<u>\$ 3,361,559</u>
EXPENDITURES			
Support Services			
Transportation			
Salaries	\$ 1,879,852	\$ 1,879,852	\$ 1,445,874
Employee Benefits	236,840	236,840	211,792
Purchased Services	1,911,500	1,911,500	1,870,335
Supplies and Materials	285,770	285,770	294,416
Other Objects	1,700	1,700	22,995
Non-Capitalized Equipment	10,000	10,000	6,020
Total Support Services - Transportation	<u>\$ 4,325,662</u>	<u>\$ 4,325,662</u>	<u>\$ 3,851,432</u>
Other Support Services			
Salaries	\$ 550	\$ 550	\$ -
Total Support Services - Other Support Services	<u>\$ 550</u>	<u>\$ 550</u>	<u>\$ -</u>
Total Support Services	<u>\$ 4,326,212</u>	<u>\$ 4,326,212</u>	<u>\$ 3,851,432</u>
Capital Outlay			
Support Services			
Transportation	\$ 2,553,440	\$ 2,553,440	\$ 2,524,700
Total Capital Outlay	<u>\$ 2,553,440</u>	<u>\$ 2,553,440</u>	<u>\$ 2,524,700</u>
Total Expenditures	<u>\$ 6,879,652</u>	<u>\$ 6,879,652</u>	<u>\$ 6,376,132</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (3,847,500)	\$ (3,847,500)	\$ (3,014,573)
OTHER FINANCING SOURCES (USES)			
Sale or Compensation for Capital Assets	1,994,130	1,994,130	1,994,130
NET CHANGE IN FUND BALANCE	<u>\$ (1,853,370)</u>	<u>\$ (1,853,370)</u>	<u>\$ (1,020,443)</u>
FUND BALANCE - JULY 1, 2021			<u>6,049,459</u>
FUND BALANCE - JUNE 30, 2022			<u>\$ 5,029,016</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 1,978,980	\$ 1,978,980	\$ 1,956,955
Payments in Lieu of Taxes	90,000	90,000	90,000
Earnings on Investments	3,000	3,000	996
Federal Aid			
Title I	524	524	-
Federal - Special Education	28,000	28,000	54,960
Title III - English Language Acquisition	1,500	1,500	462
Other Federal Aid	-	-	825
Total Revenues	<u>\$ 2,102,004</u>	<u>\$ 2,102,004</u>	<u>\$ 2,104,198</u>
EXPENDITURES			
Instruction			
Regular Programs			
Employee Benefits	\$ 335,383	\$ 335,383	\$ 465,710
Pre-K Programs			
Employee Benefits	160,750	160,750	12,844
Special Education Programs			
Employee Benefits	308,501	308,501	285,946
Special Education Programs Pre-K			
Employee Benefits	35,900	35,900	34,832
CTE Programs			
Employee Benefits	14,837	14,837	14,922
Interscholastic Programs			
Employee Benefits	48,849	48,849	55,302
Summer School Programs			
Employee Benefits	14,535	14,535	16,250
Gifted Programs			
Employee Benefits	5,445	5,445	5,232
Driver's Education Programs			
Employee Benefits	3,400	3,400	3,407
Bilingual Programs			
Employee Benefits	35,595	35,595	34,592
Total Instruction	<u>\$ 963,195</u>	<u>\$ 963,195</u>	<u>\$ 929,037</u>
Support Services			
Pupil			
Attendance and Social Work Services			
Employee Benefits	\$ 18,760	\$ 18,760	\$ 18,216
Guidance Services			
Employee Benefits	24,190	24,190	30,516
Health Services			
Employee Benefits	142,377	142,377	128,230
Psychological Services			
Employee Benefits	12,635	12,635	11,719
Speech Pathology and Audiology Services			
Employee Benefits	14,985	14,985	14,426
Total Support Services - Pupil	<u>\$ 212,947</u>	<u>\$ 212,947</u>	<u>\$ 203,107</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Instructional Staff			
Improvement of Instruction Services			
Employee Benefits	\$ 1,220	\$ 1,220	\$ 724
Educational Media Services			
Employee Benefits	41,570	41,570	40,247
Total Support Services - Instructional Staff	<u>\$ 42,790</u>	<u>\$ 42,790</u>	<u>\$ 40,971</u>
General Administration			
Board of Education Services			
Employee Benefits	\$ 14,800	\$ 14,800	\$ 14,613
Special Area Administrative Services			
Employee Benefits	23,100	23,100	23,213
Total Support Services - General Administration	<u>\$ 37,900</u>	<u>\$ 37,900</u>	<u>\$ 37,826</u>
School Administration			
Office of the Principal Services			
Employee Benefits	\$ 165,694	\$ 165,694	\$ 161,115
Total Support Services - School Administration	<u>\$ 165,694</u>	<u>\$ 165,694</u>	<u>\$ 161,115</u>
Business			
Direction of Business Support Services			
Employee Benefits	\$ 3,200	\$ 3,200	\$ 3,206
Fiscal Services			
Employee Benefits	40,000	40,000	37,833
Total Support Services - Business	<u>\$ 43,200</u>	<u>\$ 43,200</u>	<u>\$ 41,039</u>
Operations and Maintenance			
Employee Benefits	\$ 195,500	\$ 195,500	\$ 176,992
Total Support Services - Operations and Maintenance	<u>\$ 195,500</u>	<u>\$ 195,500</u>	<u>\$ 176,992</u>
Transportation			
Employee Benefits	\$ 233,525	\$ 233,525	\$ 212,604
Total Support Services - Transportation	<u>\$ 233,525</u>	<u>\$ 233,525</u>	<u>\$ 212,604</u>
Central			
Planning, Research, Development and Evaluation Services			
Employee Benefits	\$ 49,600	\$ 49,600	\$ 44,610
Information Services			
Employee Benefits	38,300	38,300	28,991
Staff Services			
Employee Benefits	70,150	70,150	67,101
Data Processing Services			
Employee Benefits	194,073	194,073	182,304
Total Support Services - Central	<u>\$ 352,123</u>	<u>\$ 352,123</u>	<u>\$ 323,006</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Other Support Services			
Employee Benefits	\$ 21,845	\$ 21,845	\$ 25,802
Total Support Services - Other Support Services	\$ 21,845	\$ 21,845	\$ 25,802
 Total Support Services	 \$ 1,305,524	 \$ 1,305,524	 \$ 1,222,462
 Community Services			
Employee Benefits	\$ 8,715	\$ 8,715	\$ 6,267
Total Community Services	\$ 8,715	\$ 8,715	\$ 6,267
 Total Expenditures	 \$ 2,277,434	 \$ 2,277,434	 \$ 2,157,766
 EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 \$ (175,430)	 \$ (175,430)	 \$ (53,568)
 OTHER FINANCING SOURCES (USES)	 -	 -	 -
 NET CHANGE IN FUND BALANCE	 \$ (175,430)	 \$ (175,430)	 \$ (53,568)
 FUND BALANCE - JULY 1, 2021			1,604,553
 FUND BALANCE - JUNE 30, 2022			<u>\$ 1,550,985</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 1 - BUDGETARY PROCESS

The District follows procedures mandated by Illinois State law and District Board policy to establish the budgetary data reflected in its financial statements. The budget was passed on September 23, 2021 and it was amended on June 23, 2022. The modified accrual basis budgeted amounts in this report are the result of full compliance with the following procedures:

For each fund, total fund expenditures may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year.
5. The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

NOTE 2 - EXCESS OF EXPENDITURES OVER BUDGET

For the year ended June 30, 2022, none of the District's funds presented as Required Supplementary Information had expenditures that exceeded the budget.

