

**West Northfield School District 31  
Northbrook, Illinois**

**Annual Financial Report**

**Year Ended June 30, 2022**

**West Northfield School District 31**  
**ANNUAL FINANCIAL REPORT**  
For the Year Ended June 30, 2022

**TABLE OF CONTENTS**

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	<u>Page</u>
<b>Independent Auditors' Report</b>	1 - 5
<b>Management's Discussion and Analysis (Unaudited)</b>	6 - 16
<b>Basic Financial Statements</b>	
Government-wide Financial Statements	
Statement of Net Position - Governmental Activities	17
Statement of Activities	18
Fund Financial Statements	
Balance Sheet - Governmental Funds	19 - 20
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	21 - 22
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	23 - 24
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25 - 26
Notes to the Financial Statements	27 - 76
<b>Required Supplementary Information (Unaudited)</b>	
Multiyear Schedule of Changes in Net Pension Liability (Asset) and Related Ratios - Illinois Municipal Retirement Fund	77 - 78
Multiyear Schedule of Contributions - Illinois Municipal Retirement Fund	79
Multiyear Schedule of the District's Proportionate Share of the Net Pension Liability - Teachers' Retirement System of the State of Illinois	80 - 81
Multiyear Schedule of District Contributions - Teachers' Retirement System of the State of Illinois	82 - 83
Multiyear Schedule of Changes in Total Other Postretirement Benefits (OPEB) Liability and Related Ratios - Retiree Health Plan	84 - 85
Multiyear Schedule of the District's Proportionate Share of the Net Other Postemployment Benefit (OPEB) Liability - Teachers' Health Insurance Security Fund	86 - 87
Multiyear Schedule of District Contributions - Teachers' Health Insurance Security Fund	88 - 89
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund - Budgetary Basis	90 - 100
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Operations and Maintenance Fund	101 - 102
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Transportation Fund	103 - 104
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Municipal Retirement/Social Security Fund	105 - 107
Notes to the Required Supplementary Information	108 - 112

(Continued)

**West Northfield School District 31**  
ANNUAL FINANCIAL REPORT  
For the Year Ended June 30, 2022

**TABLE OF CONTENTS**

---

	<u>Page</u>
<b>Supplementary Financial Information</b>	
Combining Balance Sheet - General Fund	113
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - General Fund	114 - 115
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Debt Service Fund	116 - 117
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Capital Projects Fund	118 - 119
<b>Other Supplemental Information (Unaudited)</b>	
Property Tax Rates - Levies and Collections - Last Five Tax Levy Years	120

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education  
West Northfield School District 31  
Northbrook, Illinois

**Report on the Audit of the Financial Statements**

**Opinions**

We have audited the financial statements of the governmental activities and each major fund of West Northfield School District No. 31 (The "District") , as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the West Northfield School District No. 31's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of June 30, 2022, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

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

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**Responsibilities of Management for the Financial Statements (Continued)**

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the West Northfield School District No. 31'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 West Northfield School District No. 31'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.

(Continued)

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### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 16, the Illinois Municipal Retirement Fund and Teachers' Retirement System of the State of Illinois Pension data on pages 77 through 83, the other postemployment benefits data on pages 84 through 89, and the budgetary comparison schedules and notes to the required supplementary information on pages 90 through 112 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 for the year ended June 30, 2022 was conducted for the purpose of forming opinions on the financial statements that collectively comprise West Northfield School District No. 31's basic financial statements. The accompanying supplementary information, as listed in the table of contents, for the year ended June 30, 2022 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2022 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 accompanying supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2022.

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**Supplementary Information** (Continued)

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District as of and for the year ended June 30, 2021 (not presented herein), and have issued our report thereon dated November 17, 2021 which contained unmodified opinions on the respective financial statements of the governmental activities, and each major fund. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund and Debt Service Fund with comparative actual amounts for the year ended June 30, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for Capital Projects Fund and Debt Service Fund have been subjected to the auditing procedures applied in the audit of the 2021 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or to those 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 Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund and Debt Service Fund are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2021.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the Other Supplemental Information but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 West Northfield School District No. 31'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 West Northfield School District No. 31's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.

*Miller, Cooper & Co., LTD.*

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Certified Public Accountants

Deerfield, Illinois  
December 2, 2022



# **West Northfield School District 31**

## **Management's Discussion and Analysis (Unaudited)**

### **For the Year Ended June 30, 2022**

The management discussion and analysis of West Northfield School District 31'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. Amounts in this section are expressed in thousands of dollars, unless otherwise indicated.

#### **Financial Highlights**

- In the Schedule of Revenues, Expenditures, and Changes in Fund Balances, the General Fund Revenues, which includes the Education, Working Cash, and Tort accounts, increased \$3,269 or 19.8% over the prior year. The general revenues related to local sources increased by \$2,542 and accounted for \$16,625 or 84% of total General Fund Revenues (excluding the effect of on behalf payments). This increase was mainly due to the additional federal funding provided through the ESSER grants, which increased from the prior year's amount of \$280 to \$1,546. Reimbursements received from participation in the food service programs extended from the prior year due to COVID, and a 79% increase in Corporate Personal Property Replacement Taxes supported this increase. Please note - there was a similar increase in expenses related to this food service program.
- In the General Fund, a surplus of \$872 was recognized compared to a deficiency in the prior year of \$811. This is due to increased revenues, which offset the increases in expenses, such as the 38% increase for special education programs, the implementation of the preschool program, and the 6.2% increase for instructional programs. The District was also able to bring back more of the interscholastic programs due to a well-managed COVID procedures plan. The cost related to regular programs salaries and benefits alone increased by 8% for FY22. Increases were also seen for purchased services and supplies as the District invested in providing the safest environment for in person learning. Percentages for in-person attendance returned to normal levels.
- This same schedule for Operations and Maintenance (O&M) reports a decline in revenues of 8%, which was due to lower tax receipts and rental income. O&M also experienced a 3.4% increase in expenses, which resulted in a net reduction of the fund balance of 25%. Transportation Fund revenues were almost identical to the prior year while expenses increased 46% due to a return to a more typical level of bus riders. This fund balance decreased by 5.4% from the prior year. The fund balances for IMRF/SS increased significantly as funds from CPPRT were allocated to support the additional costs. Overall, the General Fund's fund balance increased from the prior year by 7.4% due to a 14.9% increase in the Education Fund's fund balance and a minute increase in the Working Cash balance.
- The General Fund's Combining Balance Sheet at June 30<sup>th</sup>, 2022 reports \$16,004 in assets for the Education Account and \$5,932 for the Working Cash Account for a total of \$21,936. This reflects a 11.8% increase from FY21. Cash and Investments equate to 56.8% of total assets. Land, building, and construction are not included in these numbers. Liabilities and Deferred Inflows amount to \$9,274 with the remaining fund balance at \$12,662. Of this \$12,662, 99.6% of these dollars are unassigned.
- The 2021-2022 fiscal year marks the last year that leases will be included as a sub-fund in the Debt Service accounts. A higher amount of CPPRT was used to address lease payments. This resulted in artificial surplus of revenues over expenditures in debt service versus the deficit created last year. The District's General Obligation Bonds interest and principal payments are managed solely through the Debt Service Extension Base.
- The District's 2021 tax rate increased to 3.174 from 2.672. This includes the debt service rate of 0.1447 and the new levy adjustment rate created by P.A. 102-0519, which is 0.2519. The Assessed Valuation of the property within its boundaries declined by \$47,210, which is just over 7% from the prior year. The majority of this decrease is attributed to the 6.8% decrease in the equalization factor used by Cook County.

# **West Northfield School District 31**

## **Management's Discussion and Analysis (Unaudited)**

### **For the Year Ended June 30, 2022**

#### **Financial Highlights** (Continued)

- The estimated operating expense per pupil (OEPP) increased 6.5% from the prior year, and stands at \$22,530 per pupil.
- The per capita tuition charge (PCTC) increased 4.9% over the previous year, landing at \$19,778. This year's Average Daily Attendance was 849.44 compared to last year's 820.10.

#### **Overview of the Financial Statements**

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

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

This report also contains required supplementary information, supplementary financial information, and other supplemental 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 – Governmental Activities presents information on all of the District's assets, deferred outflows of resources, 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 for government activities presents information showing how the government's net position has changed during the fiscal year being reported. All changes in the 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.

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

#### *Fund financial statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are governmental funds.

# **West Northfield School District 31**

## **Management's Discussion and Analysis (Unaudited)**

### **For the Year Ended June 30, 2022**

#### **Overview of the Financial Statements (Continued)**

##### *Fund financial statements (Continued)*

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds 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 funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund (Educational Account, Tort Immunity and Judgment Account, and Working Cash Account), Operations and Maintenance, Transportation, Municipal Retirement/Social Security, Debt Service, and Capital Projects, all of which are considered to be major funds.

##### *Notes to the basic financial statements*

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

##### *Other information*

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning pension data related to the Illinois Municipal Retirement Fund (IMRF), the Teachers' Retirement System (TRS), other postemployment benefit liabilities and budgetary comparison schedules, as well as supplementary financial information and other supplemental information.

The District implemented Government Accounting Standards Board Statement No. 87, *Leases*, for the year ending June 30, 2022. This statement required the District to recognize a lease liability and an intangible right to use asset. See notes to the financial statements for additional information.

#### **District-Wide Financial Analysis**

In the Statement of Net Position for Governmental Activities, cash and investments increased from \$15,273 as of June 30, 2021 to \$16,159 as of June 30, 2022, which reflects a 5.8% increase. Total assets, which includes capital assets such as land and depreciable buildings, property and equipment, increased by 6.4%.

Current liabilities as of June 30, 2022 were \$552, or 4.3% lower than the prior year at this time. This is mainly due to the status of the accounts payables to vendors as FY22 reports a 42% decrease. Of the \$20,519 total liabilities, which is 10.9% lower than last year, 94% is due after one year. This liability is composed primarily of the District's outstanding Working Cash bond balances for projects funded with the 2018 bond issuance, pension liabilities for TRS and IMRF, and THIS (other postemployment health insurance).

**West Northfield School District 31**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2022**

**District Wide Financial Analysis (Continued)**

Deferred outflows of resources (actuarial losses) including pensions and other postemployment benefits are reported at \$605 for the current year compared to \$1,020 at June 30, 2021. Deferred inflows related to pensions, other postemployment benefits, and taxes levied for a future period increased from last year by 25.5% to \$15,823. The outflows are offset by the deferred inflows (actuarial gains) which over time net to zero. The changes in these two line items depend, in part, on the outcome of the rate of return on investments for the pension systems.

Total assets increased 6.4%. During FY21 and FY22, there was no construction in progress as all capital projects had been completed within the timeframe recommended as best practice when utilizing tax exempt bond funds. These factors combined, result in a change of 23.6% for the District's Total Net Position, from a balance of \$6,394 at June 30, 2021 to \$7,902 at June 30, 2022.

<b>TABLE 1:</b>		
<b>Condensed Statements of Net Position</b>		
<b>(in thousands of dollars)</b>		
	<u><b>2022</b></u>	<u><b>2021</b></u>
<b>Assets:</b>		
<b>Current and other assets</b>	\$28,556	\$25,033
<b>Capital Assets, net</b>	<u>15,083</u>	<u>15,990</u>
<b>Total Assets</b>	<u>43,639</u>	<u>41,023</u>
<b>Deferred Outflow of Resources:</b>		
<b>Pension liabilities</b>	176	641
<b>Other postemployment benefits</b>	<u>429</u>	<u>379</u>
<b>Total Deferred Outflow of Resources</b>	<u>605</u>	<u>1,020</u>
<b>Liabilities:</b>		
<b>Current Liabilities</b>	552	577
<b>Long-term Liabilities</b>	<u>19,967</u>	<u>22,466</u>
<b>Total Liabilities</b>	<u>20,519</u>	<u>23,043</u>
<b>Deferred Inflow of Resources:</b>		
<b>Pension liabilities</b>	1,437	1,491
<b>Other postemployment benefits liabilities</b>	3,790	2,181
<b>Property taxes levied for a future period</b>	<u>10,596</u>	<u>8,934</u>
<b>Total Deferred Inflow of Resources</b>	<u>15,823</u>	<u>12,606</u>
<b>Net Position:</b>		
<b>Net investment in capital assets</b>	5,651	5,983
<b>Restricted</b>	3,741	3,517
<b>Unrestricted</b>	<u>(1,490)</u>	<u>(3,106)</u>
<b>Total Net Position</b>	<b>\$ 7,902</b>	<b>\$ 6,394</b>

**West Northfield School District 31**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2022**

**District Wide Financial Analysis (Continued)**

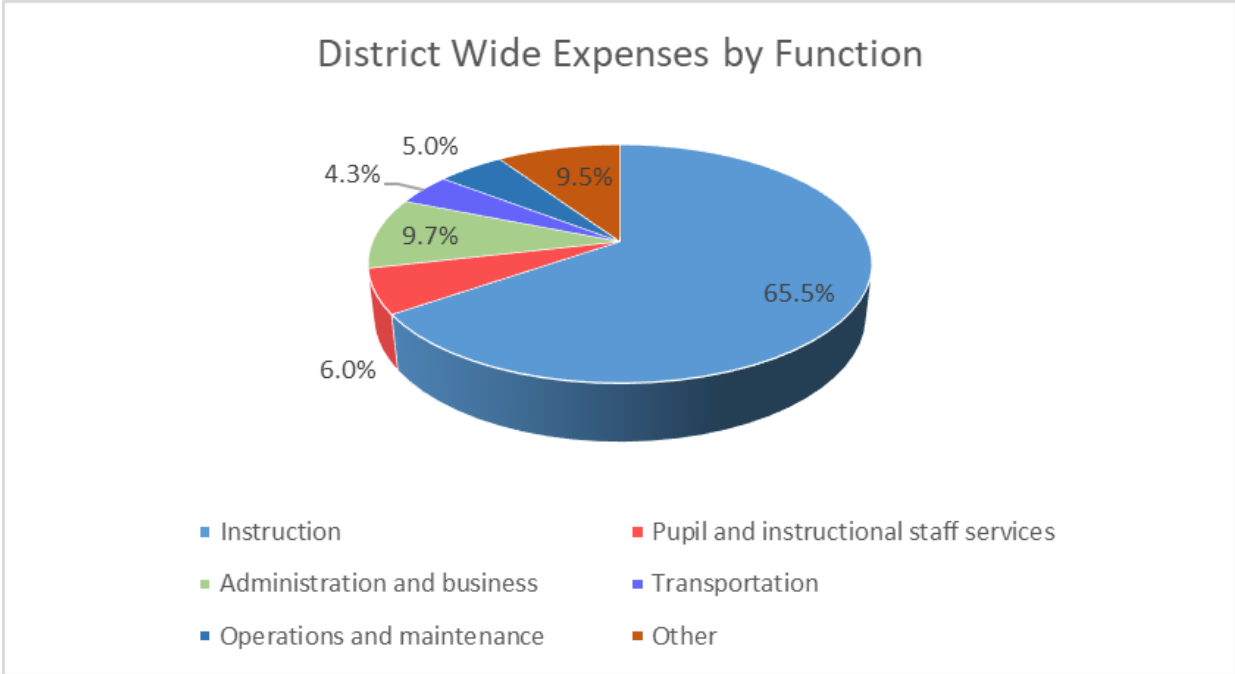
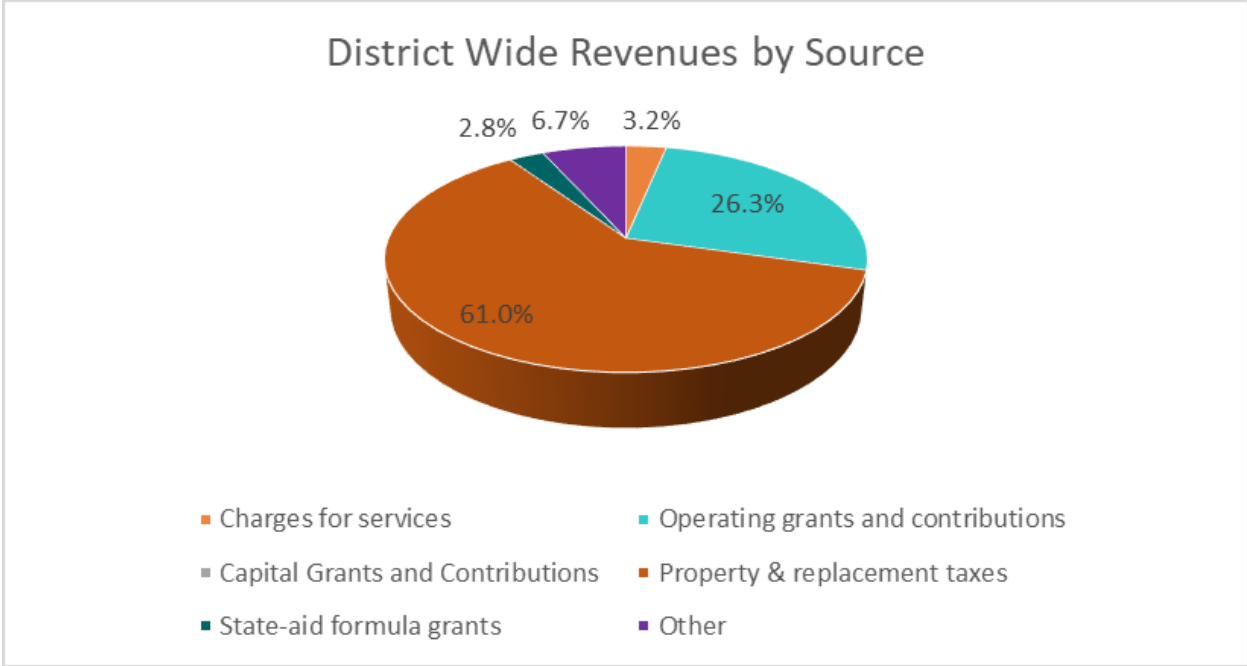
The charts below represents the governmental activity revenues. This view of the revenues has the property and replacement taxes bringing in 61% of the revenues for fiscal year 2021-2022 compared to 58.24% the prior year. When compared to the General Revenues, the percentage is much higher. Of the remaining revenues, the second largest components were comprised of operating grants and contributions, which were 21.9% lower than the prior year. This is due to the inclusion of the state retirement contributions. These contributions were \$4,984 for FY22 and \$7,786 for FY21. This reflects a 36% decrease.