SUPPLEMENTAL FINANCIAL INFORMATION

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2022

	Educational Fund	Working Cash Fund	General Fund Total
ASSETS			
Cash and Cash Equivalents	\$ 28,617,882	\$ 2,076,031	\$ 30,693,913
Investments, at Fair Value	28,309,532	2,145,042	30,454,574
Taxes Receivable, net of allowance of \$0	36,156,949	269,342	36,426,291
Due from Other Governments, net of allowance of \$0	1,305,385	-	1,305,385
Prepaid Items	976,009	-	976,009
Total Assets	\$ 95,365,757	\$ 4,490,415	\$ 99,856,172
LIABILITIES			
Accounts Payable	\$ 353,270	\$ -	\$ 353,270
Payroll Liabilities	4,711,087	-	4,711,087
Unearned Revenue	15,049	-	15,049
Total Liabilities	\$ 5,079,406	\$ -	\$ 5,079,406
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	\$ 32,539,102	\$ 243,267	\$ 32,782,369
Total Deferred Inflows of Resources	\$ 32,539,102	\$ 243,267	\$ 32,782,369
FUND BALANCE			
Nonspendable			
Prepaid Items	\$ 976,009	\$ -	\$ 976,009
Restricted			
Student Activity Funds	79,022	-	79,022
Assigned			
Health Insurance Funds	643,229	-	643,229
Unassigned	56,048,989	4,247,148	60,296,137
Total Fund Balance	\$ 57,747,249	\$ 4,247,148	\$ 61,994,397
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 95,365,757	\$ 4,490,415	\$ 99,856,172

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GENERAL FUND
 YEAR ENDED JUNE 30, 2022

	Educational Fund	Working Cash Fund	General Fund Total
REVENUES			
Property Taxes	\$ 64,251,611	\$ 408,955	\$ 64,660,566
Payments in Lieu of Taxes	703,630	-	703,630
Tuition	456,403	-	456,403
Earnings on Investments	38,315	3,059	41,374
Food Services	706,848	-	706,848
District/School Activity Income	2,343,956	-	2,343,956
Textbooks	367,571	-	367,571
Other Local Sources	712,299	-	712,299
State Aid	5,078,871	-	5,078,871
Federal Aid	4,588,079	-	4,588,079
State Retirement Contributions	24,090,602	-	24,090,602
Total Revenues	<u>\$ 103,338,185</u>	<u>\$ 412,014</u>	<u>\$ 103,750,199</u>
EXPENDITURES			
Current			
Instruction			
Regular Programs	\$ 32,836,520	\$ -	\$ 32,836,520
Special Education Programs	9,455,905	-	9,455,905
Special Education Programs Pre-K	557,142	-	557,142
Other Instructional Programs	6,968,447	-	6,968,447
Student Activity Fund Expenditures	695,466	-	695,466
State Retirement Contributions	24,090,602	-	24,090,602
Support Services			
Pupil	6,150,844	-	6,150,844
Instructional Staff	1,573,173	-	1,573,173
General Administration	2,288,033	-	2,288,033
School Administration	4,944,040	-	4,944,040
Business	1,178,209	-	1,178,209
Operations and Maintenance	2,119	-	2,119
Food Services	2,051,833	-	2,051,833
Internal Services	22,230	-	22,230
Central	7,011,573	-	7,011,573
Other Support Services	376,414	-	376,414
Community Services	89,404	-	89,404
Intergovernmental Payments			
Payments to Other Districts and Governmental Units	299,125	-	299,125
Capital Outlay	88,298	-	88,298
Total Expenditures	<u>\$ 100,679,377</u>	<u>\$ -</u>	<u>\$ 100,679,377</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 2,658,808	\$ 412,014	\$ 3,070,822
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	<u>(161,047)</u>	<u>-</u>	<u>(161,047)</u>
NET CHANGE IN FUND BALANCES	\$ 2,497,761	\$ 412,014	\$ 2,909,775
FUND BALANCE - JULY 1, 2021	<u>55,249,488</u>	<u>3,835,134</u>	<u>59,084,622</u>
FUND BALANCE - JUNE 30, 2022	<u>\$ 57,747,249</u>	<u>\$ 4,247,148</u>	<u>\$ 61,994,397</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 65,903,985	\$ 65,903,985	\$ 64,251,611
Payments in Lieu of Taxes	283,000	283,000	703,630
Tuition	410,000	410,000	456,403
Earnings on Investments	100,000	100,000	38,315
Food Services	157,000	157,000	706,848
District/School Activity Income	2,658,000	2,658,000	2,343,956
Textbooks	211,000	211,000	367,571
Other Local Sources	690,628	690,628	712,299
State Aid			
Evidence Based Funding	4,045,400	4,045,400	4,046,118
Special Education	1,068,428	1,068,428	955,210
Career and Technical Education	29,263	29,263	28,138
State Free Lunch and Breakfast	-	-	14,249
Driver Education	28,100	28,100	15,050
Other Restricted Revenue from State Sources	4,120	4,120	20,106
Federal Aid			
Food Service	775,000	775,000	1,822,096
Title I	156,212	156,212	150,318
Title IV	10,515	10,515	17,854
Federal Special Education	1,528,000	1,528,000	1,553,380
CTE - Perkins	16,432	16,432	16,432
Emergency Immigrant Assistance	-	-	6,300
Title III - English Language Acquisition	55,000	55,000	40,736
Title II - Teacher Quality	70,000	70,000	76,637
Medicaid Matching Funds - Administrative Outreach	86,000	86,000	97,018
Medicaid Matching Funds - Fee-for-Service Program	288,000	288,000	172,575
Other Federal Aid	612,482	612,482	634,733
State Retirement Contributions	36,818,893	36,818,893	24,090,602
Total Revenues	<u>\$ 116,005,458</u>	<u>\$ 116,005,458</u>	<u>\$ 103,338,185</u>
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	\$ 27,312,726	\$ 27,312,726	\$ 27,205,083
Employee Benefits	3,712,068	3,712,068	3,718,671
Purchased Services	385,553	385,553	476,938
Supplies and Materials	1,649,417	1,649,417	1,375,442
Non-Capitalized Equipment	28,848	28,848	60,386
	<u>\$ 33,088,612</u>	<u>\$ 33,088,612</u>	<u>\$ 32,836,520</u>
Special Education Programs			
Salaries	\$ 6,284,977	\$ 6,284,977	\$ 5,943,648
Employee Benefits	823,260	823,260	800,922
Purchased Services	58,550	112,550	73,418
Supplies and Materials	47,600	47,600	71,721
Non-Capitalized Equipment	2,500	2,500	-
	<u>\$ 7,216,887</u>	<u>\$ 7,270,887</u>	<u>\$ 6,889,709</u>
Special Education Programs Pre-K			
Salaries	\$ 476,000	\$ 476,000	\$ 459,901
Employee Benefits	68,765	68,765	71,856
Purchased Services	1,300	1,300	65
Supplies and Materials	26,000	26,000	25,320
	<u>\$ 572,065</u>	<u>\$ 572,065</u>	<u>\$ 557,142</u>
CTE Programs			
Salaries	\$ 1,058,555	\$ 1,058,555	\$ 1,084,294
Employee Benefits	163,535	163,535	150,411
Purchased Services	-	-	1,260
Supplies and Materials	66,912	66,912	56,967
	<u>\$ 1,289,002</u>	<u>\$ 1,289,002</u>	<u>\$ 1,292,932</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Instruction (Continued)			
Interscholastic Programs			
Salaries	\$ 1,743,741	\$ 1,743,741	\$ 1,674,069
Employee Benefits	24,580	24,580	17,744
Purchased Services	301,000	301,000	265,488
Supplies and Materials	234,743	234,743	170,414
Other Objects	29,400	29,400	59,988
Non-Capitalized Equipment	9,000	9,000	13,943
	<u>\$ 2,342,464</u>	<u>\$ 2,342,464</u>	<u>\$ 2,201,646</u>
Summer School Programs			
Salaries	\$ 432,000	\$ 432,000	\$ 474,327
Employee Benefits	11,965	11,965	10,098
Purchased Services	473,132	473,132	472,432
Supplies and Materials	47,500	47,500	15,202
	<u>\$ 964,597</u>	<u>\$ 964,597</u>	<u>\$ 972,059</u>
Gifted Programs			
Salaries	\$ 369,240	\$ 369,240	\$ 362,820
Employee Benefits	47,925	47,925	53,809
Supplies and Materials	500	500	297
	<u>\$ 417,665</u>	<u>\$ 417,665</u>	<u>\$ 416,926</u>
Driver's Education Programs			
Salaries	\$ 245,000	\$ 245,000	\$ 243,894
Employee Benefits	17,775	17,775	16,093
Purchased Services	3,500	3,500	3,914
Supplies and Materials	4,600	4,600	1,754
	<u>\$ 270,875</u>	<u>\$ 270,875</u>	<u>\$ 265,655</u>
Bilingual Programs			
Salaries	\$ 1,499,816	\$ 1,499,816	\$ 1,586,370
Employee Benefits	212,926	212,926	223,016
Purchased Services	750	750	229
Supplies and Materials	10,000	10,000	9,614
	<u>\$ 1,723,492</u>	<u>\$ 1,723,492</u>	<u>\$ 1,819,229</u>
Private Tuition			
Special Education Programs K-12			
Other Objects	\$ 3,216,000	\$ 3,216,000	\$ 2,566,196
	<u>\$ 3,216,000</u>	<u>\$ 3,216,000</u>	<u>\$ 2,566,196</u>
Student Activity Fund Expenditures			
Other Objects	\$ 1,400,000	\$ 1,400,000	\$ 695,466
	<u>\$ 1,400,000</u>	<u>\$ 1,400,000</u>	<u>\$ 695,466</u>
State Retirement Contributions	\$ 36,818,893	\$ 36,818,893	\$ 24,090,602
Total Instruction	<u>\$ 89,320,552</u>	<u>\$ 89,374,552</u>	<u>\$ 74,604,082</u>
Support Services			
Pupil			
Attendance and Social Work Services			
Salaries	\$ 1,208,252	\$ 1,208,252	\$ 1,207,931
Employee Benefits	179,260	179,260	176,767
Purchased Services	-	-	27,195
Supplies and Materials	5,200	5,200	9,105
	<u>\$ 1,392,712</u>	<u>\$ 1,392,712</u>	<u>\$ 1,420,998</u>
Guidance Services			
Salaries	\$ 823,300	\$ 823,300	\$ 886,067
Employee Benefits	128,017	128,017	129,809
Purchased Services	5,000	5,000	6,529
Supplies and Materials	10,999	10,999	18,640
	<u>\$ 967,316</u>	<u>\$ 967,316</u>	<u>\$ 1,041,045</u>
Health Services			
Salaries	\$ 1,001,340	\$ 1,001,340	\$ 954,008
Employee Benefits	94,652	94,652	83,181
Purchased Services	2,300	2,300	5,840
Supplies and Materials	27,000	27,000	16,012