The total cost of programs was \$27,439 for the current year was very similar to the prior year. Instructional expenses were 9.7% lower the current year as the District had reduced class sizes and added additional staff in the 2020-2021 school year to safely bring back in person learning to the buildings. For the 2021-2022 school year, the District adjusted these levels as we returned to a more typical setting.

<b>TABLE 2:</b>		
<b>Statement of Activities – Governmental Activities</b>		
<b>(in thousands of dollars)</b>		
	<b><u>2022</u></b>	<b><u>2021</u></b>
<b>Revenues:</b>		
<b>Program Revenues:</b>		
Charges for services	\$ 932	\$ 535
Operating grants and contributions	7,605	9,741
<b>General Revenues:</b>		
Property & replacement taxes	17,661	16,321
State-aid formula grants	807	806
Other	<u>1,942</u>	<u>621</u>
<b>Total Revenues</b>	<b><u>28,947</u></b>	<b><u>28,024</u></b>
<b>Expenses:</b>		
Instruction	17,965	19,895
Pupil and instructional staff services	1,628	1,526
Administration and business	2,652	2,933
Transportation	1,180	809
Operations and maintenance	1,409	1,322
Other	<u>2,605</u>	<u>2,086</u>
<b>Total Expenses</b>	<b><u>27,439</u></b>	<b><u>27,602</u></b>
<b>Increase (decrease) in net position</b>	<b>\$ 1,508</b>	<b>\$(547)</b>

**West Northfield School District 31  
Management's Discussion and Analysis (Unaudited)  
For the Year Ended June 30, 2022**

**District Wide Financial Analysis (Continued)**



# **West Northfield School District 31**

## **Management's Discussion and Analysis (Unaudited)**

### **For the Year Ended June 30, 2022**

#### **Financial Analysis of the District's Funds**

The financial performance of the District as a whole is reflected in its government funds. At year-end, the District's Balance Sheet reported the total fund balance for governmental funds at \$16,438. This reflects a 7.1% increase when compared to last year's \$15,348.

#### **General Fund Budgetary Highlights**

The General Fund consists of activity related to the Education, Working Cash, and Tort Immunity and Judgment Accounts. Beginning with last Fiscal Year 2021, the General Fund also includes the Student Activity Funds.

The District used the remaining fund balance in the Tort Immunity account as reported in the 2021-2022 to eliminate the minimal amount of fund balance. The General Fund's focus is directed to the Education and Working Cash funds. Though the Working Cash Fund accumulates very minimal amounts of revenues through the levy process and interest earned, it has incurred no expenses, such as transfers or abatements. This fund, along with the Education Fund, represent the vast majority of fund balance and activity from the operating funds.

In this year's General Fund Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance, the need for a transfer of funds, or abatement, from the working cash account was not needed.

The General Fund also reports increased revenues from \$20,819 to \$25,232 for these two funds. This includes property and replacement taxes, state and federal aid, interest, and other receipts. For the 2021-22 fiscal year, the "other" revenue is much higher than normally experienced due to the reimbursement of tax refunds that was best recorded in this category. This was due to the fact that they did not originate from the county as a reimbursement but from the taxpayer.

A significant increase in Federal Aid needs to be highlighted, as well. Additional federal funding was available to the District with the emergency relief funds. These more current grants are referred to as the ESSER I & II (Emergency Relief Funding), and were used for expenses approved for the 2021-2022 and part of the 2022-2023 fiscal years.

#### **Capital Assets and Debt Administration**

##### *Capital assets*

After a few years of numerous building improvements, 2022 marks the second year of no construction in progress and a 6% decline in net capital assets. Total capital assets being depreciated and amortized at June 30, 2022 is \$33,768 less \$18,766 of accumulated depreciation and amortization which brings the total from \$15,990 in FY21 to \$15,083 in FY22. Additional detailed information on capital assets is available in Note D.

**West Northfield School District 31**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2022**

**Capital Assets and Debt Administration (Continued)**

*Capital assets (Continued)*

<b>TABLE 3:</b>		
<b>Capital Assets (net of depreciation)</b>		
<b>(in thousands of dollars)</b>		
	<u><b>2022</b></u>	<u><b>2021</b></u>
<b>Land</b>	\$ 81	\$ 81
<b>Depreciable Buildings, property and equipment, net</b>	14,887	15,909
<b>Right to use leased assets, net of amortization</b>	<u>115</u>	<u>-</u>
<b>Total</b>	<b>\$15,083</b>	<b>\$15,990</b>

*Long-term liabilities*

The District's long-term liabilities decreased 11%, to \$19,967. This is primarily due to the bonded debt decrease of 3.8% from the prior year as general obligations bonds were reduced by \$440. Capital lease liability decreased 52.4% which reflects a reduction of \$56. The compensated absence liability decreased by 18%, or \$15. This is due to the decreased number of vacation days employees were unable to use by June 30<sup>th</sup>, as we returned to a more normal state of activity. The District's THIS OPEB liability has decreased by 20%. TRS and IMRF net pension liabilities experienced quite different changes over the year due to the effects of investment income, discount rates, and other variables. The IMRF net pension liability at June 30, 2021 remained as an asset at June 30, 2022 due to the Plan Fiduciary Net Position.

Additional detailed information on long-term liabilities is available in Note E.

<b>TABLE 4:</b>		
<b>Outstanding Long-Term Liabilities</b>		
<b>(in thousands of dollars)</b>		
	<u><b>2022</b></u>	<u><b>2021</b></u>
<b>General obligation bonds</b>	\$10,970	\$11,410
<b>Finance Purchase</b>	60	139
<b>Unamortized premium</b>	221	242
<b>Capital leases</b>	177	233
<b>RHP OPEB</b>	177	71
<b>Compensated absences</b>	68	83
<b>THIS OPEB</b>	7,510	9,392
<b>TRS net pension liability</b>	<u>784</u>	<u>896</u>
<b>Total</b>	<b>\$19,967</b>	<b>\$22,466</b>



**West Northfield School District 31**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2022**

**Factors bearing on the District's Future**

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

- The District continues to monitor the impact the current economic climate has on its finances. Following an unprecedented year with a school shutdown in March of 2020 for all Illinois public school students, FY21 required commitment and creativity to manage a challenging year. The District was successful in that endeavor. The same attention to detail was provided for FY22, in order to best meet the newest needs for students. The 2022-2023 school year has returned attendance and activities to its normal levels and 100% of the students are in person. The use of federal grants, including the ESSER funding, assisted the District with keeping the financial condition of the District on solid ground.
- Again, for this year, the improved level of funding of Corporate Personal Property Replacement Taxes (CPPRT), is to remain similar to last year's level. This will again support the District with the costs to the "return to normal" status. CPPRT funding is based on revenues collected by the state and paid to local governments to replace dollars lost when their powers to tax certain entities were taken away. The funding is based on a percentage of their Illinois net income for corporations, partnerships, trusts, S corporations, and public utilities. The level of distributions for this year remains at one of the highest levels for well over ten years.
- Efforts to minimize any financial impact of larger property tax appeals or other property tax reductions remains a top priority for the District. The efforts will continue to avoid large tax refunds as this process has provided financial stability for the District. Recognizing potential revenue losses in a timely manner, has greatly mitigated, and in some cases, eliminated the possibility of negative outcomes.
- The District's largest commercial taxpayer has sold most of their property to an industrial warehousing company. This was reported as being in their best interest since the move to remote work conditions grew significantly. This space is to be utilized as a distribution center, along with other potential tenants. The District views this sale optimistically as it may provide for a more stable tax base.
- In addition to PTABs, the District remains diligent in working through other potential property tax losses in an effort to protect the District's resources.
- During the 2013 tax year, the Astellas Corporation exercised the first year of its 7(b) tax incentive which was awarded through the Village of Glenview. Normally, commercial property is assessed at 25% of market value, plus the equalization factor. Property receiving a 7(b) tax incentive is assessed at 10% of the market value for the first ten years, 15% for year eleven, and 20% in year twelve, plus the equalization factor. The 2022 tax year will mark the intended last year of the 10% rate of assessment.
- The District continued to receive impact fees from the RED SEAL development on the Mission Hills Golf Course called Provenance, in Northbrook, during the 2021-2022 school year. Again, this year, the sales of homes in the development continued. At this point, all 137 residential homes have been sold.
- The Parkside Development, by Lexington Homes, has been successful in selling most of the homes. This District has continued to receive impact fees from the development. These homes have also sold at a robust rate as they are close to having all sold.

**West Northfield School District 31**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2022**

**Factors bearing on the District's Future (Continued)**

- The District participates with various cooperatives, including health insurance, worker's compensation, and property/liability insurance. This participation reflects an effort to continually best manage costs, while protecting the District's assets. These programs provide many cost savings initiatives as well as provide protection from wide swings in the insurance marketplace, which is especially important for a smaller sized District. Cyber Security and Pollution insurance are also important coverages the District participates in, from the same cooperative.
- The District's financial management strategy continues to include efforts to maintain consistency within its Debt Service Extension Base (DSEB) while evaluating the needs of the students, staff, and community. This includes continuing the process of implementing improvements to the learning environment and maintaining a strong, fiscally responsible position. This goal has been solidified in the District's most recent **Strategic Plan**, approved by the Board of Education. The strategy is intended to ensure that resources are expended in an equitable and fiscally responsible manner to maximize opportunities for all learners including access to leading-edge technology and responsive learning environments.
- In addition to maintaining its financial well-being, the **Strategic Plan** goals also include the further advancement of:
  - continuing growth for stronger family and community partnerships
  - cultivating professional practices and shared leadership
  - fostering a healthy, supportive learning environment meeting the needs of all learners
  - demonstrating academic and social emotional growth to increase student achievement
  - providing a culture of fiscal responsibility and intentional spending to best support the needs of the students
- This District continues to monitor the state policies and potential and/or realized changes with legislation, mainly those involving pension changes, state and federal funding, and property taxes. State funding, or Evidence Based Funding, which includes payments based on individual districts' needs in regards to low-income, English Learners, and special education students, will remain at its current level, with very minor increases since the District is considered well-funded and identified as a Tier IV district.
- The District participates with various cooperatives, including health insurance, worker's compensation, and property/liability insurance. In addition to its regular liability coverage, the District purchases pollution and cyber liability coverage. The need for cyber liability coverage has grown significantly as the number of breaches continues to escalate. This participation reflects an effort to continually best manage costs, while protecting the District's assets, including protecting information within our program applications. The insurance programs provide many cost savings initiatives as well as provide protection from wide swings in the insurance marketplace, which is especially important for a smaller sized district.

**West Northfield School District 31**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2022**

**Requests for Information**

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the dollars it receives.

If you have questions about this report, or need additional financial information, contact the District's Assistant Superintendent for Finance and Operations/CSBO, at 847-313-4413.

## **BASIC FINANCIAL STATEMENTS**

**West Northfield School District 31**  
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES  
June 30, 2022

<b>ASSETS</b>	
Cash and investments	\$ 16,158,634
Receivables (net of allowance for uncollectibles)	
Interest	9,766
Property taxes	10,640,136
Replacement taxes	213,194
Intergovernmental	503,125
Prepaid items	31,287
Net pension asset	999,998
Capital assets:	
Land	81,393
Depreciable buildings, property, and equipment, net of depreciation	14,886,527
Right to use leased assets, net of amortization	<u>115,219</u>
Total assets	<u>43,639,279</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows related to pensions	175,654
Deferred outflows related to other postemployment benefits	<u>429,201</u>
Total deferred outflows	<u>604,855</u>
<b>LIABILITIES</b>	
Accounts payable	128,085
Other current liabilities	49,287
Interest payable	36,032
Unearned revenue	338,696
Long-term liabilities:	
Due within one year	646,254
Due after one year	<u>19,320,507</u>
Total liabilities	<u>20,518,861</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property taxes levied for a future period	10,595,421
Deferred inflows related to pensions	1,437,296
Deferred inflows related to other postemployment benefits	<u>3,790,393</u>
Total deferred inflows	<u>15,823,110</u>
<b>NET POSITION</b>	
Net investment in capital assets	5,651,289
Restricted for:	
Operations and maintenance	656,857
Debt service	1,451,879
Retirement benefits	321,482
Student transportation	827,950
Capital projects	482,292
Unrestricted	<u>(1,489,586)</u>
Total net position	<u>\$ 7,902,163</u>

The accompanying notes are an integral part of this statement.

## West Northfield School District 31

### STATEMENT OF ACTIVITIES For the Year Ended June 30, 2022

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses)
		Charges for	Operating	Revenue and
		Services	Grants and	Changes in
			Contributions	Net Position
Governmental activities				
Instruction:				
Regular programs	\$ 7,285,942	\$ 782,599	\$ 1,669,220	\$ (4,834,123)
Special programs	4,111,209	-	263,090	(3,848,119)
Other instructional programs	1,576,671	-	17,005	(1,559,666)
State retirement contributions	4,984,864	-	4,984,864	-
Support services:				
Pupils	760,779	-	1,889	(758,890)
Instructional staff	867,127	-	19,740	(847,387)
General administration	931,782	-	-	(931,782)
School administration	844,258	-	-	(844,258)
Business	882,392	-	370,600	(511,792)
Transportation	1,179,871	142,513	278,171	(759,187)
Operations and maintenance	1,408,729	6,550	-	(1,402,179)
Central	612,486	-	-	(612,486)
Community services	20,463	-	-	(20,463)
Interest and fees	388,406	-	-	(388,406)
Unallocated depreciation and amortization	1,584,238	-	-	(1,584,238)
	<u>\$ 27,439,217</u>	<u>\$ 931,662</u>	<u>\$ 7,604,579</u>	<u>(18,902,976)</u>
Total governmental activities				
General revenues:				
Taxes:				
				13,753,752
				1,835,063
				770,634
				1,301,244
				807,395
				22,369
				<u>1,921,116</u>
				<u>20,411,573</u>
				1,508,597
				<u>6,393,566</u>
				\$ <u>7,902,163</u>

The accompanying notes are an integral part of this statement.