	<u>\$ 1,125,292</u>	<u>\$ 1,125,292</u>	<u>\$ 1,059,041</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Pupil (Continued)			
Psychological Services			
Salaries	\$ 841,681	\$ 841,681	\$ 827,749
Employee Benefits	127,093	127,093	130,294
Purchased Services	17,959	17,959	36,756
Supplies and Materials	7,500	7,500	7,340
	<u>\$ 994,233</u>	<u>\$ 994,233</u>	<u>\$ 1,002,139</u>
Speech Pathology and Audiology Services			
Salaries	\$ 1,005,931	\$ 1,005,931	\$ 1,000,920
Employee Benefits	123,249	123,249	123,181
Purchased Services	365,000	365,000	281,925
Supplies and Materials	9,000	9,000	5,253
Non-Capitalized Equipment	1,000	1,000	-
	<u>\$ 1,504,180</u>	<u>\$ 1,504,180</u>	<u>\$ 1,411,279</u>
Other Support Services - Pupil			
Purchased Services	\$ 210,541	\$ 210,541	\$ 206,925
Supplies and Materials	21,000	21,000	9,417
	<u>\$ 231,541</u>	<u>\$ 231,541</u>	<u>\$ 216,342</u>
Total Support Services - Pupil	<u>\$ 6,215,274</u>	<u>\$ 6,215,274</u>	<u>\$ 6,150,844</u>
Instructional Staff			
Improvement of Instruction Services			
Salaries	\$ 72,200	\$ 72,200	\$ 47,081
Employee Benefits	1,100	1,100	583
Purchased Services	625,779	625,779	264,351
Supplies and Materials	54,150	54,150	10,187
Non-Capitalized Equipment	2,000	2,000	-
	<u>\$ 755,229</u>	<u>\$ 755,229</u>	<u>\$ 322,202</u>
Educational Media Services			
Salaries	\$ 904,962	\$ 904,962	\$ 906,758
Employee Benefits	120,473	120,473	117,982
Purchased Services	2,000	2,000	7,349
Supplies and Materials	112,349	112,349	83,730
Non-Capitalized Equipment	1,500	1,500	1,464
	<u>\$ 1,141,284</u>	<u>\$ 1,141,284</u>	<u>\$ 1,117,283</u>
Assessment and Testing			
Salaries	\$ 3,000	\$ 3,000	\$ -
Purchased Services	100,000	100,000	117,777
Supplies and Materials	24,700	24,700	15,911
	<u>\$ 127,700</u>	<u>\$ 127,700</u>	<u>\$ 133,688</u>
Total Support Services - Instructional Staff	<u>\$ 2,024,213</u>	<u>\$ 2,024,213</u>	<u>\$ 1,573,173</u>
General Administration			
Board of Education Services			
Purchased Services	\$ 424,500	\$ 424,500	\$ 285,236
Supplies and Materials	6,000	6,000	2,287
Other Objects	30,000	30,000	26,983
	<u>\$ 460,500</u>	<u>\$ 460,500</u>	<u>\$ 314,506</u>
Executive Administration Services			
Salaries	\$ 281,079	\$ 281,079	\$ 281,974
Employee Benefits	79,887	79,887	82,261
Purchased Services	20,000	20,000	42,418
Supplies and Materials	22,000	22,000	22,329
Other Objects	7,000	7,000	7,240
	<u>\$ 409,966</u>	<u>\$ 409,966</u>	<u>\$ 436,222</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
General Administration (Continued)			
Special Area Administrative Services			
Salaries	\$ 512,115	\$ 512,115	\$ 534,809
Employee Benefits	148,350	148,350	138,903
Purchased Services	70,000	16,000	48,313
Supplies and Materials	10,000	10,000	3,586
Other Objects	4,000	4,000	1,981
Non-Capitalized Equipment	-	-	1,506
Termination Benefits	-	-	4,685
	<u>\$ 744,465</u>	<u>\$ 690,465</u>	<u>\$ 733,783</u>
Tort Immunity Services			
Purchased Services	\$ 813,050	\$ 813,050	\$ 803,522
Other Objects	75,000	75,000	-
	<u>\$ 888,050</u>	<u>\$ 888,050</u>	<u>\$ 803,522</u>
Total Support Services - General Administration	<u>\$ 2,502,981</u>	<u>\$ 2,448,981</u>	<u>\$ 2,288,033</u>
School Administration			
Office of the Principal Services			
Salaries	\$ 3,704,954	\$ 3,704,954	\$ 3,693,305
Employee Benefits	1,194,305	1,194,305	1,172,511
Purchased Services	5,450	5,450	2,903
Supplies and Materials	32,711	32,711	21,980
Other Objects	18,210	18,210	14,610
Non-Capitalized Equipment	4,000	4,000	-
Termination Benefits	1,000	1,000	38,731
	<u>\$ 4,960,630</u>	<u>\$ 4,960,630</u>	<u>\$ 4,944,040</u>
Total Support Services - School Administration	<u>\$ 4,960,630</u>	<u>\$ 4,960,630</u>	<u>\$ 4,944,040</u>
Business			
Direction of Business Support Services			
Salaries	\$ 223,000	\$ 223,000	\$ 222,767
Employee Benefits	58,580	58,580	56,254
Purchased Services	11,000	1,000	23
Supplies and Materials	1,000	1,000	93
Other Objects	5,000	5,000	1,728
	<u>\$ 298,580</u>	<u>\$ 288,580</u>	<u>\$ 280,865</u>
Fiscal Services			
Salaries	\$ 509,308	\$ 509,308	\$ 518,229
Employee Benefits	135,508	135,508	134,758
Purchased Services	271,500	281,500	184,090
Supplies and Materials	35,000	35,000	10,901
Other Objects	85,000	85,000	47,846
Non-Capitalized Equipment	40,000	40,000	-
Termination Benefits	2,000	2,000	1,520
	<u>\$ 1,078,316</u>	<u>\$ 1,088,316</u>	<u>\$ 897,344</u>
Total Support Services - Business	<u>\$ 1,376,896</u>	<u>\$ 1,376,896</u>	<u>\$ 1,178,209</u>
Operations and Maintenance of Plant Services			
Supplies and Materials	\$ -	\$ -	\$ 2,119
Total Support Services - Operations and Maintenance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,119</u>
Food Services			
Purchased Services	\$ 1,130,000	\$ 1,130,000	\$ 1,761,459
Supplies and Materials	45,000	45,000	22,678
Other Objects	33,000	33,000	20,001
Non-Capitalized Equipment	5,000	5,000	247,695
Total Support Services - Food Services	<u>\$ 1,213,000</u>	<u>\$ 1,213,000</u>	<u>\$ 2,051,833</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Internal Services			
Purchased Services	\$ 20,200	\$ 20,200	\$ 22,230
Total Support Services - Internal Services	\$ 20,200	\$ 20,200	\$ 22,230
Central			
Planning, Research, Development and Evaluation Services			
Salaries	\$ 1,830,200	\$ 1,830,200	\$ 1,670,073
Employee Benefits	362,401	362,401	339,889
Purchased Services	191,500	191,500	362,395
Supplies and Materials	7,500	7,500	2,732
Other Objects	1,500	1,500	722
Termination Benefits	-	-	1,948
	\$ 2,393,101	\$ 2,393,101	\$ 2,377,759
Information Services			
Salaries	\$ 211,890	\$ 211,890	\$ 185,324
Employee Benefits	47,142	47,142	39,543
Purchased Services	110,500	110,500	73,178
Supplies and Materials	31,000	31,000	18,556
Other Objects	1,000	1,000	161
Non-Capitalized Equipment	5,500	5,500	5,400
	\$ 407,032	\$ 407,032	\$ 322,162
Staff Services			
Salaries	\$ 443,450	\$ 443,450	\$ 423,915
Employee Benefits	147,252	147,252	119,531
Purchased Services	170,800	170,800	178,565
Supplies and Materials	4,000	4,000	11,418
Other Objects	1,500	1,500	1,690
Termination Benefits	3,000	3,000	-
	\$ 770,002	\$ 770,002	\$ 735,119
Data Processing Services			
Salaries	\$ 1,142,735	\$ 1,142,735	\$ 1,136,480
Employee Benefits	157,352	157,352	171,268
Purchased Services	345,000	345,000	358,927
Supplies and Materials	670,000	670,000	794,743
Other Objects	2,000	2,000	965
Non-Capitalized Equipment	1,400,000	1,400,000	1,114,150
Termination Benefits	2,000	2,000	-
	\$ 3,719,087	\$ 3,719,087	\$ 3,576,533
Total Support Services - Central	\$ 7,289,222	\$ 7,289,222	\$ 7,011,573
Other Support Services			
Salaries	\$ 132,505	\$ 132,505	\$ 158,192
Employee Benefits	10,890	10,890	17,838
Purchased Services	171,675	171,675	171,565
Supplies and Materials	20,000	20,000	15,719
Non-Capitalized Equipment	10,000	10,000	13,100
Total Support Services - Other Support Services	\$ 345,070	\$ 345,070	\$ 376,414
Total Support Services	\$ 25,947,486	\$ 25,893,486	\$ 25,598,468
Community Services			
Salaries	\$ 49,500	\$ 49,500	\$ 38,281
Employee Benefits	115	115	77
Purchased Services	64,551	64,551	43,816
Supplies and Materials	19,273	19,273	7,230
Other Objects	5,000	5,000	-
Total Community Services	\$ 138,439	\$ 138,439	\$ 89,404

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Intergovernmental Payments			
Payments to Other Districts and Governmental Units-Tuition (In-State)			
Payments for Regular Programs			
Other Objects	\$ 250,000	\$ 250,000	\$ 193,512
Payments for Special Education Programs			
Other Objects	180,000	180,000	105,613
Total Payments to Other Districts and Governmental Units-Tuition (In-State)	<u>\$ 430,000</u>	<u>\$ 430,000</u>	<u>\$ 299,125</u>
Total Intergovernmental Payments	<u>\$ 430,000</u>	<u>\$ 430,000</u>	<u>\$ 299,125</u>
Capital Outlay			
Instruction			
Regular Programs	\$ 15,000	\$ 15,000	\$ 5,534
Other Instructional Programs	51,283	51,283	82,764
Support Services			
Central	100,000	100,000	-
Total Capital Outlay	<u>\$ 166,283</u>	<u>\$ 166,283</u>	<u>\$ 88,298</u>
Total Expenditures	<u>\$ 116,002,760</u>	<u>\$ 116,002,760</u>	<u>\$ 100,679,377</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 2,698	\$ 2,698	\$ 2,658,808
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	<u>(161,047)</u>	<u>(161,047)</u>	<u>(161,047)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (158,349)</u></u>	<u><u>\$ (158,349)</u></u>	<u>\$ 2,497,761</u>
FUND BALANCE - JULY 1, 2021			<u>55,249,488</u>
FUND BALANCE - JUNE 30, 2022			<u><u>\$ 57,747,249</u></u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - WORKING CASH FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 409,033	\$ 409,033	\$ 408,955
Earnings on Investments	6,000	6,000	3,059
Total Revenues	<u>\$ 415,033</u>	<u>\$ 415,033</u>	<u>\$ 412,014</u>
EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 415,033	\$ 415,033	\$ 412,014
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 415,033</u>	<u>\$ 415,033</u>	\$ 412,014
FUND BALANCE - JULY 1, 2021			<u>3,835,134</u>
FUND BALANCE - JUNE 30, 2022			<u>\$ 4,247,148</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICES FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 7,168,103	\$ 7,168,103	\$ 7,073,484
Earnings on Investments	15,000	15,000	2,205
Total Revenues	<u>\$ 7,183,103</u>	<u>\$ 7,183,103</u>	<u>\$ 7,075,689</u>
EXPENDITURES			
Debt Services			
Interest			
Other Interest on Long-Term Debt			
Other Objects	\$ 2,885,974	\$ 2,885,974	\$ 2,885,874
Total Debt Services - Interest	<u>\$ 2,885,974</u>	<u>\$ 2,885,974</u>	<u>\$ 2,885,874</u>
Debt Services			
Payments of Principal on Long-Term Debt			
Other Objects	\$ 4,626,040	\$ 4,626,040	\$ 4,626,041
Total Debt Services - Payment of Principal on Long-Term Debt	<u>\$ 4,626,040</u>	<u>\$ 4,626,040</u>	<u>\$ 4,626,041</u>
Debt Services			
Other			
Purchased Services	\$ 3,000	\$ 3,000	\$ 2,030
Total Debt Services - Other	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 2,030</u>
Total Debt Services	<u>\$ 7,515,014</u>	<u>\$ 7,515,014</u>	<u>\$ 7,513,945</u>
Total Expenditures	<u>\$ 7,515,014</u>	<u>\$ 7,515,014</u>	<u>\$ 7,513,945</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (331,911)</u>	<u>\$ (331,911)</u>	<u>\$ (438,256)</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	\$ 449,042	\$ 449,042	\$ 474,043
Principal on Bonds Sold	10,000	10,000	-
Total Other Financing Sources (Uses)	<u>\$ 459,042</u>	<u>\$ 459,042</u>	<u>\$ 474,043</u>
NET CHANGE IN FUND BALANCE	<u>\$ 127,131</u>	<u>\$ 127,131</u>	\$ 35,787
FUND BALANCE - JULY 1, 2021			<u>4,494,815</u>
FUND BALANCE - JUNE 30, 2022			<u>\$ 4,530,602</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ -	\$ -	\$ 231,881
Earnings on Investments	13,000	13,000	35,655
Other Local Sources	125,000	125,000	272,081
Total Revenues	<u>\$ 138,000</u>	<u>\$ 138,000</u>	<u>\$ 539,617</u>
EXPENDITURES			
Support Services			
Facilities Acquisition and Construction			
Purchased Services	\$ 3,000,000	\$ 3,000,000	\$ 4,075,714
Supplies and Materials	615,000	615,000	819,980
Other Objects	-	-	18,800
Non-Capitalized Equipment	835,000	835,000	806,307
Total Support Services - Facilities Acquisition and Construction	<u>\$ 4,450,000</u>	<u>\$ 4,450,000</u>	<u>\$ 5,720,801</u>
Total Support Services	<u>\$ 4,450,000</u>	<u>\$ 4,450,000</u>	<u>\$ 5,720,801</u>
Capital Outlay			
Support Services			
Facilities Acquisition and Construction	\$ 13,513,000	\$ 13,513,000	\$ 9,149,730
Total Capital Outlay	<u>\$ 13,513,000</u>	<u>\$ 13,513,000</u>	<u>\$ 9,149,730</u>
Total Expenditures	<u>\$ 17,963,000</u>	<u>\$ 17,963,000</u>	<u>\$ 14,870,531</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (17,825,000)	\$ (17,825,000)	\$ (14,330,914)
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	<u>4,000,000</u>	<u>4,000,000</u>	<u>4,300,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ (13,825,000)</u>	<u>\$ (13,825,000)</u>	<u>\$ (10,030,914)</u>
FUND BALANCE - JULY 1, 2021			<u>32,840,663</u>
FUND BALANCE - JUNE 30, 2022			<u>\$ 22,809,749</u>