## West Northfield School District 31

Governmental Funds

BALANCE SHEET

June 30, 2022

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
<b>ASSETS</b>				
Cash and investments	\$ 12,457,933	\$ 671,722	\$ 888,253	\$ 146,822
Receivables (net of allowance for uncollectibles):				
Interest	9,766	-	-	-
Property taxes	8,963,984	639,583	399,542	157,395
Replacement taxes	39,194	-	-	174,000
Intergovernmental	433,583	-	69,542	-
Prepaid items	31,287	-	-	-
	<u>31,287</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 21,935,747</u>	<u>\$ 1,311,305</u>	<u>\$ 1,357,337</u>	<u>\$ 478,217</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 60,142	\$ 17,525	\$ 43,166	\$ -
Other current liabilities	30,795	27	-	-
Unearned revenue	250,337	-	88,359	-
	<u>250,337</u>	<u>-</u>	<u>88,359</u>	<u>-</u>
Total liabilities	<u>341,274</u>	<u>17,552</u>	<u>131,525</u>	<u>-</u>
<b>DEFERRED INFLOWS</b>				
Unavailable interest revenue	6,601	-	-	-
Property taxes levied for a future period	8,926,312	636,896	397,862	156,735
	<u>8,926,312</u>	<u>636,896</u>	<u>397,862</u>	<u>156,735</u>
Total deferred inflows	<u>8,932,913</u>	<u>636,896</u>	<u>397,862</u>	<u>156,735</u>
<b>FUND BALANCES</b>				
Nonspendable	31,287	-	-	-
Restricted	-	656,857	827,950	321,482
Assigned	23,596	-	-	-
Unassigned	12,606,677	-	-	-
	<u>12,606,677</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>12,661,560</u>	<u>656,857</u>	<u>827,950</u>	<u>321,482</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 21,935,747</u>	<u>\$ 1,311,305</u>	<u>\$ 1,357,337</u>	<u>\$ 478,217</u>

The accompanying notes are an integral part of this statement.

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Debt Service	Capital Projects	Total
\$ 1,485,895	\$ 508,009	\$ 16,158,634
-	-	9,766
479,632	-	10,640,136
-	-	213,194
-	-	503,125
<u>-</u>	<u>-</u>	<u>31,287</u>
<u>\$ 1,965,527</u>	<u>\$ 508,009</u>	<u>\$ 27,556,142</u>
\$ -	\$ 7,252	\$ 128,085
-	18,465	49,287
<u>-</u>	<u>-</u>	<u>338,696</u>
<u>-</u>	<u>25,717</u>	<u>516,068</u>
-	-	6,601
<u>477,616</u>	<u>-</u>	<u>10,595,421</u>
<u>477,616</u>	<u>-</u>	<u>10,602,022</u>
-	-	31,287
1,487,911	482,292	3,776,492
-	-	23,596
<u>-</u>	<u>-</u>	<u>12,606,677</u>
<u>1,487,911</u>	<u>482,292</u>	<u>16,438,052</u>
<u>\$ 1,965,527</u>	<u>\$ 508,009</u>	<u>\$ 27,556,142</u>



**West Northfield School District 31**  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET POSITION  
June 30, 2022

---

Total fund balances - total governmental funds \$ 16,438,052

Amounts reported for governmental activities in the statement of net position are different because:

Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds. 15,083,139

Certain revenues receivable by the District and recognized in the statement of net position do not provide current financial resources and are reported as deferred inflows of resources in the governmental funds. 6,601

The net pension asset resulting from the IMRF plan fiduciary net position exceeding the total pension liability is not a financial resource and therefore is not reported in the governmental funds balance sheet. 999,998

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:

Deferred outflows of resources related to pensions	175,654
Deferred inflows of resources related to pensions	(1,437,296)

Deferred outflows and inflows of resources related to other postemployment benefits (OPEB) are applicable to future periods and, therefore, are not reported in the governmental funds:

Deferred outflows of resources related to OPEB	429,201
Deferred inflows of resources related to OPEB	(3,790,393)

Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds:

General obligation bonds	\$ (10,970,000)	
Unamortized bond premiums	(220,966)	
Lease liabilities	(236,885)	
Compensated absences	(67,889)	
TRS net pension liability	(784,207)	
RHP total other postemployment benefit liability	(176,796)	
THIS net other postemployment benefit liability	<u>(7,510,018)</u>	(19,966,761)

The accompanying notes are an integral part of this statement. (Continued)

**West Northfield School District 31**  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET POSITION  
June 30, 2022

---

Interest on long-term liabilities (interest payable) accrued in the statement of net position will not be paid with current financial resources and, therefore, is not recognized in the governmental funds balance sheet.	\$ <u>(36,032)</u>
Net position of governmental activities	\$ <u><u>7,902,163</u></u>

The accompanying notes are an integral part of this statement.

(Concluded)

## West Northfield School District 31

Governmental Funds

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2022

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
<b>Revenues</b>				
Property taxes	\$ 13,753,752	\$ 953,107	\$ 626,094	\$ 255,862
Replacement taxes	687,234	-	-	339,000
State aid	6,236,451	-	278,171	-
Federal aid	2,309,487	-	-	-
Interest	16,836	-	-	-
Other	<u>2,167,048</u>	<u>151,335</u>	<u>227,984</u>	<u>42,834</u>
Total revenues	<u>25,170,808</u>	<u>1,104,442</u>	<u>1,132,249</u>	<u>637,696</u>
<b>Expenditures</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular programs	7,835,466	-	-	115,386
Special programs	2,027,519	-	-	48,709
Other instructional programs	1,596,058	-	-	28,578
State retirement contributions	5,396,999	-	-	-
<b>Support services:</b>				
Pupils	926,150	-	-	22,263
Instructional staff	922,153	-	-	8,381
General administration	920,405	-	-	26,593
School administration	831,758	-	-	30,830
Business	938,695	-	-	24,302
Transportation	-	-	1,179,871	-
Operations and maintenance	-	1,286,294	-	69,289
Central	653,232	-	-	43,266
Community services	20,036	-	-	427
Nonprogrammed charges	2,073,865	-	-	-
<b>Debt service:</b>				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	<u>156,373</u>	<u>41,272</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>24,298,709</u>	<u>1,327,566</u>	<u>1,179,871</u>	<u>418,024</u>
Net change in fund balance	872,099	(223,124)	(47,622)	219,672
Fund balance, beginning of year	<u>11,789,461</u>	<u>879,981</u>	<u>875,572</u>	<u>101,810</u>
Fund balance, end of year	<u>\$ 12,661,560</u>	<u>\$ 656,857</u>	<u>\$ 827,950</u>	<u>\$ 321,482</u>

The accompanying notes are an integral part of this statement.

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Debt Service	Capital Projects	Total
\$ 770,634	\$ -	\$ 16,359,449
275,010	-	1,301,244
-	-	6,514,622
-	-	2,309,487
-	-	16,836
<u>99,813</u>	<u>163,764</u>	<u>2,852,778</u>
<u>1,145,457</u>	<u>163,764</u>	<u>29,354,416</u>
-	-	7,950,852
-	-	2,076,228
-	-	1,624,636
-	-	5,396,999
-	-	948,413
-	-	930,534
-	-	946,998
-	-	862,588
-	-	962,997
-	-	1,179,871
-	-	1,355,583
-	-	696,498
-	-	20,463
-	-	2,073,865
575,150	-	575,150
415,842	-	415,842
<u>-</u>	<u>49,413</u>	<u>247,058</u>
<u>990,992</u>	<u>49,413</u>	<u>28,264,575</u>
154,465	114,351	1,089,841
<u>1,333,446</u>	<u>367,941</u>	<u>15,348,211</u>
<u>\$ 1,487,911</u>	<u>\$ 482,292</u>	<u>\$ 16,438,052</u>

## West Northfield School District 31

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2022

Net change in fund balances - total governmental funds.	\$	1,089,841
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Amounts reported for governmental activities in the statement of activities are different because:

The net pension asset resulting from the IMRF plan fiduciary net position exceeding the total pension liability is not a financial resource and therefore is not reported in the governmental funds balance sheet.		785,413
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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 and amortization expense. This is the amount by which depreciation and amortization expense exceeds capital outlay in the current period.

Capital outlay	\$	213,160	
Depreciation and amortization expense		(1,013,639)	
Gain (loss) on disposal		(246)	
Revaluation of capital assets		<u>(106,177)</u>	(906,902)

Certain revenues receivable by the District and recognized in the statement of net position do not provide current financial resources and are included as deferred inflows of resources in the governmental funds.

Interest revenue	\$	<u>5,533</u>	5,533
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Changes in deferred outflows and inflows of resources related to pensions are reported only in the statement of activities:

Deferred outflows and inflows of resources related to IMRF pension	(418,193)
Deferred outflows and inflows of resources related to TRS pension	6,516

Changes in deferred outflows and inflows of resources related to other postemployment benefits are reported only in the statement of activities:

Deferred outflows and inflows of resources related to RHP	103,929
Deferred outflows and inflows of resources related to THIS	(1,662,972)

Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds.	5,818
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Governmental funds report the effect of premiums and discounts when the debt is issued. However, these amounts are deferred and amortized in the statement of activities. This is the amount of the current year, net effect of these differences.

21,618

The accompanying notes are an integral part of this statement.

(Continued)

## West Northfield School District 31

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2022

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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources:

Principal repayments - general obligation bonds	\$	440,000	
Lease liabilities repayments		135,150	
Compensated absences, net		15,124	
TRS pension liability, net		111,371	
RHP other postemployment benefit liability, net		(105,864)	
THIS other postemployment benefit liability, net		<u>1,882,215</u>	\$ <u>2,477,996</u>
Change in net position of governmental activities			\$ <u><u>1,508,597</u></u>

The accompanying notes are an integral part of this statement.

(Concluded)

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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

The financial statements of West Northfield School District 31 ("the District") have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below:

1. **Reporting Entity**

The District is located in Cook County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all personnel, budgetary, taxing, and debt matters.

The District includes all funds of its operations that are controlled by or dependent upon the District, as determined on a basis of financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will, and fiscal dependency. The accompanying financial statements include only those funds of the District, as there are no organizations for which it has financial accountability.

The District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

2. **New Accounting Pronouncement**

The GASB has issued Statement No. 87, *Leases*, which was implemented by the District for the year ended June 30, 2022. This statement requires a lessee to recognize a lease liability and an intangible right-to-use asset, and a lessor to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

Specific changes to the District's financial statements relate to the recording of right of use assets and lease liabilities as well as the reclassification of a prior lease a finance purchase on the statement of net position. The effect of implementation of GASB 87 resulted in a reclassification of depreciable assets to right of use assets in the amount of \$288,047 and the related accumulated depreciation of \$115,219 is now recognized as accumulated amortization of the intangible asset. See Note A-10, D, and E.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Fund Accounting

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the servicing of general long-term debt (debt service fund) and the acquisition or construction of major capital facilities (capital projects fund). The General Fund is used to account for all activities of the District not accounted for in some other fund. The District considers all governmental funds to be major.

4. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by taxes, intergovernmental revenues, and local fees.

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

The *General Fund* includes the Educational Account, Tort Immunity and Judgement Account and the Working Cash Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources, held by the District, to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid upon collection of property taxes in the fund(s) loaned to. As allowed by the School Code of Illinois, this Fund may be abolished and become part of the Educational Account Fund or it may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Account of at least 0.05% of the District's current equalized assessed valuation. The Tort Immunity and Judgment Account is used to account for revenues derived from a specific property tax levy and state reimbursement grants and expenditures of these monies is for risk management activities.



**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Government-Wide and Fund Financial Statements (Continued)

The Student Activity balance is accounted for in the Educational Account. The balance accounts for activities such as student yearbooks, student clubs and councils, and scholarships.

b. Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources (other than those accounted for in the debt service or capital projects) that are legally restricted to expenditures for specified purposes.

Each of the District's special revenue funds has been established as a separate fund in accordance with the fund structure required by the state of Illinois for local educational agencies. These funds account for local property taxes restricted to specific purposes. A brief description of the District's special revenue funds is as follows:

*Operations and Maintenance Fund* - accounts for revenues and expenditures made for operations, repair, and maintenance of the District's building and land. Revenues consist primarily of local property taxes.

*Transportation Fund* - accounts for all revenues and expenditures made for student transportation. Revenues are derived primarily from local property taxes, personal property replacement taxes, transportation fees from pupils or parents, and state reimbursement grants.

*Municipal Retirement/Social Security Fund* - accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for noncertified employees. Revenues to finance contributions are derived primarily from local property taxes and personal property replacement taxes.

c. Debt Service Fund

*Debt Service Fund* - accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue sources are local property taxes levied specifically for debt service, and transfers from other funds.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Government-Wide and Fund Financial Statements (Continued)

d. Capital Projects Fund

*Capital Projects Fund* - accounts for financial resources to be used for the acquisition or construction of major capital facilities. Revenues are derived from bonds proceeds or transfers from other funds.

5. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and additions are recorded when earned, and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e. intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements, imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers most revenues available if they are collected within 60 days after year-end. Revenue that are paid to the District by the Illinois State Board of Education are considered available if vouchered by year-end. Expenditures generally are recorded when a fund liability is incurred, except for unmatured principal and interest on general long-term debt, which is recognized when due and certain compensated absences claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable financial resources.

Property taxes, personal property replacement taxes, interest, and intergovernmental revenues associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports unearned and unavailable revenue on its financial statements. Unearned and unavailable revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned and unavailable revenue is removed from the balance sheet and revenue is recognized. Governmental Funds also defer revenue recognition in connection with resources received, but not yet earned.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period. At June 30, 2022, the District has deferred outflows of resources related to pensions and other postemployment benefits. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of net assets that is applicable to a future reporting period. At June 30, 2022, the District reported deferred inflows of resources related to pensions liabilities, other postemployment benefits, unavailable interest revenue, and property taxes levied for a future period.

7. Deposits and Investments

The Illinois Compiled Statutes require the District to utilize the investment services of the Northfield Township School Treasurer ("the Treasurer"). Investments are stated at fair value. Changes in fair value are included in investment income.

8. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the Municipal Retirement/Social Security Fund, with the remaining balance allocated at the discretion of the District.

9. Prepaid Items

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

10. Capital Assets and Right to Use Assets

Capital assets, which include land, buildings, building improvements, equipment, and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Capital Assets and Right to Use Assets (Continued)

The District has recorded right to use assets as a result of implementing GASB 87. The District's right to use assets were initially recorded at an amount equal to the related lease liability (Note A-2). The right to use assets are amortized on a straight-line basis over the remaining term of the related lease.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Depreciation of capital assets and amortization of right-to-use leased assets is provided over the estimated useful lives or remaining term of related lease using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	20 - 40
Building improvements	15 - 20
Equipment	5 - 20
Vehicles	8
Right-to-use leased assets	5

11. 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 and losses on refunding of bonds, are deferred and amortized over the life of the applicable bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, losses on refunding, and 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 cost, whether or not withheld from actual proceeds, are reported as debt service expenditures.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and the disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements, and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

13. Restricted Net Position

For the government-wide financial statements, net position is reported as restricted when constraints placed on net position are either: (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, (2) imposed by law through constitutional provisions, or (3) imposed by enabling legislation. The District's restricted net position was restricted as a result of enabling legislation.

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

14. Accumulated Unpaid Vacation Pay and Sick Pay

Administrators and support staff are entitled to be compensated for vacation time. The liability for unused compensated absences is reported on the government-wide financial statements.

For governmental funds, the current portion of the compensated absences is the amount that is normally expected to be paid using expendable and available financial resources. These amounts are recorded in the fund from which the employees who have accumulated vacation leave are paid.

Full or part-time educational support personnel who work at least 600 hours per year receive 10 paid sick leave days per year. Part-time employees will receive sick leave pay equivalent to their regular workday. Unused sick leave shall accumulate to the maximum number of days that the Illinois Municipal Retirement Fund (IMRF) will recognize for retirement credit purposes. Certified employees earn sick days as of the date of hire. Unused sick leave days accumulate with no limit. Upon retirement, a certified employee may apply up to 340 days of unused sick leave toward service credit for TRS.

Due to the nature of policies on sick leave and the fact that any liability is contingent upon future events and cannot be reasonably estimated, no liability is provided in the financial statements for accumulated unpaid sick leave.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles, except that the District does not budget for "on-behalf" contributions from the State for the employer's share of the Teachers' Retirement System pension and the Teacher Health Insurance Security Fund (see the budgetary reconciliation in the notes to the required supplementary information). Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

16. Fund Balance

In the fund financial statements, governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items or inventories.
- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds, as well as debt service funds and capital project funds, are by definition restricted for those specified purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. The District had no committed fund balance at June 30, 2022.
- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegated the authority to assign amounts to be used for specific purposes. The Board of Education has declared that the Director of Business Services/CSBO may assign amounts for a specific purpose. The District student activity balance of \$23,596 has been assigned at June 30, 2022.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

16. Fund Balance (Continued)

- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally they act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

The nonspendable fund balance in the General Fund consists of \$31,287 for prepaid items. The remaining restricted fund balances are for the purpose of the restricted funds as described in Note A-4.