See Accompanying Independent Auditor's Report

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
COMPUTATION OF OPERATING EXPENSE PER PUPIL
AND PER CAPITA TUITION CHARGE
YEAR ENDED JUNE 30, 2022

ESTIMATED OPERATING EXPENSE PER PUPIL (OEPP)/PER CAPITA TUITION CHARGE (PCTC) COMPUTATIONS (2021 - 2022)

This schedule is completed for school districts only.

Fund	Sheet, Row	ACCOUNT NO - TITLE	Amount
OPERATING EXPENSE PER PUPIL			
EXPENDITURES:			
ED	Expenditures 16-24, L116	Total Expenditures	\$ 75,893,309
O&M	Expenditures 16-24, L155	Total Expenditures	6,786,548
DS	Expenditures 16-24, L178	Total Expenditures	7,513,945
TR	Expenditures 16-24, L214	Total Expenditures	6,376,132
MR/SS	Expenditures 16-24, L292	Total Expenditures	2,157,766
Total Expenditures			\$ 98,727,700
LESS RECEIPTS/REVENUES OR DISBURSEMENTS/EXPENDITURES NOT APPLICABLE TO THE REGULAR K-12 PROGRAM:			
ED	Expenditures 16-24, L9, Col K - (G+I)	1225 Special Education Programs Pre-K	\$ 557,142
ED	Expenditures 16-24, L15, Col K - (G+I)	1600 Summer School Programs	972,059
ED	Expenditures 16-24, L22, Col K	1912 Special Education Programs K-12 - Private Tuition	2,566,196
ED	Expenditures 16-24, L77, Col K - (G+I)	3000 Community Services	89,404
ED	Expenditures 16-24, L104, Col K	4000 Total Payments to Other Govt Units	299,125
ED	Expenditures 16-24, L116, Col G	- Capital Outlay	88,298
ED	Expenditures 16-24, L116, Col I	- Non-Capitalized Equipment	1,457,644
O&M	Expenditures 16-24, L143, Col K	4000 Total Payments to Other Govt Units	12,628
O&M	Expenditures 16-24, L155, Col G	- Capital Outlay	83,698
O&M	Expenditures 16-24, L155, Col I	- Non-Capitalized Equipment	68,601
DS	Expenditures 16-24, L174, Col K	5300 Debt Service - Payments of Principal on Long-Term Debt	4,626,041
TR	Expenditures 16-24, L214, Col G	- Capital Outlay	2,524,700
TR	Expenditures 16-24, L214, Col I	- Non-Capitalized Equipment	6,020
MR/SS	Expenditures 16-24, L220, Col K	1125 Pre-K Programs	12,844
MR/SS	Expenditures 16-24, L222, Col K	1225 Special Education Programs - Pre-K	34,832
MR/SS	Expenditures 16-24, L228, Col K	1600 Summer School Programs	16,250
MR/SS	Expenditures 16-24, L277, Col K	3000 Community Services	6,267
Total Deductions for OEPP Computation (Sum of Lines 18 - 95)			\$ 13,421,749
Total Operating Expenses Regular K-12 (Line 14 minus Line 96)			85,305,951
9 Month ADA from Average Daily Attendance - Student Information System (SIS) in IWAS-preliminary ADA 2021-2022			5,087.24
Estimated OEPP (Line 97 divided by Line 98)			\$ 16,768.61

PER CAPITA TUITION CHARGE

LESS OFFSETTING RECEIPTS/REVENUES:			
TR	Revenues 10-15, L45, Col F	1415 Regular - Transp Fees from Co-curricular Activities (In State)	\$ 9,150
ED	Revenues 10-15, L75, Col C	1600 Total Food Service	706,848
ED-O&M	Revenues 10-15, L83, Col C,D	1700 Total District/School Activity Income (without Student Activity Funds)	1,638,454
ED	Revenues 10-15, L90, Col C	1821 Sales - Regular Textbooks	1,160
ED	Revenues 10-15, L94, Col C	1890 Other (Describe & Itemize)	366,411
ED-O&M	Revenues 10-15, L97, Col C,D	1910 Rentals	20,797
ED	Revenues 10-15, L108, Col C	1993 Other Local Fees (Describe & Itemize)	18,402
ED-O&M-TR	Revenues 10-15, L134, Col C,D,F	3100 Total Special Education	955,210
ED-O&M-MR/SS	Revenues 10-15, L143, Col C,D,G	3200 Total Career and Technical Education	28,138
ED	Revenues 10-15, L148, Col C	3360 State Free Lunch & Breakfast	14,249
ED-O&M	Revenues 10-15, L150, Col C,D	3370 Driver Education	15,050
ED-O&M-TR-MR/SS	Revenues 10-15, L157, Col C,D,F,G	3500 Total Transportation	1,544,777
O&M	Revenues 10-15, L169, Col D	3925 School Infrastructure - Maintenance Projects	50,000
ED-O&M-DS-TR-MR/SS-Tort	Revenues 10-15, L170, Col C-G,J	3999 Other Restricted Revenue from State Sources	20,106
ED-MR/SS	Revenues 10-15, L200, Col C,G	4200 Total Food Service	1,822,096
ED-O&M-TR-MR/SS	Revenues 10-15, L206, Col C,D,F,G	4300 Total Title I	150,318
ED-O&M-TR-MR/SS	Revenues 10-15, L211, Col C,D,F,G	4400 Total Title IV	17,854
ED-O&M-TR-MR/SS	Revenues 10-15, L215, Col C,D,F,G	4620 Fed - Spec Education - IDEA - Flow Through	1,184,199
ED-O&M-TR-MR/SS	Revenues 10-15, L216, Col C,D,F,G	4625 Fed - Spec Education - IDEA - Room & Board	371,324
ED-O&M-MR/SS	Revenues 10-15, L223, Col C,D,G	4700 Total CTE - Perkins	16,432
ED-TR-MR/SS	Revenues 10-15, L257, Col C,F,G	4905 Title III - Immigrant Education Program (IEP)	6,300
ED-TR-MR/SS	Revenues 10-15, L258, Col C,F,G	4909 Title III - Language Inst Program - Limited Eng (LIPLEP)	41,198
ED-O&M-TR-MR/SS	Revenues 10-15, L261, Col C,D,F,G	4932 Title II - Teacher Quality	76,637
ED-O&M-TR-MR/SS	Revenues 10-15, L265, Col C,D,F,G	4991 Medicaid Matching Funds - Administrative Outreach	97,018
ED-O&M-TR-MR/SS	Revenues 10-15, L266, Col C,D,F,G	4992 Medicaid Matching Funds - Fee-for-Service Program	172,575
ED-O&M-TR-MR/SS	Revenues 10-15, L267, Col C,D,F,G	4998 Other Restricted Revenue from Federal Sources (Describe & Itemize)	635,558
ED-TR-MR/SS	Revenues (Part of EBF Payment)	3100 Special Education Contributions from EBF Funds **	1,709,871
ED-MR/SS	Revenues (Part of EBF Payment)	3300 English Learning (Bilingual) Contributions from EBF Funds **	73,312
Total Deductions for PCTC Computation Line 104 through Line 193			\$ 11,763,444
Net Operating Expense for Tuition Computation (Line 97 minus Line 195)			73,542,507
Total Depreciation Allowance (from page 36, Line 18, Col I)			5,968,683
Total Allowance for PCTC Computation (Line 196 plus Line 197)			79,511,190
9 Month ADA from Average Daily Attendance - Student Information System (SIS) in IWAS-preliminary ADA 2021-2022			5,087.24
Total Estimated PCTC (Line 198 divided by Line 199) *			\$ 15,629.53

*The total OEPP/PCTC may change based on the data provided. The final amounts will be calculated by ISBE. The 9-month ADA listed on the this tab is NOT the final 9-month ADA.