17. Pensions and Other Postemployment Benefits

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

NOTE B - DEPOSITS AND INVESTMENTS

As explained in Note A-7, the Illinois Compiled Statutes require the District to utilize the investment services of the Northfield Township School Treasurer ("the Treasurer"). As such, the Treasurer is the lawful custodian of these school funds. The Treasurer is appointed by the Township Treasurer's Board of Trustees, an independently elected body, to serve the school districts in the township. The investment policies are established by the Treasurer, as prescribed by the Illinois Compiled Statutes. The Treasurer is the direct recipient of property taxes, replacement taxes, and most state and federal aid, and disburses school funds upon lawful order to the School Board. The Treasurer invests excess funds at his/her discretion, subject to the legal restrictions discussed below.

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE B - DEPOSITS AND INVESTMENTS (Continued)**

The Treasurer's investment policy, which is the same as the District's, is in line with State Statutes. The investments that the District may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) interest-bearing savings accounts, interest-bearing certificates of deposit or time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; (4) short-term discount obligations of corporations organized in the United States with assets exceeding \$500,000,000; (5) interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation or school district; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

At June 30, 2022, the District's cash and investments consisted of the following, and for disclosure purposes are segregated as follows:

	Total
Deposits with financial institutions*	\$ 1,535,916
Illinois Funds	446,452
Illinois Trust Term Series	7,200,000
Illinois School District Liquid Asset Fund Plus (ISDLAF+)	1,238,703
Other Investments	5,737,563
	\$ 16,158,634

\*Includes accounts held in demand and savings accounts, but primarily consists of money market savings accounts, which were valued at cost.

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. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs. The District's investments detailed in the interest rate risk table below are measured using the market valuation method and level 2 valuation inputs.



**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE B - DEPOSITS AND INVESTMENTS (Continued)**

1. Cash and Investments Under the Custody of the Township Treasurer

District cash and investments (other than the student activity, flexible benefit, e-pay, and imprest funds) are under the custody of the Township Treasurer. The Treasurer maintains records that segregate the cash and investment balances by district. Cash for all funds, is not deemed available for purposes other than those for which these balances are intended.

The Treasurer also holds money-market type investments and deposits with financial institutions, including certificates of deposit. As of June 30, 2022, the fair value of District investments held by the Treasurer's office was \$12,937,564.

2. Deposit and Investment Risks

*Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District does not 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. However, a periodic review of the investment portfolio is performed to ensure performance is consistent with the safety, liquidity, rate of return, diversification and overall performance the District needs. Maturity information on other investments is shown in the table below.

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	More than 10
Treasury Bill	\$ <u>5,737,563</u>	\$ <u>5,737,563</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

The following investments are measured at net asset value (NAV):

		Unfunded Commitment	Redemption Frequency	Redemption Notice Period
ISDLAF+	\$ 1,238,703	n/a	Daily	1 day
Illinois Funds	446,452	n/a	Daily	1 day
Illinois Trust	7,200,000	n/a	Daily	1 day

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE B - DEPOSITS AND INVESTMENTS (Continued)

2. Deposit and Investment Risks (Continued)

*Credit Risk*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds, and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs).

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit pooled investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees, elected from participating members. The trust is not registered with the SEC as an investment company. Investments are rated AAAM and are valued at share price, which is the price for which the investment could be sold.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are rated AAAM and are valued at Illinois Funds' share price, which is the price the investment can be sold.

The Illinois Trust, formerly known as the Illinois Institutional Investors Trust (IIIT), is a trust organized under the laws of the State of Illinois and managed by a Board of Trustees, elected from participating members. The Illinois Trust is not registered with the SEC as an investment company. Investments in the Illinois Trusts are rated AAAM and are valued at Illinois Trust's share price, which is the price for which the investment could be sold. There were no unfunded commitments.

3. Cash and Investments in the Custody of the District

At June 30, 2022, the carrying value of the District's student activity, imprest, e-pay, and flexible benefit accounts was \$513,717, all of which was deposited with financial institutions.

4. Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2022, the bank balance of the District's deposits with financial institutions totaled \$1,779,474, all of which was collateralized and/or insured.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE B - DEPOSITS AND INVESTMENTS (Continued)

4. Custodial Credit Risk (Continued)

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

NOTE C - PROPERTY TAXES RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on December 16, 2021. The District's property tax is levied each year on all taxable real property located in the District, and becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

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

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

The Cook County Assessor is responsible for the assessment of all taxable property within Cook County, except for certain railroad property, which is assessed directly by the state. One-third of the county is reassessed every year by the Assessor.

The Illinois Department of Revenue has the statutory responsibility of ensuring uniformity of real property assessments throughout the state. Each year, the Illinois Department of Revenue furnishes the county clerks with an adjustment factor to equalize the level of assessment between counties at one-third of market value. This factor (the equalization factor) is then applied to the assessed valuation to compute the valuation of property to which the tax rate will be applied (the equalized assessed valuation). The equalization factor for Cook County for 2021 is 3.0027.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE C - PROPERTY TAXES RECEIVABLE (Continued)

The County Clerk adds the equalized assessed valuation of all real property in the county to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2021 tax levy was \$622,047,682.

Property taxes are collected by the Cook County Collector/Treasurer, who remits them to the District. Taxes levied in one year become due and payable in two installments on March 1 and August 1 during the following year. There was a delay in assessing and billing of 2021 property taxes which also delayed Cook County remitting the second installment of the 2021 property taxes to the District. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment bill is based on the current levy, assessment, and equalization, and any changes from the prior year.

The portion of the 2021 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectibles of 1%. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, are recognized as revenue. Such time, thereafter, does not exceed 60 days. Net taxes receivable less the amount expected to be collected within 60 days are reflected as deferred inflows of resources - property taxes levied for a future period.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

**NOTE D - CAPITAL ASSETS AND RIGHT TO USE ASSETS**

Capital asset and right to use asset activity for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Increases	Decreases	Revaluation Adjustments*	Balance June 30, 2022
Capital assets, not being depreciated					
Land	\$ 81,393	\$ -	\$ -	\$ -	\$ 81,393
Capital assets, being depreciated					
Buildings	26,775,088	42,890	-	377,839	27,195,817
Building improvements	3,252,629	21,470	-	29,876	3,303,975
Equipment	2,998,509	148,800	275,840	56,707	2,928,176
Vehicles	51,848	-	-	-	51,848
Total capital assets, being depreciated	<u>33,078,074</u>	<u>213,160</u>	<u>275,840</u>	<u>464,422</u>	<u>33,479,816</u>
Less accumulated depreciation for:					
Buildings	13,846,419	750,805	-	37,359	14,634,583
Building improvements	1,142,121	111,051	-	522,367	1,775,539
Equipment	2,310,402	89,906	275,594	10,873	2,135,587
Vehicles	43,312	4,268	-	-	47,580
Total accumulated depreciation	<u>17,342,254</u>	<u>956,030</u>	<u>275,594</u>	<u>570,599</u>	<u>18,593,289</u>
Total capital assets, being depreciated, net	<u>15,735,820</u>	<u>(742,870)</u>	<u>246</u>	<u>(106,177)</u>	<u>14,886,527</u>
Right to use assets					
Leased equipment	<u>288,047</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>288,047</u>
Less accumulated amortization for leased equipment	<u>115,219</u>	<u>57,609</u>	<u>-</u>	<u>-</u>	<u>172,828</u>
Total right to use assets, net	<u>172,828</u>	<u>(57,609)</u>	<u>-</u>	<u>-</u>	<u>115,219</u>
Governmental activities capital assets, net	<u>\$ 15,990,041</u>	<u>\$ (800,479)</u>	<u>\$ 246</u>	<u>\$ (106,177)</u>	<u>\$ 15,083,139</u>

\* Revaluation adjustment in the current year due to the District performing a physical inventory count and updating its capital asset records to agree to inventory results.

The District does not allocate depreciation and amortization by function.

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE E - LONG-TERM LIABILITIES**

During the year ended June 30, 2022, changes in long-term liabilities were as follows:

	<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2022</u>
General obligation bonds	\$ 11,410,000	\$ -	\$ 440,000	\$ 10,970,000
Finance purchase	139,303	-	78,910	60,393
Lease liabilities	232,732	-	56,240	176,492
Unamortized premium	242,584	-	21,618	220,966
Compensated absences	83,013	108,936	124,060	67,889
RHP total other postemployment benefit liability	70,932	105,864	-	176,796
THIS total other postemployment benefit liability	9,392,233	242	1,882,457	7,510,018
TRS net pension liability	895,578	161,141	272,512	784,207
	<u>\$ 22,466,375</u>	<u>\$ 376,183</u>	<u>\$ 2,875,797</u>	<u>\$ 19,966,761</u>

	<u>Due Within</u> <u>One Year</u>
General obligation bonds	\$ 465,000
Finance purchase	55,835
Lease liabilities	57,530
Compensated absences	67,889
	<u>\$ 646,254</u>

1. **General Obligation Bonds Payable**

General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding at June 30, 2022, are as follows:

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE E - LONG-TERM LIABILITIES (Continued)**

1. General Obligation Bonds Payable (Continued)

	Bonds Payable July 1, 2021	Debt Issued	Debt Retired	Bonds Payable June 30, 2022
\$2,985,000 GO Limited School Bonds Series 2015A, dated July 9, 2015, due December 1, 2024, interest at 3.00%.	\$ 1,660,000	\$ -	\$ 440,000	\$ 1,220,000
\$3,070,000 Taxable GO Limited School Bonds Series 2018A, dated February 27, 2018, due December 1, 2027, interest at 2.10% - 3.35%.	1,775,000	-	-	1,775,000
\$7,975,000 GO Limited School Bonds Series 2018B, dated February 27, 2018, due December 1, 2037, interest at 3.50% - 4.00%.	7,975,000	-	-	7,975,000
Total	\$ 11,410,000	\$ -	\$ 440,000	\$ 10,970,000

At June 30, 2022, the District's annual debt service requirements to maturity for bond principal and interest were as follows:

	Year Ending June 30	Principal	Interest	Total
2023	\$ 465,000	\$ 385,343	\$ 850,343	
2024	495,000	370,943	865,943	
2025	520,000	355,458	875,458	
2026	550,000	338,460	888,460	
2027	580,000	319,953	899,953	
2028-2032	3,440,000	1,265,871	4,705,871	
2033-2037	4,515,000	538,075	5,053,075	
2038	405,000	9,100	414,100	
Total	\$ 10,970,000	\$ 3,583,201	\$ 14,553,201	

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE E - LONG-TERM LIABILITIES (Continued)**

1. General Obligation Bonds Payable (Continued)

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$1,472,693 in the Debt Service Fund to service the outstanding bonds payable and lease liabilities.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2022, the statutory debt limit for the District (using the 2020 equalized assessed valuation) was \$42,921,311, of which \$31,951,311 is fully available.

2. Lease Liabilities

The District currently has several lease agreements for financing the acquisition of computers and copiers. The copier lease requires monthly installment payments of \$5,070 for sixty consecutive months and is measured at a stated interest rate of 2.21%. The computer leases (finance purchase) require annual aggregate payments of approximately \$87,000 for the next one to two years.

The computer lease agreement qualifies as a financed purchase agreement, and therefore, has not been valued under GASB 87. The copier lease qualifies as an other than short-term lease under GASB 87 and, therefore, has been recorded at the present value of the future minimum lease payments upon implementation of GASB 87 as of July 1, 2021. As a result of the lease, the District has recorded the right to use assets (Note A-10) with a net book value of \$115,219 (Note D). The obligations for these leases will be repaid from the Debt Service Fund.

At June 30, 2022, the District's future cash flow requirements for retirement of leases liability and finance purchase is follows:

Year Ending				
June 30	Principal	Interest	Total	
2023	\$ 113,365	\$ 6,649	\$ 120,014	
2024	58,807	2,033	60,840	
2025	64,713	720	65,433	
	\$ 236,885	\$ 9,402	\$ 246,287	
	\$ 236,885	\$ 9,402	\$ 246,287	

3. Compensated Absences

At June 30, 2022 compensated absences amounted to \$67,889. Future payments will be made from the same fund where the employee's salary is recorded.



**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE F - PENSION LIABILITIES

1. 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 nonannuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at [www.trsil.org/financial/cafrs/fy2021](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.

As a multi-employer cost sharing pension plan, TRS employs a methodology to allocate the pension liabilities to each individual district based off of the actual contributions a District makes to the plan in a fiscal year and is re-measured annually, and thus the timing of receipt of contribution payments from the District's or refunds made by TRS to the District can have a significant impact on the District's allocation of the net pension liability that may not be reflective of the District's portion of the total contractual contribution to the Plan. The net pension liability as a whole is a significant accounting estimate that takes into account several assumptions and allocations.

*Benefits Provided*

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

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE F - PENSION LIABILITIES** (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

**General Information About the Pension Plan** (Continued)

*Benefits Provided* (Continued)

Tier II members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the 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 three percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Public Act 100-0023, enacted in 2017, creates an optional Tier 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 programs 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 are funded by bonds issued by the state of Illinois.

*Contributions*

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2021, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE F - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

**General Information About the Pension Plan** (Continued)

*Contributions* (Continued)

On-behalf Contributions to TRS

The State of Illinois makes employer pension contributions on behalf of the employer. 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 pension liability associated with the District, and the District recognized revenue and expenses of \$4,714,182 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$5,301,026 in the General Fund based on the current financial resources measurement basis.

2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2022, were \$61,849, 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 employer pension contribution was 10.31 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2022, salaries totaling \$584,734 were paid from federal and special trust funds that required employer contributions of \$60,286.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE F - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

**General Information About the Pension Plan** (Continued)

*Contributions* (Continued)

Early Retirement Cost Contributions

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

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

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

At June 30, 2022, 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 were as follows:

District's proportionate share of the net pension liability	\$ 784,207
State's proportionate share of the net pension liability associated with the District	<u>65,724,880</u>
Total	<u><u>\$ 66,509,087</u></u>

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE F - PENSION LIABILITIES** (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension 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 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 and the state during that period. At June 30, 2021, the District's proportion was 0.0010052480 percent, which was a decrease of 0.0000335215 percent from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized the following pension expense/expenditures and revenue pertaining to the District's employees:

	<u>Governmental Activities</u>	<u>General Fund</u>
State on-behalf contributions - revenue and expense/expenditure	\$ 4,714,182	\$ 5,301,026
District TRS pension expenditure (benefit)	<u>(56,612)</u>	<u>61,849</u>
Total TRS expense/expenditure	<u>\$ 4,657,570</u>	<u>\$ 5,362,875</u>

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE F - PENSION LIABILITIES** (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,499	\$ 3,233
Change in assumptions	347	3,875
Net difference between projected and actual earnings on pension plan investments	-	52,602
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>10,327</u>	<u>308,260</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>15,173</u>	<u>367,970</u>
District contributions subsequent to the measurement date	<u>61,849</u>	<u>-</u>
Total deferred amount related to pension	<u>\$ 77,022</u>	<u>\$ 367,970</u>

The District reported \$61,849 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, which 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:

<u>Year ending June 30:</u>	<u>Net Deferred Inflows of Resources</u>
2023	\$ 182,666
2024	107,477
2025	31,128
2026	28,172
2027	<u>3,354</u>
Total	<u>\$ 352,797</u>

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE F - PENSION LIABILITIES (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

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

In the June 30, 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 based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2017.

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

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE F - PENSION LIABILITIES** (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

Actuarial Assumptions (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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
International debt developed	1.0	0.4
Emerging international debt	4.0	4.4
Cash equivalents	2.0	0.1
TIPS	1.0	0.8
Real estate	16.0	5.8
Hedge funds	10.0	3.9
Infrastructure	4.0	6.3
Private equity	15.0	10.4
Private debt	10.0	6.5
Total	100.0 %	

Discount Rate

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



**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE F - PENSION LIABILITIES** (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

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 percent, 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 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
District's proportionate share of the net pension liability	\$ <u>971,224</u>	\$ <u>784,207</u>	\$ <u>628,864</u>

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 Annual Comprehensive Financial Report*.

2. Illinois Municipal Retirement Fund

**Plan Description**

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed with the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the Benefits Provided section below. 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. That report is available for download at [www.imrf.org](http://www.imrf.org).

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE F - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

**Benefits Provided**

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP).

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

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

**Employees Covered by Benefit Terms**

As of December 31, 2021, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	65
Inactive plan members entitled to but not yet receiving benefits	169
Active plan members	<u>42</u>
Total	<u><u>276</u></u>

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE F - PENSION LIABILITIES** (Continued)

2. **Illinois Municipal Retirement Fund** (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 9.59%. For the fiscal year ended June 30, 2022 the District contributed \$139,369 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 District's net pension liability (asset) was measured as of December 31, 2021. The total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date.