**Go to the Evidence-Based Funding Distribution Calculation webpage.

Under Reports, open the FY 2022 Special Education Funding Allocation Calculation Details and the FY 2022 English Learner Education Funding Allocation Calculation Details. Use the respective Excel file to locate the amount in column X for the Special Education Contribution and column V for the English Learner Contribution for the selected school district. *Please enter "0" if the district does not have allocations for lines 192 and 193.*

Unaudited

ANNUAL FEDERAL FINANCIAL COMPLIANCE SECTION

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE

To the Board of Education
Lake Zurich Community Unit School District No. 95
Lake Zurich, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited

Lake Zurich Community Unit School District No. 95's

compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Lake Zurich Community Unit School District No. 95's major federal programs for the year ended June 30, 2022. Lake Zurich Community Unit School District No. 95's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Lake Zurich Community Unit School District No. 95 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Eder, Casella & Co.

EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
October 7, 2022

Lake Zurich Community Unit School District No. 95
34-049-0950-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2022

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Year 7/1/20-6/30/21 (E)	Expenditure/Disbursements ⁴			Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/20-6/30/21 (C)	Year 7/1/21-6/30/22 (D)		Year 7/1/20-6/30/21 Pass through to Subrecipients	Year 7/1/21-6/30/22 (F)	Year 7/1/21-6/30/22 Pass through to Subrecipients			
CHILD NUTRITION CLUSTER											
U.S. Department of Agriculture passed through Illinois State Board of Education											
Food Donation Program (Non-Cash Commodities) (M)	10.555	22-4299-00		41,387			41,387			41,387	n/a
National School Lunch Program * (M)	10.555	21-4210-00		296,586			296,586			296,586	n/a
Covid-19 ARP National School Lunch Program * (M)	10.555	21-4210-BT		614			614			614	n/a
National School Lunch Program * (M)	10.555	22-4210-00		1,433,186			1,433,186			1,433,186	n/a
Covid-19 ARP Nutrition Supply Chain Assistance * (M)	10.555	22-4210-SC		70,509			70,509			70,509	n/a
U.S Department of Defense passed through Illinois State Board of Education											
Food Donation Program (Non-Cash Commodities) (M)	10.555	22-4299-00		52,984			52,984			52,984	n/a
Subtotal CFDA 10.555				1,895,266			1,895,266			1,895,266	
U.S. Department of Agriculture passed through Illinois State Board of Education											
Summer Food Service Program * (M)	10.559	21-4225-00	966,503	21,201	966,503		21,201			987,704	n/a
Subtotal CFDA 10.559			966,503	21,201	966,503		21,201			987,704	
Total Child Nutrition Cluster			966,503	1,916,467	966,503		1,916,467			2,882,970	
Subtotal CFDA "10"			966,503	1,916,467	966,503		1,916,467			2,882,970	
U.S. Department of Education passed through Illinois State Board of Education											
Title I - Low Income **	84.010	21-4300-00	43,633	97,735	43,633		97,735			141,368	221,218
Title I - Low Income **	84.010	22-4300-00		52,583			52,583			52,583	276,225
Subtotal CFDA 84.010			43,633	150,318	43,633		150,318			193,951	

Lake Zurich Community Unit School District No. 95
34-049-0950-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2022

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Year 7/1/20-6/30/21 (E)	Expenditure/Disbursements ⁴			Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/20-6/30/21 (C)	Year 7/1/21-6/30/22 (D)		Year 7/1/20-6/30/21 Pass through to Subrecipients	Year 7/1/21-6/30/22 (F)	Year 7/1/21-6/30/22 Pass through to Subrecipients			
Title II - Teacher Quality **	84.367	21-4932-00	51,798	1,147	51,798		1,147			52,945	84,463
Title II - Teacher Quality **	84.367	22-4932-00		75,490			75,490			75,490	109,089
Subtotal CFDA 84.367			51,798	76,637	51,798		76,637			128,435	
Title III - IEP **	84.365	21-4905-00		6,300			6,300			6,300	8,400
Title III - LIPLEP **	84.365	21-4909-00	27,101	23,276	27,101		23,276			50,377	52,960
Title III - LIPLEP **	84.365	22-4909-00		17,922			17,922			17,922	48,908
Subtotal CFDA 84.365			27,101	47,498	27,101		47,498			74,599	
Title IV, Part A - Student Support & Academic Enrichment **	84.424	21-4400-00	598	17,304	598		17,304			17,902	18,486
Title IV, Part A - Student Support & Academic Enrichment **	84.424	22-4400-00		550			550			550	12,747
Subtotal CFDA 84.424			598	17,854	598		17,854			18,452	
Covid-19 - Elementary and Secondary Emergency Relief Fund (M)	84.425D	21-4998-E2	33,600	558,343	33,600		558,343			591,943	607,482
Covid-19 ARP - LEA and COOP American Rescue Plan (M)	84.425U	22-4998-E3		52,629			52,629			52,629	1,369,478
Covid-19 - Elementary and Secondary Emergency Relief Fund * (M)	84.425D	22-4998-ER		13,786			13,786			13,786	13,806
Subtotal CFDA 84.425			33,600	624,758	33,600		624,758			658,358	
SPECIAL EDUCATION CLUSTER											
Special Education - IDEA Flow Through	84.027	21-4620-00	895,575	9,483	893,967		9,483			903,450	1,323,000
Special Education - IDEA Flow Through	85.027	21-4620-EI	78,130	0	71,659		6,471			78,130	153,600
Special Education - IDEA Flow Through	84.027	22-4620-00		1,174,716			1,144,998		29,718	1,174,716	1,739,087
Special Education - IDEA - Room & Board **	84.027	21-4625-00	217,121	96,921	217,121		96,921			314,042	n/a
Special Education - IDEA - Room & Board **	84.027	22-4625-00		274,403			274,403			274,403	n/a
Subtotal CFDA 84.027			1,190,826	1,555,523	1,182,747		1,532,276		29,718	2,744,741	

Lake Zurich Community Unit School District No. 95
34-049-0950-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2022

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Year 7/1/20-6/30/21 (E)	Expenditure/Disbursements ⁴			Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/20-6/30/21 (C)	Year 7/1/21-6/30/22 (D)		Year 7/1/20-6/30/21 Pass through to Subrecipients	Year 7/1/21-6/30/22 Pass through to Subrecipients	Year 7/1/21-6/30/22 Pass through to Subrecipients			
Special Education - Preschool	84.173	21-4600-00	20,044	-1,502	18,542		0			18,542	58,900
Special Education - Preschool	84.173	22-4600-00		54,319			54,319			54,319	61,422
Subtotal CFDA 84.173			20,044	52,817	18,542		54,319			72,861	
Total Special Education Cluster			1,210,870	1,608,340	1,201,289		1,586,595		29,718	2,817,602	
U.S. Department of Education passed through Lake County Area Vocational System											
V.E Perkins - Title IIC - Secondary	84.048	22-4745-00		16,432			16,432			16,432	16,432
Subtotal CFDA 84.048				16,432			16,432			16,432	
Total CFDA "84"			1,367,600	2,541,837	1,358,019		2,520,092		29,718	3,907,829	
MEDICAID CLUSTER											
U.S. Department of Health and Human Services											
Passed Through Illinois Department of Healthcare and Family Services											
Medicaid Matching Funds - Admin Outreach	93.778	22-4991-00		101,060			101,060			101,060	n/a
Subtotal CFDA 93.778				101,060			101,060			101,060	
Total Medicaid Cluster				101,060			101,060			101,060	
Total CFDA "93"				101,060			101,060			101,060	