**Actuarial Assumptions**

The following are the methods and assumptions used to determine total pension liability at December 31, 2021:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Inflation Rate	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates, specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study from years 2017 to 2019.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE F - PENSION LIABILITIES (Continued)

2. Illinois Municipal Retirement Fund (Continued)

**Actuarial Assumptions** (Continued)

Mortality

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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. 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:

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE F - PENSION LIABILITIES** (Continued)

2. **Illinois Municipal Retirement Fund** (Continued)

**Actuarial Assumptions** (Continued)

Long-term Expected Rate of Return (Continued)	Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
	Domestic equities	39%	1.90 %
	International equities	15%	3.15 %
	Fixed income	25%	(0.60)%
	Real estate	10%	3.30%
	Alternative investments	10%	1.70% - 5.50%
	Cash equivalents	1%	(0.90)%
	Total	<u>100%</u>	

Other information:  
Notes

There were no benefit changes during the year.

**Single Discount Rate**

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

- a. 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
- b. 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 the most recent valuation, the expected rate of return on pension plan investments is 7.25%, the municipal bond rate is 1.84% (based on the daily rate closest to but not later than the measurement date of the "20-Year Municipal GO AA index"), and the resulting single discount rate is 7.25%.

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE F - PENSION LIABILITIES** (Continued)

2. **Illinois Municipal Retirement Fund** (Continued)

**Changes in Net Pension Liability (Asset)**

The following table shows the components of the change in the District's net pension liability (asset) for the calendar year ended December 31, 2021:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability(Asset) (A) - (B)
	<u>(A)</u>	<u>(B)</u>	<u>(A) - (B)</u>
Balances at December 31, 2020	\$ 7,919,763	\$ 8,134,348	\$ (214,585)
Changes for the year:			
Service cost	142,578	-	142,578
Interest on the total pension liability	562,844	-	562,844
Difference between expected and actual experience of the total pension liability	93,411	-	93,411
Changes of assumptions	-	-	-
Contributions - employer	-	152,710	(152,710)
Contributions - employees	-	71,658	(71,658)
Net investment income	-	1,379,059	(1,379,059)
Benefit payments, including refunds of employee contributions	(455,370)	(455,370)	-
Other (net transfer)	-	(19,181)	19,181
Net changes	<u>343,463</u>	<u>1,128,876</u>	<u>(785,413)</u>
Balances at December 31, 2021	<u>\$ 8,263,226</u>	<u>\$ 9,263,224</u>	<u>\$ (999,998)</u>

**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%)
	<u>(6.25%)</u>	<u>(7.25%)</u>	<u>(8.25%)</u>
Net pension liability (asset)	\$ (160,634)	\$ (999,998)	\$ (1,668,786)
	<u>(160,634)</u>	<u>(999,998)</u>	<u>(1,668,786)</u>

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE F - PENSION LIABILITIES** (Continued)

2. **Illinois Municipal Retirement Fund** (Continued)

**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 income of \$227,885. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 33,274	\$ -
Change of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	1,069,326
Total deferred amounts to be recognized in pension expense in the future periods	33,274	1,069,326
Pension contributions made subsequent to the measurement date	65,358	-
Total deferred amounts related to pensions	\$ 98,632	\$ 1,069,326

The District reported \$65,358 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2023.

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE F - PENSION LIABILITIES (Continued)**

2. Illinois Municipal Retirement Fund (Continued)

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

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 Ending June 30,	Net Deferred Inflows of Resources
2023	\$ 202,589
2024	410,995
2025	262,792
2026	159,676
2027	-
Thereafter	-
Total	\$ 1,036,052

3. Summary of Pension Items

Below is a summary of the various pension items:

	TRS	IMRF	Total
Deferred outflows of resources:			
Employer contributions	\$ 61,849	\$ 65,358	\$ 127,207
Experience	4,499	33,274	37,773
Assumptions	347	-	347
Proportionate share	10,327	-	10,327
	\$ 77,022	\$ 98,632	\$ 175,654
Net pension liability (asset)	\$ 784,207	\$ (999,998)	\$ (215,791)
Pension expense (income)	\$ 4,657,570	\$ (227,885)	\$ 4,429,685



**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

NOTE F - PENSION LIABILITIES (Continued)

3. Summary of Pension Items (Continued)

	TRS	IMRF	Total
Deferred inflows of resources:			
Experience	\$ 3,233	\$ -	\$ 3,233
Assumptions	3,875	-	3,875
Investments	52,602	1,069,326	1,121,928
Proportionate share	308,260	-	308,260
	\$ 367,970	\$ 1,069,326	\$ 1,437,296

4. Social Security/Medicare

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

5. 457(b) Retirement Plan

On June 19, 2014 the Board of Education approved the establishment of a 457(b) Retirement Plan, which is a defined contribution pension plan, for District employees. The plan is held in a trust and administered by a third party serving as the plan's trustee. The number of employees participating in the plan on June 30, 2022 was 35. The plan allows for both employee and the District to make contributions to the plan. For the fiscal year ended June 30, 2022, the District did not make any contributions to the plan.

6. 403(b) Retirement Plan

The District also has a 403(b) Salary Reduction plan, that also contains a Roth option, which is a defined contribution plan, for District employees. The plan is held in a trust and administered by a third party serving as the plan's trustee. The number of employees participating in the plan on June 30, 2022 was 30. The plan allows for both employee and the District to make contributions to the plan. For the fiscal year ended June 30, 2022, the District did not make any contributions to the plan.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE G - OTHER POSTEMPLOYMENT BENEFITS**

1. Teachers' Health Insurance Security (THIS)

**General Information about the Other Postemployment 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 State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund.

*Plan Description (Continued)*

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 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.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

**General Information about the Other Postemployment Plan** (Continued)

*Contributions*

On behalf contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the District. In the fund financial statements, the State contributions are intended to match contributions to the THIS Fund from active members, which were 0.90 percent of pay during the year ended June 30, 2022. In the government-wide financial statements, State of Illinois contributions also include a proportional allocation of the State's OPEB expense (based on the portion of the District's share of the expense compared to all School Districts in aggregate). For the year ended June 30, 2022, the District recognized revenue and expenses of \$270,682 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$95,973 in the General Fund based on the current financial resources measurement basis for State of Illinois contributions on behalf of the District's employees.

District contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.67 percent during the year ended June 30, 2022. For the year ended June 30, 2022, the District paid \$71,447 to the THIS Fund, which was 100 percent of the required contribution. These amounts are deferred because they were paid after the June 30, 2021 measurement date.

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

**West Northfield School District 31**  
 NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

**NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

1. Teachers' Health Insurance Security (THIS) (Continued)

**Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2022, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for state OPEB 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 OPEB liability	\$	7,510,018
State's estimated proportionate share of the net OPEB liability associated with the District*		10,182,488
		10,182,488
	\$	17,692,506

\* The State's proportionate share of the net OPEB liability (NOL) associated with the District is not available in the actuarial report and therefore the amount reported above is an estimate calculated by allocating the State's total NOL for the entire plan (per the actuary) based on the District's proportionate share of the NOL to all the school districts participating in the THIS Plan. Additionally, the amounts included below related to sensitivity of the healthcare rate, discount rate and amortization of deferred inflows and outflows are based on a similar allocation methodology.

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 projected contributions of all participating THIS employers and the state during that period. At June 30, 2021, the District's proportion was 0.034051 percent, which was an decrease of 0.001079 percent from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized the following for OPEB expense/expenditure and revenue pertaining to the District's employees:

		Governmental Activities		General Fund
State on-behalf contributions - OPEB revenue and expense/expenditure	\$	270,682	\$	95,973
District OPEB pension expense (benefit)		(150,337)		71,447
Total OPEB expense/expenditure	\$	120,345	\$	167,420

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

1. **Teachers' Health Insurance Security (THIS) (Continued)**

**Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 351,309
Changes of assumptions	2,593	2,812,163
Net difference between projected and actual earnings on OPEB plan investments	-	25
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>204,661</u>	<u>617,000</u>
 Total deferred amounts to be recognized in OPEB expense in future periods	 <u>207,254</u>	 <u>3,780,497</u>
 District contributions subsequent to the measurement date	 <u>71,447</u>	 <u>-</u>
 Total deferred amounts related to OPEB	 <u>\$ 278,701</u>	 <u>\$ 3,780,497</u>

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

1. Teachers' Health Insurance Security (THIS) (Continued)

**Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

The District reported \$71,447 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2023. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows in these reporting years:

<u>Year ending June 30:</u>	<u>Net Deferred Inflows of Resources</u>
2023	\$ 651,270
2024	651,219
2025	586,354
2026	482,138
2027	414,711
Thereafter	<u>787,551</u>
Total	<u>\$ 3,573,243</u>

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you basis. Contribution rates are defined by statute. For fiscal year end June 30, 2021, contribution rates are 1.24% of pay for active members, 0.92% of pay for school districts, and 1.24% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

**Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** (Continued)

Actuarial Assumptions (Continued)

Asset Valuation Method	Market value
Investment Rate of Return	2.75%, net of OPEB plan investment expense, including inflation, for all plan years.
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.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018, actuarial
Mortality	Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. Disabled Annuitants: RP- 2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017.
Healthcare Trend Rate	Trend for fiscal year ending 2022 based on expected increases used to develop average costs. For fiscal years on and after 2023, trend starts at 8.00% gradually decreases to an ultimate trend of 4.25%.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

**Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** (Continued)

Actuarial Assumptions (Continued)

Expenses

Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

Discount Rate

The State, the District and active members contribute 1.24 percent, 0.92 percent, 1.24 percent of pay, respectively for fiscal year 2021. Retirees contribute a percentage of the premium rate. The State also contributes an additional amount to cover plan costs in excess of contributions and investment income. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 2.45 percent at June 30, 2020, and 1.92 percent at June 30, 2021, was used to measure the total OPEB liability. The decrease in the single discount rate, from 2.45 percent to 1.92 percent, caused the total OPEB liability for the entire plan to increase by approximately \$1.965 million as of June 30, 2021.

Investment Return

During plan year end June 30, 2021, the trust earned \$51,000 in interest, and the market value of assets at June 30, 2021, is \$313.2 million. The long-term investment return was assumed to be 2.75 percent.

Money-Weighted Rate of Return

The annual money-weighted rate of return was estimated based on monthly investment performance, net of investment expenses, adjusted for changing amounts actually invested. The annual money-weighted rate of return was 0.320% for plan year end June 30, 2021, and 1.732% for plan year end June 30, 2020.



**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

1. Teachers' Health Insurance Security (THIS) (Continued)

**Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

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 percent, 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 percent) or 1-percentage-point higher (2.92 percent) than the current rate:

	<u>1% Decrease (0.92%)</u>	<u>Current Discount Rate (1.92%)</u>	<u>1% Increase (2.92%)</u>
District's proportionate share of the net OPEB liability	\$ <u>9,021,743</u>	\$ <u>7,510,018</u>	\$ <u>6,311,770</u>

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

The following table shows the plan's net OPEB liability as of June 30, 2021, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower. The key trend rates are 8.00 percent in 2022 decreasing to an ultimate trend rate of 4.25 percent in 2038.

	<u>1% Decrease*</u>	<u>Current Healthcare Trend Rate</u>	<u>1% Increase **</u>
District's proportionate share of the net OPEB liability	\$ <u>6,012,148</u>	\$ <u>7,510,018</u>	\$ <u>9,544,765</u>

\*One percentage point decrease in healthcare trend rates are 7.00% in 2022 decreasing to an ultimate trend rate of 3.25% in 2038.

\*\* One percentage point increase in healthcare trend rates are 9.00% in 2022 decreasing to an ultimate trend rate of 5.25% in 2038.

**West Northfield School District 31**  
 NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

**NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

2. Retiree Health Plan (RHP)

**Plan Description**

The District administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The benefits, benefit levels, employee contributions and employer contributions are governed by the District and may be amended by the District through its employment contracts. The plan does not issue a separate financial report.

**Benefits Provided**

The plan provides the ability for IMRF retirees and their spouses, given certain eligibility provisions, to access the District's group health insurance plan during retirement on a pay-all basis, provided they had at least 8 years of credited service if enrolled in IMRF prior to January 1, 2011 or at least 10 years of credited service if enrolled in IMRF after January 1, 2011. Coverage is also available for eligible dependents on a pay-all basis. Coverage can continue upon the participant reaching Medicare eligibility. Coverage for dependents can continue upon the death of the retiree given that contributions continue.

**Employees Covered by Benefit Terms**

As of June 30, 2022, the following employees were covered by the benefit terms:

Active employees	40
Inactive employees entitled to but not yet receiving benefits	-
Inactive employees currently receiving benefits	1
Total	41

**Contributions**

Retirees under the age of 65 contribute the full active employee equivalent rate. Retirees have the option of choosing from an HMO or PPO plan through the District. Premiums for the plan are set by the Board of Education. Currently, the District contributes 0 percent to postemployment benefits, which varies for different employee groups. For fiscal year 2022, the District contributed \$0 toward the cost of the postemployment benefits for retirees, which was 0% of covered payroll.

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

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**NOTE G - OTHER POSTEMPLOYMENT BENEFITS** (Continued)

2. **Retiree Health Plan (RHP)** (Continued)

**Total OPEB Liability**

The District's total OPEB liability was determined by an actuarial valuation performed as of July 1, 2021 using the following actuarial methods and assumptions:

Actuarial valuation date	July 1, 2021
Measurement date	June 30, 2022
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Inflation rate	3.00%
Discount rate *	4.09%
Salary rate increase	4.00%
Healthcare inflation rate	HMO initial - 5.50%
	HMO ultimate - 4.50%
	PPO initial - 5.50%
	PPO ultimate - 4.50%
Mortality rates	PubG.H-2010 General Mortality with Mortality Improvement using Scale MP-2020.
Election at retirement	10% of active IMRF employees are assumed to elect coverage continuation at retirement.
Marital status	30% of active employees are assumed to be married and elect spousal coverage upon retirement. Males are assumed to be three years older than females.

\* In 2022, changes in assumptions related to the discount rate were made (2.18% to 4.09%)

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

2. **Retiree Health Plan (RHP) (Continued)**

**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**

	<u>Total OPEB Liability (A)</u>	<u>Plan Fiduciary Net Position (B)</u>	<u>Net OPEB Liability (A) - (B)</u>
Balances at July 1, 2021	\$ 70,932	\$ -	\$ 70,932
Changes for the year:			
Service cost	5,528	-	5,528
Interest on the total OPEB liability	1,356	-	1,356
Difference between expected & actual experience	126,922	-	126,922
Assumptions and other inputs	(10,506)	-	(10,506)
Other changes	(17,436)	-	(17,436)
 Balances at June 30, 2022	 <u>\$ 176,796</u>	 <u>\$ -</u>	 <u>\$ 176,796</u>

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

The following presents the plan's total OPEB liability, calculated using a Single Discount Rate of 4.09%, as well as what the plan's total OPEB liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher than the current rate:

	<u>1% Lower (3.09%)</u>	<u>Current Discount Rate (4.09%)</u>	<u>1% Higher (5.09%)</u>
Total OPEB liability	\$ <u>182,462</u>	\$ <u>176,796</u>	\$ <u>171,378</u>

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

2. Retiree Health Plan (RHP) (Continued)

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rate**

The following presents the plan's net OPEB liability, calculated using a Healthcare Trend Rate range of 4.50% - 5.50%, as well as what the plan's net OPEB liability would be if it were calculated using a Healthcare Trend Rate range that is 1% lower or 1% higher than the current range:

	1% Lower <u>(3.50% - 4.00%)</u>	Current Healthcare Rate <u>(4.50% - 5.00%)</u>	1% Higher <u>(5.50 - 6.00%)</u>
Total OPEB liability	\$ <u>170,400</u>	\$ <u>176,796</u>	\$ <u>183,558</u>

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

For the year ended June 30, 2022 the District recognized OPEB expense of \$24,470. At June 30, 2022, the District reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in OPEB Expense in Future Periods		
Difference between expected and actual experience	\$ 117,229	\$ -
Change of assumptions	<u>33,271</u>	<u>9,896</u>
Total deferred amounts to be recognized in OPEB expense in the future periods	<u>\$ 150,500</u>	<u>\$ 9,896</u>

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

2. Retiree Health Plan (Continued)

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

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,	Net Deferred Outflows of Resources
2023	\$ 17,586
2024	17,586
2025	17,586
2026	17,586
2027	17,586
Thereafter	52,674
Total	\$ 140,604

3. Summary of OPEB Items

Below is a summary of the various OPEB items at June 30, 2022:

	THIS	RHP	Total
Deferred outflows of resources:			
Employer contributions	\$ 71,447	\$ -	\$ 71,447
Experience	-	117,229	117,229
Assumptions	2,593	33,271	35,864
Proportionate share	204,661	-	204,661
	\$ 278,701	\$ 150,500	\$ 429,201
OPEB liability	\$ 7,510,018	\$ 176,796	\$ 7,686,814

**West Northfield School District 31**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2022

**NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

3. Summary of OPEB Items (Continued)

	THIS	RHP	Total
OPEB expense	\$ 120,345	\$ 24,470	\$ 144,815
Deferred inflows of resources:			
Experience	\$ 351,309	\$ -	\$ 351,309
Assumptions	2,812,163	9,896	2,822,059
Proportionate share	617,000	-	617,000
Investments	25	-	25
	\$ 3,780,497	\$ 9,896	\$ 3,790,393

**NOTE H - JOINT AGREEMENTS**

The District is a member of the TrueNorth Educational Cooperative 804 (formerly known as Northern Suburban Special Education District), a joint agreement that provides certain special education services to residents of many school districts. It is also a member of the risk management pools described in Note I. The District believes that, because it does not control the selection of the governing authority and because of the control over employment of management personnel, operation, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not included as component units of the District.