Lake Zurich Community Unit School District No. 95
34-049-0950-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2022

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Year 7/1/20-6/30/21 (E)	Expenditure/Disbursements ⁴			Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/20-6/30/21 (C)	Year 7/1/21-6/30/22 (D)		Year 7/1/20-6/30/21 Pass through to Subrecipients	Year 7/1/21-6/30/22 Pass through to Subrecipients	Year 7/1/21-6/30/22 Pass through to Subrecipients			
Federal Communications Commission											
COVID-19 Emergency Connectivity Fund Program	32.009	22-4998-00		10,800			10,800			10,800	n/a
Total Federal Assistance			2,334,103	4,570,164	2,324,522		4,548,419		29,718	6,902,659	
* Project End 9/30											
** Project End 8/31											

- (M) Program was audited as a major program as defined by §200.518.

*Include the total amount provided to subrecipients from each Federal program. §200.510 (b)(4).

The accompanying notes are an integral part of this schedule.

-
- ¹ To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.
- ² When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.
- ³ When awards are received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included in the schedule. §200.510 (b)(2)
- ⁴ The Uniform Guidance requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in the schedule and suggests to include the amounts in the SEFA notes.

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

NOTE 1 - BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal award activity of Lake Zurich Community Unit School District No. 95 under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with requirements of the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in the schedule may differ from amounts presented in, and used in the preparation of, the basic financial statements.

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - INDIRECT COST RATE

The District has elected not to use the 10 percent de minimis indirect rate as allowed under the Uniform Guidance.

NOTE 4 - SUBRECIPIENTS

The District did not provide federal awards to subrecipients during the year ended June 30, 2022.

NOTE 5 - FEDERAL LOANS

There were no federal loans or loan guarantees outstanding at year end.

NOTE 6 - DONATED PERSONAL PROTECTIVE EQUIPMENT (PPE) (UNAUDITED)

The District was not a recipient of federally donated PPE.

LAKE ZURICH COMMUNITY UNIT SCHOOL DISTRICT NO. 95
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022

- 1) Summary of auditor's results:
 - a) The auditor's report expresses an unmodified opinion on whether the financial statements of Lake Zurich Community Unit School District No. 95 were prepared in accordance with GAAP.
 - b) No significant deficiencies are reported during the audit of the financial statements. No material weaknesses are reported.
 - c) No instances of noncompliance material to the financial statements of Lake Zurich Community Unit School District No. 95, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
 - d) No significant deficiencies in internal control over major federal award programs are reported during the audit of the financial statements. No material weaknesses in internal control over major federal award programs are reported.
 - e) The auditor's report on compliance for the major federal award programs for Lake Zurich Community Unit School District No. 95 expresses an unmodified opinion on all major federal programs.
 - f) There are no audit findings that are required to be reported in accordance with Uniform Guidance 2 CFR section 200.516(a).
 - g) The programs tested as major programs were: Child Nutrition Cluster (CFDA #10.555 and #10.559) and Covid-19 Elementary and Secondary Emergency Relief Fund (CFDA #84.425D and 84.425U).
 - h) The threshold used for distinguishing between Type A and Type B programs was \$750,000.
 - i) Lake Zurich Community Unit School District No. 95 was determined to be a low-risk auditee.
- 2) There were no findings related to the financial statements which are required to be reported.
- 3) There were no findings related to federal awards which are required to be reported.

Lake Zurich Community Unit School District No. 95
34-049-0950-26
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2022

SECTION II - FINANCIAL STATEMENT FINDINGS

1. FINDING NUMBER:¹¹ 2022 - NONE 2. THIS FINDING IS: ☐ New ☐ Repeat from Prior Year?
Year originally reported? _____

3. Criteria or specific requirement

4. Condition

5. Context¹²

6. Effect

7. Cause

8. Recommendation

9. Management's response¹³

¹¹ A suggested format for assigning reference numbers is to use the digits of the fiscal year being audited followed by a numeric sequence of findings. For example, findings identified and reported in the audit of fiscal year **2021** would be assigned a reference number of **2021-001, 2021-002**, etc. The sheet is formatted so that only the number need be entered (1, 2, etc.).

¹² Provide sufficient information for judging the prevalence and consequences of the finding, such as relation to universe of costs and/or number of items examined and quantification of audit findings in dollars.

¹³ See §200.521 *Management decision* for additional guidance on reporting management's response.

Lake Zurich Community Unit School District No. 95

34-049-0950-26

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ending June 30, 2022

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER:¹⁴ **2022 - NONE** 2. THIS FINDING IS: ☐ New ☐ Repeat from Prior year?
Year originally reported? _____

3. Federal Program Name and Year: _____

4. Project No.: _____ 5. CFDA No.: _____

6. Passed Through: _____

7. Federal Agency: _____

8. Criteria or specific requirement (including statutory, regulatory, or other citation) _____

9. Condition¹⁵ _____

10. Questioned Costs¹⁶ _____

11. Context¹⁷ _____

12. Effect _____

13. Cause _____

14. Recommendation _____

15. Management's response¹⁸ _____

¹⁴ See footnote 11.

¹⁵ Include facts that support the deficiency identified on the audit finding (§200.516 (b)(3)).

¹⁶ Identify questioned costs as required by §200.516 (a)(3 - 4).

¹⁷ See footnote 12.

¹⁸ To the extent practical, indicate when management does not agree with the finding, questioned cost, or both.

Lake Zurich Community Unit School District No. 95
34-049-0950-26
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS¹⁹
Year Ending June 30, 2022

[If there are no prior year audit findings, please submit schedule and indicate **NONE**]

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u> ²⁰
2021-001	During the audit it was determined that for fiscal year 2021 incorrect rates were used for claiming meal reimbursements.	District submitted corrections for the questioned costs. Procedures were implemented to ensure review of claims by someone other than the person submitting the claims.
2021-002	During the audit it was determined that for one of the days selected for testing, the number of meals on the summary reports prepared by grant personnel, and used to submit claims for reimbursement, did not match the number of meals on the tally sheets prepared while serving the meals.	Management improved their monitoring procedures to ensure that any discrepancies are caught and corrected promptly.

When possible, all prior findings should be on the same page

¹⁹ Explanation of this schedule - §200.511 (b)

²⁰ Current Status should include one of the following:

- A statement that corrective action was taken
- A description of any partial or planned corrective action
- An explanation if the corrective action taken was significantly different from that previously reported or in the management decision received from the pass-through entity.