The District entered an agreement with the Board of Commissions of the Glenview Park District that allows for School District 31 to rent space and grounds around Winkelman School for lawful Park District purposes. The original agreement was for 20 years ending May 16, 2010 and was extended for two additional terms of 10 years each ending May 16, 2030.

**NOTE I - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, cyber-attacks, pollution, and natural disasters. The District purchases coverage against such risks and participates in the following public entity risk pools: Education Benefit Cooperative (EBC) for health benefit claims; School Employee Loss Fund (SELF) for worker's compensation claims; and Suburban School Cooperative Insurance Pool (SSCIP) for property damage and injury claims. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that the pools will be self-sustaining through member premiums, and will reinsure through commercial companies for claims in excess of certain levels established by the pools. Settled claims have not exceeded coverage for the past three fiscal years.

Complete financial statements for the School Employee Loss Fund (SELF) can be obtained from its Treasurer.

**West Northfield School District 31**  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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NOTE I - RISK MANAGEMENT (Continued)

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. Settled claims have not exceeded commercial insurance coverage for the past four fiscal years.

NOTE J - CONTINGENCIES

1. Litigation

The District is a defendant in various tax appeal lawsuits and other litigation. Although the outcome of these lawsuits is not presently determinable, it is possible that the outcome could have an adverse effect on the financial condition of the District. With regard to other pending matters, the eventual outcome and related liability, if any, is not determinable at this time. No provision has been made in the accompanying financial statements for settlement costs, other than as noted above.

2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

3. COVID-19

The long-term direct and indirect impacts of the COVID-19 pandemic on the District's enrollment, vendors, operations, and financing arrangements are currently unknown, as is the duration and severity of any impacts that the District may experience. The District continues to monitor investment values and returns, tax revenues, and state and federal funding, which could be impacted. While the District's evaluation is ongoing, management is currently unable to quantify the full effects that the pandemic will have on its operations, cash flows, and financial position.

NOTE K - SUBSEQUENT EVENT

Management has evaluated subsequent events through December 2, 2022, the date that these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the statement of position date that require additional disclosure in the financial statements.



**REQUIRED SUPPLEMENTARY INFORMATION**  
**(Unaudited)**

**West Northfield School District 31**  
**MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET)**  
**AND RELATED RATIOS**  
**Illinois Municipal Retirement Fund**  
**Eight Most Recent Fiscal Years**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total pension liability			
Service cost	\$ 142,578	154,778	\$ 150,638
Interest on the total pension liability	562,844	\$ 543,098	527,399
Difference between expected and actual experience of the total pension liability	93,411	103,316	(50,143)
Assumption changes	-	(82,299)	-
Benefit payments and refunds	(455,370)	(425,488)	(401,383)
Net change in total pension liability	<u>343,463</u>	<u>293,405</u>	<u>226,511</u>
Total pension liability, beginning	7,919,763	7,626,358	7,399,847
Total pension liability, ending	<u>\$ 8,263,226</u>	<u>\$ 7,919,763</u>	<u>\$ 7,626,358</u>
Plan fiduciary net position			
Contributions, employer	\$ 152,710	159,435	\$ 136,987
Contributions, employee	71,658	\$ 69,319	68,799
Net investment income (loss)	1,379,059	1,035,389	1,186,419
Benefit payments, including refunds of employee contributions	(455,370)	(425,488)	(401,383)
Other (net transfer)	(19,181)	54,701	17,867
Net change in plan fiduciary net position	<u>1,128,876</u>	<u>893,356</u>	<u>1,008,689</u>
Plan fiduciary net position, beginning	8,134,348	7,240,992	6,232,303
Plan fiduciary net position, ending	<u>\$ 9,263,224</u>	<u>\$ 8,134,348</u>	<u>\$ 7,240,992</u>
Net pension liability (asset)	<u>\$ (999,998)</u>	<u>\$ (214,585)</u>	<u>\$ 385,366</u>
Plan fiduciary net position as a percentage of the total pension liability	112.10 %	102.71 %	94.95 %
Covered Valuation Payroll	\$ 1,592,390	1,540,428	\$ 1,528,883
Net pension liability as a percentage of covered valuation payroll	(62.80) %	(13.93) %	25.21 %

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015; therefore, 10 years of information is not available.

Note: Actuarial valuations are as of December 31, which is six months prior to the end of the fiscal year.

	2019	2018	2017	2016	2015
\$	148,694	\$ 132,864	\$ 139,842	\$ 142,986	\$ 149,654
	515,362	501,675	487,022	456,641	422,843
	(50,609)	124,087	(60,720)	163,544	(38,191)
	180,242	(210,353)	(14,661)	7,264	245,421
	(381,968)	(365,429)	(374,548)	(334,543)	(300,715)
	<u>411,721</u>	<u>182,844</u>	<u>176,935</u>	<u>435,892</u>	<u>479,012</u>
	6,988,126	6,805,282	6,628,347	6,192,455	5,713,433
\$	<u><u>7,399,847</u></u>	<u><u>6,988,126</u></u>	<u><u>6,805,282</u></u>	<u><u>6,628,347</u></u>	<u><u>6,192,445</u></u>
\$	159,493	\$ 156,120	\$ 138,297	\$ 146,889	\$ 134,273
	67,582	64,159	56,525	56,686	55,896
	(379,416)	1,091,285	390,262	28,358	340,352
	(381,968)	(365,429)	(374,548)	(334,543)	(300,715)
	144,948	(322,359)	(2,281)	155,147	(127,516)
	<u>(389,361)</u>	<u>623,776</u>	<u>208,255</u>	<u>52,537</u>	<u>102,290</u>
	6,621,664	5,997,888	5,789,633	5,737,096	5,634,806
\$	<u><u>6,232,303</u></u>	<u><u>6,621,664</u></u>	<u><u>5,997,888</u></u>	<u><u>5,789,633</u></u>	<u><u>5,737,096</u></u>
\$	<u><u>1,167,544</u></u>	<u><u>366,462</u></u>	<u><u>807,394</u></u>	<u><u>838,714</u></u>	<u><u>455,349</u></u>
	84.22 %	94.76 %	88.14 %	87.35 %	92.65 %
\$	1,501,823	\$ 1,425,759	\$ 1,256,103	\$ 1,259,691	\$ 1,258,038
	77.74 %	25.70 %	64.28 %	66.58 %	36.20 %

**West Northfield School District 31**  
**MULTIYEAR SCHEDULE OF CONTRIBUTIONS**  
 Illinois Municipal Retirement Fund  
Eight Most Recent Fiscal Years

<u>Year</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a % of Covered Valuation Payroll</u>
2022	\$ 152,710 *	\$ 152,710	\$ -	\$ 1,592,390	9.59 %
2021	159,434	159,435	(1)	1,540,428	10.35
2020	136,988	136,987	1	1,528,883	8.96
2019	159,494	159,493	1	1,501,823	10.62
2018	156,121	156,120	1	1,425,759	10.95
2017	138,297	138,297	-	1,256,103	11.01
2016	133,653	146,889	(13,236)	1,259,691	11.66
2015	135,994	134,273	1,721	1,258,038	10.67

\* Estimated based on contribution rate of 9.59% and covered valuation payroll of \$1,592,390.

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015; therefore, 10 years of information is not available.

**West Northfield School District 31**  
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
Teachers' Retirement System of the State of Illinois  
Eight Most Recent Fiscal Years

Fiscal year ended June 30,

	<u>2022</u>	<u>2021</u>	<u>2020</u>
District's proportion of the net pension liability	0.0010052480 %	0.0010387695 %	0.0010909831 %
District's proportionate share of the net pension liability	\$ 784,207	\$ 895,578	\$ 884,876
State's proportionate share of the net pension liability associated with the District	<u>65,724,880</u>	<u>70,146,303</u>	<u>62,975,687</u>
Total	<u>\$ 66,509,087</u>	<u>\$ 71,041,881</u>	<u>\$ 63,860,563</u>
District's covered-employee payroll	\$ 9,115,022	\$ 8,639,774	\$ 8,525,428
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	8.60 %	10.37 %	10.38 %
Plan fiduciary net position as a percentage of the total pension liability	45.10 %	37.80 %	39.60 %

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pensions liability is reported.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015; therefore, 10 years of information is not available.

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<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.0011849548 %	0.0023558772 %	0.0018095105 %	0.0018867923 %	0.0017499646 %
\$ 923,611	\$ 1,799,846	\$ 1,428,356	\$ 1,236,039	\$ 1,064,998
<u>63,271,230</u>	<u>61,977,099</u>	<u>65,734,967</u>	<u>50,002,609</u>	<u>43,134,039</u>
<u>\$ 64,194,841</u>	<u>\$ 63,776,945</u>	<u>\$ 67,163,323</u>	<u>\$ 51,238,648</u>	<u>\$ 44,199,037</u>
\$ 8,489,592	\$ 8,370,668	\$ 8,277,863	\$ 7,719,938	\$ 6,993,465
10.88 %	21.50 %	17.26 %	16.01 %	15.23 %
40.00 %	39.30 %	36.40 %	41.50 %	43.00 %

**West Northfield School District 31**  
**MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS**  
**Teachers' Retirement System of the State of Illinois**  
**Eight Most Recent Fiscal Years**

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	2022	2021	2020	2019
Contractually required contribution	\$ 52,867	\$ 50,111	\$ 49,447	\$ 49,234
Contributions in relation to the contractually required contribution	52,293	50,639	49,436	49,234
Contribution deficiency (excess)	\$ 574	\$ (528)	\$ 11	\$ -
District's covered-employee payroll	\$ 10,663,669	\$ 9,115,022	\$ 8,639,774	\$ 8,525,428
Contributions as a percentage of covered-employee payroll	0.49 %	0.56 %	0.57 %	0.58 %

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pensions liability is reported.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 therefore 10 years of information is not available.

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<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 97,061	\$ 70,055	\$ 66,100	\$ 66,100
<u>97,061</u>	<u>70,077</u>	<u>66,113</u>	<u>66,113</u>
\$ <u>-</u>	\$ <u>(22)</u>	\$ <u>(13)</u>	\$ <u>(13)</u>
\$ 8,489,592	\$ 8,277,863	\$ 7,719,938	\$ 7,719,938

1.14                      0.85 %                      0.86 %                      0.86 %



## West Northfield School District 31

### MULTIYEAR SCHEDULE OF CHANGES IN TOTAL OTHER POSTRETIREMENT BENEFITS (OPEB) LIABILITY AND RELATED RATIOS

Retiree Health Plan

Five Most Recent Fiscal Years

	2022	2021	2020
Total OPEB liability			
Service cost	\$ 5,528	\$ 6,648	\$ 6,325
Interest on the total OPEB liability	1,356	1,630	1,013
Difference between expected and actual experience of the total OPEB liability	126,922	0	5,178
Changes of assumptions and other inputs	(10,506)	1,357	11,548
Benefit payments, including the implicit rate subsidy	(17,436)	-	-
Other changes	-	-	937
Net change in total OPEB liability	105,864	9,635	25,001
Total OPEB liability, beginning	70,932	61,297	36,296
Total OPEB liability, ending	\$ 176,796	\$ 70,932	\$ 61,297
Plan fiduciary net position	\$ -	\$ -	\$ -
Contributions, employer	-	-	-
Contributions, employee	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds of employee contributions	-	-	-
Other (net transfer)	-	-	-
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position, beginning	-	-	-
Plan fiduciary net position, ending	\$ -	-	\$ -
Net OPEB liability	\$ 176,796	70,932	\$ 61,297
Plan fiduciary net position as a percentage of the total OPEB liability	0.00 %	0.00 %	0.00 %
Covered valuation payroll	\$ 1,467,887	1,479,422	\$ 1,479,422
Net OPEB liability as a percentage of covered valuation payroll	12.04 %	4.79 %	4.14 %

Note: The District implemented GASB 75 beginning with its fiscal year ended June 30, 2018 therefore 10 years of information is not available.

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<u>2019</u>	<u>2018</u>
\$ 3,710	\$ 3,486
946	946
-	-
-	-
(1,465)	(1,496)
619	29,550
<u>3,810</u>	<u>32,486</u>
32,486	-
\$ <u><u>36,296</u></u>	\$ <u><u>32,486</u></u>
\$ -	\$ -
-	-
-	-
-	-
-	-
<u>-</u>	<u>-</u>
-	-
\$ <u><u>-</u></u>	\$ <u><u>-</u></u>
\$ <u><u>36,296</u></u>	\$ <u><u>32,486</u></u>
0.00 %	0.00 %
\$ 1,403,687	\$ 1,403,687
2.59 %	2.31 %

**West Northfield School District 31**  
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY  
Teachers' Health Insurance Security Fund  
Five Most Recent Fiscal Years

	<u>2022</u>		<u>2021</u>		<u>2020</u>
District's proportion of the net OPEB liability	0.0340510000	%	0.0351300000	%	0.0345960000 %
District's proportionate share of the net OPEB liability	\$ 7,510,018		\$ 9,392,233		\$ 9,575,212
State's proportionate share of the net OPEB liability associated with the District	<u>10,182,488</u>		<u>12,723,918</u>		<u>12,966,059</u>
Total	<u>\$ 17,692,506</u>		<u>\$ 22,116,151</u>		<u>\$ 22,541,271</u>
District's covered-employee payroll	\$ 9,115,022		\$ 8,639,774		\$ 8,525,428
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	82.39%		108.71%		112.31%
Plan fiduciary net position as a percentage of the total OPEB liability	1.40%		0.70%		0.25%

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

Note 2: The District implemented GASB 75 beginning with its fiscal year ended June 30, 2018 therefore 10 years of information is not available.

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<u>2019</u>		<u>2018</u>	
0.0358050000	%	0.0363890000	%
\$ 9,433,076		\$ 9,442,883	
<u>12,666,587</u>		<u>12,400,852</u>	
<u>\$ 22,099,663</u>		<u>\$ 21,843,735</u>	
\$ 8,489,592		\$ 8,370,668	
111.11%		112.81%	
-0.07%		-0.17%	

**West Northfield School District 31**  
**MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS**  
**Teachers' Health Insurance Security Fund**  
**Five Most Recent Fiscal Years**

Fiscal year ended June 30,	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 83,858	79,486	\$ 78,434
Contributions in relation to the contractually required contribution	<u>81,313</u>	<u>81,758</u>	<u>78,228</u>
Contribution excess (due)	<u>\$ (2,545)</u>	<u>2,272</u>	<u>\$ (206)</u>
District's covered-employee payroll	\$ 10,663,669	9,115,022	\$ 8,639,774
Contributions as a percentage of covered-employee payroll	0.76%	0.90%	0.91%

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

Note: The District implemented GASB 75 beginning with its fiscal year ended June 30, 2018 therefore 10 years of information is not available.

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<u>2019</u>	<u>2018</u>
\$ 74,708	\$ 70,314
<u>74,693</u>	<u>70,318</u>
\$ <u>(15)</u>	\$ <u>4</u>
\$ 8,525,428	\$ 8,489,592
0.88%	0.83%

## West Northfield School District 31

General Fund - Budgetary Basis

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2022

With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022		Variance From Final Budget	2021 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 15,316,473	\$ 13,753,752	\$ (1,562,721)	\$ 12,960,062
Corporate personal property replacement taxes	225,000	687,234	462,234	382,821
Interest on investments	25,500	16,836	(8,664)	23,271
Sales to pupils - a la carte	-	-	-	8,740
Fees	78,400	643,076	564,676	143,184
Other district/school activity revenue	37,850	31,644	(6,206)	60,719
Student activity fund revenues	-	11,106	11,106	7,017
Rentals - regular textbook	224,000	96,773	(127,227)	108,510
Contributions and donations from private sources	10,000	3,000	(7,000)	51
Other	<u>100,000</u>	<u>1,381,449</u>	<u>1,281,449</u>	<u>388,163</u>
Total local sources	<u>16,017,223</u>	<u>16,624,870</u>	<u>607,647</u>	<u>14,082,538</u>
<b>State sources</b>				
Evidence Based Funding Formula	807,395	807,395	-	806,448
Special Education - Private Facility Tuition	10,000	21,648	11,648	25,360
Special Education - Orphanage - Individual	-	7,468	7,468	8,381
Special Education - Orphanage - Summer Individual	-	-	-	5,088
State Free Lunch & Breakfast	-	2,841	2,841	(491)
Other restricted revenue from state sources	<u>750</u>	<u>100</u>	<u>(650)</u>	<u>750</u>
Total state sources	<u>818,145</u>	<u>839,452</u>	<u>21,307</u>	<u>845,536</u>
<b>Federal sources</b>				
National School Lunch Program	-	342,471	342,471	-
School Breakfast Program	-	25,288	25,288	-
Summer Food Service Program	512,148	-	(512,148)	729,128
Title I - Low Income	214,805	123,234	(91,571)	209,381
Title IV - Student Support & Academic Enrichment Grant	10,000	1,889	(8,111)	-
Federal Special Education - Preschool Flow-Through	8,371	8,838	467	8,053

(Continued)

## West Northfield School District 31

General Fund - Budgetary Basis

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2022

With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Federal sources (Continued)				
Federal Special Education - IDEA Flow Through	\$ 218,687	\$ 188,728	\$ (29,959)	\$ 220,446
Federal Special Education - IDEA Room & Board	-	-	-	39,259
Title III - Instruction for English Learners & Immigrant Students	-	-	-	6,779
Title III - English Language Acquisition	16,694	17,005	311	23,865
Title II - Teacher Quality	26,121	19,640	(6,481)	46,698
Medicaid Matching Funds - Fee-For-Service Program	17,500	36,408	18,908	12,971
Other restricted revenue from Federal Sources	<u>1,751,629</u>	<u>1,545,986</u>	<u>(205,643)</u>	<u>280,401</u>
Total federal sources	<u>2,775,955</u>	<u>2,309,487</u>	<u>(466,468)</u>	<u>1,576,981</u>
Total revenues	<u>19,611,323</u>	<u>19,773,809</u>	<u>162,486</u>	<u>16,505,055</u>
Expenditures				
Instruction				
Regular programs				
Salaries	6,571,692	6,405,189	166,503	5,915,939
Employee benefits	1,086,079	1,055,016	31,063	974,195
Purchased services	102,900	156,246	(53,346)	61,664
Supplies and materials	313,383	203,785	109,598	399,582
Capital outlay	6,000	1,115	4,885	-
Other objects	1,850	1,439	411	701
Non-capitalized equipment	1,000	-	1,000	-
Termination benefits	<u>13,792</u>	<u>13,791</u>	<u>1</u>	<u>27,730</u>
Total	<u>8,096,696</u>	<u>7,836,581</u>	<u>260,115</u>	<u>7,379,811</u>

(Continued)



## West Northfield School District 31

General Fund - Budgetary Basis

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2022

With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
<b>Pre-K programs</b>				
Salaries	\$ 170,962	\$ 163,488	\$ 7,474	\$ -
Employee benefits	66,010	31,353	34,657	-
Supplies and materials	29,802	262	29,540	-
Total	266,774	195,103	71,671	-
<b>Special education programs</b>				
Salaries	1,080,419	998,434	81,985	880,833
Employee benefits	253,229	219,695	33,534	190,766
Purchased services	160,350	253,884	(93,534)	2,948
Supplies and materials	55,383	66,149	(10,766)	35,713
Capital outlay	1,500	-	1,500	1,896
Non-capitalized equipment	500	-	500	-
Termination benefits	6,153	6,152	1	5,804
Total	1,557,534	1,544,314	13,220	1,117,960
<b>Special education programs pre-K</b>				
Salaries	270,393	266,417	3,976	2,995
Employee benefits	28,958	50,955	(21,997)	-
Purchased services	9,000	2,714	6,286	-
Supplies and materials	53,000	27,221	25,779	-
Capital outlay	1,500	-	1,500	-
Non-capitalized equipment	2,000	610	1,390	-
Total	364,851	347,917	16,934	2,995
<b>CTE programs</b>				
Purchased services	1,400	-	1,400	-
Supplies and materials	12,300	10,976	1,324	8,416
Capital outlay	1,000	-	1,000	-
Other objects	500	-	500	-
Total	15,200	10,976	4,224	8,416

(Continued)

# West Northfield School District 31

General Fund - Budgetary Basis

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2022

With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Interscholastic programs				
Salaries	\$ 202,700	\$ 206,583	\$ (3,883)	\$ 40,449
Employee benefits	2,075	5,676	(3,601)	594
Purchased services	8,250	2,402	5,848	598
Supplies and materials	<u>33,300</u>	<u>27,541</u>	<u>5,759</u>	<u>16,217</u>
Total	<u>246,325</u>	<u>242,202</u>	<u>4,123</u>	<u>57,858</u>
Summer school programs				
Salaries	129,379	54,223	75,156	34,941
Employee benefits	7,188	434	6,754	405
Supplies and materials	<u>22,050</u>	<u>21,985</u>	<u>65</u>	<u>-</u>
Total	<u>158,617</u>	<u>76,642</u>	<u>81,975</u>	<u>35,346</u>
Gifted programs				
Purchased services	150	-	150	119
Supplies and materials	<u>150</u>	<u>90</u>	<u>60</u>	<u>39</u>
Total	<u>300</u>	<u>90</u>	<u>210</u>	<u>158</u>
Bilingual programs				
Salaries	1,039,647	882,181	157,466	602,245
Employee benefits	182,878	141,781	41,097	105,496
Purchased services	1,500	-	1,500	335
Supplies and materials	<u>10,650</u>	<u>38,604</u>	<u>(27,954)</u>	<u>22,344</u>
Total	<u>1,234,675</u>	<u>1,062,566</u>	<u>172,109</u>	<u>730,420</u>
Special Education K-12 Programs				
Private Tuition	<u>160,000</u>	<u>135,288</u>	<u>24,712</u>	<u>123,549</u>
Student activity fund expenditures	<u>-</u>	<u>8,479</u>	<u>(8,479)</u>	<u>7,162</u>
Total instruction	<u>12,100,972</u>	<u>11,460,158</u>	<u>640,814</u>	<u>9,463,675</u>

(Continued)

# West Northfield School District 31

General Fund - Budgetary Basis

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2022

With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Support services				
Pupils				
Attendance and social work services				
Salaries	\$ 283,862	\$ 269,899	\$ 13,963	\$ 254,729
Employee benefits	40,751	54,142	(13,391)	53,374
Purchased services	1,550	-	1,550	435
Supplies and materials	<u>11,350</u>	<u>3,120</u>	<u>8,230</u>	<u>474</u>
Total	<u>337,513</u>	<u>327,161</u>	<u>10,352</u>	<u>309,012</u>
Health services				
Salaries	127,258	129,164	(1,906)	50,539
Employee benefits	21,320	11,101	10,219	8,707
Purchased services	8,450	60	8,390	101,131
Supplies and materials	2,000	1,242	758	295
Other objects	<u>180</u>	<u>180</u>	<u>-</u>	<u>-</u>
Total	<u>159,208</u>	<u>141,747</u>	<u>17,461</u>	<u>160,672</u>
Psychological services				
Salaries	83,830	83,829	1	78,931
Employee benefits	13,669	13,672	(3)	13,539
Purchased services	16,000	23,980	(7,980)	114,657
Supplies and materials	<u>1,200</u>	<u>537</u>	<u>663</u>	<u>389</u>
Total	<u>114,699</u>	<u>122,018</u>	<u>(7,319)</u>	<u>207,516</u>
Speech pathology and audiology services				
Salaries	219,473	214,513	4,960	147,263
Employee benefits	40,102	40,535	(433)	26,917
Purchased services	10,700	5,000	5,700	1,829
Supplies and materials	<u>2,550</u>	<u>918</u>	<u>1,632</u>	<u>489</u>
Total	<u>272,825</u>	<u>260,966</u>	<u>11,859</u>	<u>176,498</u>

(Continued)

## West Northfield School District 31

General Fund - Budgetary Basis

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2022

With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
<b>Other support services - pupils</b>				
Salaries	\$ 103,500	\$ 73,595	\$ 29,905	\$ 80,320
Employee benefits	<u>940</u>	<u>663</u>	<u>277</u>	<u>751</u>
Total	<u>104,440</u>	<u>74,258</u>	<u>30,182</u>	<u>81,071</u>
Total pupils	<u>988,685</u>	<u>926,150</u>	<u>62,535</u>	<u>934,769</u>
<b>Instructional staff</b>				
<b>Improvement of instruction services</b>				
Salaries	228,025	220,949	7,076	223,279
Employee benefits	51,342	51,529	(187)	52,955
Purchased services	214,797	208,058	6,739	177,483
Supplies and materials	10,544	6,935	3,609	13,168
Other objects	<u>2,000</u>	<u>872</u>	<u>1,128</u>	<u>398</u>
Total	<u>506,708</u>	<u>488,343</u>	<u>18,365</u>	<u>467,283</u>
<b>Educational media services</b>				
Salaries	192,063	188,966	3,097	178,563
Employee benefits	34,958	33,439	1,519	35,516
Purchased services	1,716	657	1,059	778
Supplies and materials	212,230	205,099	7,131	36,888
Non-capitalized equipment	<u>500</u>	<u>-</u>	<u>500</u>	<u>-</u>
Total	<u>441,467</u>	<u>428,161</u>	<u>13,306</u>	<u>251,745</u>
<b>Assessment and testing</b>				
Purchased services	12,500	4,569	7,931	12,451
Supplies and materials	<u>7,000</u>	<u>1,080</u>	<u>5,920</u>	<u>4,391</u>
Total	<u>19,500</u>	<u>5,649</u>	<u>13,851</u>	<u>16,842</u>
Total instructional staff	<u>967,675</u>	<u>922,153</u>	<u>45,522</u>	<u>735,870</u>

(Continued)

# West Northfield School District 31

General Fund - Budgetary Basis

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2022

With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
General administration				
Board of education services				
Salaries	\$ 3,615	\$ 3,615	\$ -	\$ 13,509
Employee benefits	-	-	-	1,041
Purchased services	175,169	120,139	55,030	134,950
Supplies and materials	20,400	3,760	16,640	6,694
Other objects	2,500	-	2,500	-
Total	<u>201,684</u>	<u>127,514</u>	<u>74,170</u>	<u>156,194</u>
Executive administration services				
Salaries	299,035	299,026	9	294,153
Employee benefits	78,866	79,067	(201)	78,565
Purchased services	3,200	5,710	(2,510)	2,317
Supplies and materials	4,200	8,553	(4,353)	6,160
Other objects	12,600	10,345	2,255	8,761
Total	<u>397,901</u>	<u>402,701</u>	<u>(4,800)</u>	<u>389,956</u>
Special area administrative services				
Salaries	192,408	189,584	2,824	173,937
Employee benefits	47,752	47,761	(9)	47,468
Purchased services	2,000	-	2,000	89
Supplies and materials	500	1,213	(713)	183
Other objects	1,250	1,611	(361)	1,216
Total	<u>243,910</u>	<u>240,169</u>	<u>3,741</u>	<u>222,893</u>
Tort immunity services				
Purchased services	<u>134,458</u>	<u>150,021</u>	<u>(15,563)</u>	<u>101,137</u>
Total	<u>134,458</u>	<u>150,021</u>	<u>(15,563)</u>	<u>101,137</u>
Total general administration	<u>977,953</u>	<u>920,405</u>	<u>57,548</u>	<u>870,180</u>

(Continued)

**West Northfield School District 31**  
 General Fund - Budgetary Basis  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2022  
 With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
School administration				
Office of the principal services				
Salaries	\$ 636,790	\$ 635,148	\$ 1,642	\$ 623,861
Employee benefits	170,854	172,882	(2,028)	161,024
Purchased services	7,500	5,432	2,068	5,338
Supplies and materials	13,600	17,078	(3,478)	13,752
Other objects	1,600	1,218	382	200
Total	<u>830,344</u>	<u>831,758</u>	<u>(1,414)</u>	<u>804,175</u>
Total school administration	<u>830,344</u>	<u>831,758</u>	<u>(1,414)</u>	<u>804,175</u>
Business				
Direction of business support services				
Salaries	193,789	193,789	-	182,448
Employee benefits	63,254	63,652	(398)	61,933
Purchased services	3,750	3,350	400	3,739
Supplies and materials	16,250	14,572	1,678	4,933
Other objects	500	340	160	340
Termination benefits	10,770	10,769	1	10,160
Total	<u>288,313</u>	<u>286,472</u>	<u>1,841</u>	<u>263,553</u>
Fiscal services				
Salaries	139,057	137,057	2,000	132,008
Employee benefits	22,982	22,983	(1)	12,257
Purchased services	12,325	16,141	(3,816)	12,017
Supplies and materials	828	307	521	596
Other objects	200	195	5	195
Total	<u>175,392</u>	<u>176,683</u>	<u>(1,291)</u>	<u>157,073</u>

(Continued)

# West Northfield School District 31

General Fund - Budgetary Basis

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2022

With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Food services				
Purchased services	\$ 545,000	\$ 356,485	\$ 188,515	\$ 744,681
Supplies and materials	11,000	963	10,037	7,509
Capital outlay	<u>4,000</u>	<u>-</u>	<u>4,000</u>	<u>5,218</u>
Total	<u>560,000</u>	<u>357,448</u>	<u>202,552</u>	<u>757,408</u>
Internal services				
Purchased services	71,950	91,302	(19,352)	76,875
Supplies and materials	<u>10,300</u>	<u>26,790</u>	<u>(16,490)</u>	<u>8,692</u>
Total	<u>82,250</u>	<u>118,092</u>	<u>(35,842)</u>	<u>85,567</u>
Total business	<u>1,105,955</u>	<u>938,695</u>	<u>167,260</u>	<u>1,263,601</u>
Central				
Information services				
Salaries	30,000	32,862	(2,862)	30,884
Purchased services	10,750	7,601	3,149	7,840
Supplies and materials	650	-	650	614
Other objects	<u>300</u>	<u>295</u>	<u>5</u>	<u>285</u>
Total	<u>41,700</u>	<u>40,758</u>	<u>942</u>	<u>39,623</u>
Staff services				
Salaries	13,525	12,961	564	13,000
Employee benefits	9	9	-	-
Purchased services	<u>1,000</u>	<u>4,090</u>	<u>(3,090)</u>	<u>-</u>
Total	<u>14,534</u>	<u>17,060</u>	<u>(2,526)</u>	<u>13,000</u>

(Continued)

## West Northfield School District 31

General Fund - Budgetary Basis

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2022

With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Data processing services				
Salaries	\$ 240,338	\$ 238,988	\$ 1,350	\$ 243,756
Employee benefits	32,938	33,516	(578)	38,554
Purchased services	242,584	234,579	8,005	166,086
Supplies and materials	106,000	88,331	17,669	71,175
Capital outlay	176,845	155,258	21,587	108,434
Non-capitalized equipment	-	-	-	79,947
Total	798,705	750,672	48,033	707,952
Total central	854,939	808,490	46,449	760,575
Other supporting services				
Supplies and materials	-	-	-	1,942
Total	-	-	-	1,942
Total support services	5,725,551	5,347,651	377,900	5,371,112
Community services				
Purchased services	59,540	19,461	40,079	70,896
Supplies and materials	505	575	(70)	4,089
Total	60,045	20,036	40,009	74,985
Payments to other districts and government units				
Payments for special education programs				
Purchased services	555,000	553,847	1,153	92,545
Other objects	1,501,724	1,520,018	(18,294)	2,215,897
Total	2,056,724	2,073,865	(17,141)	2,308,442
Total payments to other districts and other government units	2,056,724	2,073,865	(17,141)	2,308,442

(Continued)



**West Northfield School District 31**  
 General Fund - Budgetary Basis  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2022  
 With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Debt service				
Provision for contingencies	\$ 5,000	\$ -	\$ 5,000	\$ -
Total expenditures	<u>19,948,292</u>	<u>18,901,710</u>	<u>1,046,582</u>	<u>17,218,214</u>
Excess (deficiency) of revenues over expenditures	<u>(336,969)</u>	<u>872,099</u>	<u>1,209,068</u>	<u>(713,159)</u>
Other financing sources (uses)				
Proceeds from capital lease	-	-	-	79,947
Transfer to debt service fund for principal on capital leases	-	-	-	(157,379)
Transfer to debt service fund for interest on capital leases	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,379)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(97,811)</u>
Net change to fund balance	<u>\$ (336,969)</u>	<u>872,099</u>	<u>\$ 1,209,068</u>	<u>(810,970)</u>
Fund balance, beginning of year		<u>11,789,461</u>		<u>12,600,431</u>
Fund balance, end of year		<u>\$ 12,661,560</u>		<u>\$ 11,789,461</u>

(Concluded)

**West Northfield School District 31**  
Operations and Maintenance Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2022  
With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 1,030,488	\$ 953,107	\$ (77,381)	\$ 1,047,098
Interest on investments	-	-	-	349
Rentals	25,000	6,550	(18,450)	114,170
Other	-	144,785	144,785	30,600
Total local sources	<u>1,055,488</u>	<u>1,104,442</u>	<u>48,954</u>	<u>1,192,217</u>
Total revenues	<u>1,055,488</u>	<u>1,104,442</u>	<u>48,954</u>	<u>1,192,217</u>
<b>Expenditures</b>				
<b>Facilities acquisition and construction services</b>				
Purchased services	10,000	-	10,000	-
Capital outlay	8,000	-	8,000	-
Total	<u>18,000</u>	<u>-</u>	<u>18,000</u>	<u>-</u>
<b>Operation and maintenance of plant services</b>				
Salaries	439,550	434,049	5,501	431,550
Employee benefits	135,544	122,208	13,336	126,453
Purchased services	373,800	298,515	75,285	307,606
Supplies and materials	395,100	396,456	(1,356)	364,607
Capital outlay	77,500	41,272	36,228	36,985
Other objects	250	325	(75)	-
Non-capitalized equipment	14,500	34,741	(20,241)	16,811
Total	<u>1,436,244</u>	<u>1,327,566</u>	<u>108,678</u>	<u>1,284,012</u>
Total business	<u>1,454,244</u>	<u>1,327,566</u>	<u>126,678</u>	<u>1,284,012</u>
Total support services	<u>1,454,244</u>	<u>1,327,566</u>	<u>126,678</u>	<u>1,284,012</u>
Provision for contingencies	<u>20,000</u>	<u>-</u>	<u>20,000</u>	<u>-</u>

(Continued)

**West Northfield School District 31**  
Operations and Maintenance Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2022  
With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Total expenditures	\$ 1,474,244	\$ 1,327,566	\$ 146,678	\$ 1,284,012
Excess of revenues over expenditures	\$ (418,756)	(223,124)	\$ 195,632	(91,795)
Fund balance, beginning of year		879,981		971,776
Fund balance, end of year		\$ 656,857		\$ 879,981

(Concluded)

**West Northfield School District 31**  
Transportation Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2022  
With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Revenues				
Local sources				
General levy	\$ 721,406	\$ 626,094	\$ (95,312)	\$ 627,219
Corporate personal property replacement taxes	-	-	-	60,000
Regular transportation fees from pupils or parents - in state	115,000	142,513	27,513	93,079
Other	-	85,471	85,471	11,774
Total local sources	<u>836,406</u>	<u>854,078</u>	<u>17,672</u>	<u>792,072</u>
State sources				
Transportation - Special Education	<u>315,000</u>	<u>278,171</u>	<u>(36,829)</u>	<u>338,460</u>
Total state sources	<u>315,000</u>	<u>278,171</u>	<u>(36,829)</u>	<u>338,460</u>
Total revenues	<u>1,151,406</u>	<u>1,132,249</u>	<u>(19,157)</u>	<u>1,130,532</u>
Expenditures				
Support services				
Business				
Pupil transportation services				
Purchased services	<u>1,059,830</u>	<u>1,179,871</u>	<u>(120,041)</u>	<u>808,901</u>
Total	<u>1,059,830</u>	<u>1,179,871</u>	<u>(120,041)</u>	<u>808,901</u>
Total support services	<u>1,059,830</u>	<u>1,179,871</u>	<u>(120,041)</u>	<u>808,901</u>
Total expenditures	<u>1,059,830</u>	<u>1,179,871</u>	<u>(120,041)</u>	<u>808,901</u>

(Continued)

**West Northfield School District 31**  
 Transportation Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2022  
 With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022		Variance From Final Budget	2021 Actual
	Original and Final Budget	Actual		
Excess (deficiency) of revenues over expenditures	<u>\$ 91,576</u>	<u>(47,622)</u>	<u>\$ (139,198)</u>	<u>321,631</u>
Fund balance, beginning of year		<u>875,572</u>		<u>553,941</u>
Fund balance, end of year		<u>\$ 827,950</u>		<u>\$ 875,572</u>

(Concluded)

**West Northfield School District 31**  
Municipal Retirement / Social Security Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2022  
With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022		Variance From Final Budget	2021 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 309,082	\$ 96,857	\$ (212,225)	\$ 111,827
Social security/Medicare only levy	-	159,005	159,005	189,357
Corporate personal property replacement taxes	59,000	339,000	280,000	9,000
Other	-	42,834	42,834	9,420
<b>Total local sources</b>	<u>368,082</u>	<u>637,696</u>	<u>269,614</u>	<u>319,604</u>
<b>Total revenues</b>	<u>368,082</u>	<u>637,696</u>	<u>269,614</u>	<u>319,604</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Regular programs	120,435	115,386	5,049	115,514
Pre-K programs	5,095	3,904	1,191	-
Special education programs	44,328	41,440	2,888	42,777
Special education programs pre-K	4,650	7,269	(2,619)	229
Interscholastic programs	5,830	4,382	1,448	708
Summer school programs	4,163	3,566	597	1,753
Bilingual programs	12,629	16,726	(4,097)	14,486
<b>Total instruction</b>	<u>197,130</u>	<u>192,673</u>	<u>4,457</u>	<u>175,467</u>
<b>Support services</b>				
<b>Pupils</b>				
Attendance and social work services	6,175	5,896	279	5,926
Health services	13,443	9,335	4,108	4,398
Psychological services	1,195	1,203	(8)	1,137
Speech pathology and audiology services	3,401	2,993	408	2,037
Other support services -pupils	4,725	2,836	1,889	3,017
<b>Total pupils</b>	<u>28,939</u>	<u>22,263</u>	<u>6,676</u>	<u>16,515</u>

(Continued)

**West Northfield School District 31**  
Municipal Retirement / Social Security Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2022  
With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			2021 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
<b>Instructional staff</b>				
Improvement of instruction services	\$ 4,170	\$ 4,718	\$ (548)	\$ 5,514
Educational media services	<u>5,522</u>	<u>3,663</u>	<u>1,859</u>	<u>3,586</u>
Total instructional staff	<u>9,692</u>	<u>8,381</u>	<u>1,311</u>	<u>9,100</u>
<b>General administration</b>				
Board of education services	620	576	44	603
Executive administration services	17,700	16,474	1,226	17,191
Special area administrative services	<u>9,470</u>	<u>9,543</u>	<u>(73)</u>	<u>9,172</u>
Total general administration	<u>27,790</u>	<u>26,593</u>	<u>1,197</u>	<u>26,966</u>
<b>School administration</b>				
Office of the principal services	<u>32,185</u>	<u>30,830</u>	<u>1,355</u>	<u>31,322</u>
Total school administration	<u>32,185</u>	<u>30,830</u>	<u>1,355</u>	<u>31,322</u>
<b>Business</b>				
Direction of business support services	4,556	4,456	100	4,195
Fiscal services	22,800	19,846	2,954	20,390
Operation and maintenance of plant services	<u>78,995</u>	<u>69,289</u>	<u>9,706</u>	<u>75,138</u>
Total business	<u>106,351</u>	<u>93,591</u>	<u>12,760</u>	<u>99,723</u>
<b>Central</b>				
Information services	2,435	2,514	(79)	2,363
Staff services	2,358	2,117	241	2,288
Data processing services	<u>40,780</u>	<u>38,635</u>	<u>2,145</u>	<u>42,494</u>
Total central	<u>45,573</u>	<u>43,266</u>	<u>2,307</u>	<u>47,145</u>
Total support services	<u>250,530</u>	<u>224,924</u>	<u>25,606</u>	<u>230,771</u>

(Continued)

**West Northfield School District 31**  
Municipal Retirement / Social Security Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2022  
With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022		Variance From Final Budget	2021 Actual
	Original and Final Budget	Actual		
Community services	\$ 2,600	\$ 427	\$ 2,173	\$ -
Total expenditures	<u>450,260</u>	<u>418,024</u>	<u>32,236</u>	<u>406,238</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (82,178)</u>	<u>219,672</u>	<u>\$ 301,850</u>	<u>(86,634)</u>
Fund balance, beginning of year		<u>101,810</u>		<u>188,444</u>
Fund balance, end of year		<u>\$ 321,482</u>		<u>\$ 101,810</u>

(Concluded)



**West Northfield School District 31**  
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2022

**1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS**

Budgets are adopted on a basis consistent with generally accepted accounting principles, except that the District does not budget for "on-behalf" contributions from the State of Illinois for the employer's share of the Teacher Retirement Pension and the Teachers' Health Insurance Security Fund OPEB. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level.

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- e) Management is authorized to transfer budget amounts, provided that funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- f) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on September 30, 2021.
- g) All budget appropriations lapse at the end of the fiscal year.

**2. EXPENDITURES IN EXCESS OF BUDGETS**

The following funds had expenditures in excess of budget at June 30, 2022:

Fund	Variance
Transportation	\$ 120,041

**West Northfield School District 31**  
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2022

**3. BUDGET RECONCILIATION**

The Statement of Revenues, Expenditures, and Changes in Fund Balances - General Fund (GAAP basis) includes "on-behalf" payments received and made for the amounts contributed by the State of Illinois for the employer's share of the Teachers' Retirement System pension and Teacher Health Insurance Security Fund OPEB. The District does not budget for these amounts. The differences between the budget and GAAP basis

	Revenues	Expenditures
General fund - budgetary basis	\$ 19,773,809	18,901,710
To adjust for on-behalf payments received	5,396,999	-
To adjust for on-behalf payments made	-	5,396,999
	\$ 25,170,808	\$ 24,298,709

**4. CHANGES OF ASSUMPTIONS - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**

For the 2020 - 2021 measurement year, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit and were consistent in 2020 and 2021. These actuarial assumptions were based on an experience study dated September 30, 2021.

For the 2020 - 2016 measurement years, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit. The assumptions used for the 2020 - 2018 and 2017 - 2016 measurement years were based on an experience study dated September 30, 2018 and August 13, 2015, respectively.

For the 2015 measurement year, the assumed investment rate of return was 7.50 percent, including an inflation rate of 3.00 percent and real return of 4.50 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

**5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2021 IMRF CONTRIBUTION RATE\***

**Valuation Date:**

Notes

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

**West Northfield School District 31**  
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2022

**5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2021 IMRF CONTRIBUTION RATE\* (Continued)**

**Methods and Assumptions Used to Determine the 2021 Contribution Rate:**

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 22-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 17 years for most employers (five employers were financed over 18 years; one employer was financed over 19 years; two employers were financed over 20 years; three employers were financed over 26 years; four employers were financed over 27 years and one was financed over 28 years).
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% to 14.25%, including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, IMRF specific mortality rates were used with fully generational projections scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, IMRF specific mortality rates were used with fully generational projections 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, 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.

**West Northfield School District 31**  
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2022

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**5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2021 IMRF CONTRIBUTION RATE\*** (Continued)

**Other Information:**

Notes There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2019 actuarial valuation.

**Change in Assumptions:**

For the 2021, 2020, 2019 and 2018 measurement years, the assumed investment rate of return was 7.25 percent, including an inflation rate of 2.50 percent and a real return of 4.75%.

For the 2017, 2016, 2015 and 2014 measurement years, the assumed investment rate of return was 7.50 percent, including an inflation rate of 2.50 percent and a real return of 5.00%.

**6. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2021 THIS CONTRIBUTION RATE**

**Valuation Date:**

Notes Actuarially determined contribution rates are calculated as of June 30 each year, 12 months prior to the fiscal year in which contributions are reported.

Valuation Date June 30, 2020

Measurement Date June 30, 2021

Fiscal Year End June 30, 2022

**Methods and Assumptions Used to Determine the 2021 Contribution Rate:**

Actuarial Cost Method	Aggregate Entry Age Normal
Asset Valuation Method	Market value
Investment Rate of Return	2.75%, net of OPEB plan investment expense, including inflation, for all plan
Single equivalent discount rate	1.92%
Price 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.

**West Northfield School District 31**  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2022

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**6. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2021 THIS CONTRIBUTION RATE** (Continued)

**Methods and Assumptions Used to Determine the 2021 Contribution Rate** (Continued):

Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018, actuarial valuation.
Mortality	Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. Disabled Annuitants: RP-2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017.
Healthcare Cost Trend Rates	Trend for fiscal year 2022 based on expected increases used to develop average costs. For fiscal years on and after 2023, trend starts at 8.00% gradually decreases to an ultimate trend of 4.25%.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

**Change in Assumptions:**

The Discount Rate was changed from 2.45% used in the Fiscal Year 2021 valuation to 1.92%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

The Discount Rate was changed from 3.13% used in the Fiscal Year 2020 valuation to 2.45%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

The Discount Rate was changed from 3.62% used in the Fiscal Year 2019 valuation to 3.13%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

**SUPPLEMENTARY FINANCIAL INFORMATION**

# West Northfield School District 31

General Fund

## COMBINING BALANCE SHEET

June 30, 2022

	Educational Account	Tort Immunity and Judgment	Working Cash Account	Total
<b>ASSETS</b>				
Cash and investments	\$ 6,526,036	\$ -	\$ 5,931,897	\$ 12,457,933
Receivables (net of allowance for uncollectibles):				
Interest	9,766	-	-	9,766
Property taxes	8,963,805	-	179	8,963,984
Replacement taxes	39,194	-	-	39,194
Intergovernmental	433,583	-	-	433,583
Prepaid items	<u>31,287</u>	<u>-</u>	<u>-</u>	<u>31,287</u>
Total assets	<u>\$ 16,003,671</u>	<u>\$ -</u>	<u>\$ 5,932,076</u>	<u>\$ 21,935,747</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 60,142	\$ -	\$ -	\$ 60,142
Other current liabilities	30,795	-	-	30,795
Unearned revenue	<u>250,337</u>	<u>-</u>	<u>-</u>	<u>250,337</u>
Total liabilities	<u>341,274</u>	<u>-</u>	<u>-</u>	<u>341,274</u>
<b>DEFERRED INFLOWS</b>				
Unavailable interest revenue	6,601	-	-	6,601
Property taxes levied for a future period	<u>8,926,135</u>	<u>-</u>	<u>177</u>	<u>8,926,312</u>
Total deferred inflows	<u>8,932,736</u>	<u>-</u>	<u>177</u>	<u>8,932,913</u>
<b>FUND BALANCES</b>				
Nonspendable	31,287	-	-	31,287
Assigned	23,596	-	-	23,596
Unassigned	<u>6,674,778</u>	<u>-</u>	<u>5,931,899</u>	<u>12,606,677</u>
Total fund balance	<u>6,729,661</u>	<u>-</u>	<u>5,931,899</u>	<u>12,661,560</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 16,003,671</u>	<u>\$ -</u>	<u>\$ 5,932,076</u>	<u>\$ 21,935,747</u>

## West Northfield School District 31

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2022

	Educational Account	Tort Immunity and Judgment Account	Working Cash Account	Total
<b>Revenues</b>				
Property taxes	\$ 13,753,165	\$ -	\$ 587	\$ 13,753,752
Replacement taxes	687,234	-	-	687,234
State aid	6,236,451	-	-	6,236,451
Federal aid	2,309,487	-	-	2,309,487
Interest	16,735	-	101	16,836
Other	2,166,964	-	84	2,167,048
Total revenues	25,170,036	-	772	25,170,808
<b>Expenditures</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular programs	7,835,466	-	-	7,835,466
Special programs	2,027,519	-	-	2,027,519
Other instructional programs	1,596,058	-	-	1,596,058
State retirement contributions	5,396,999	-	-	5,396,999
<b>Support services:</b>				
Pupils	926,150	-	-	926,150
Instructional staff	922,153	-	-	922,153
General administration	920,371	34	-	920,405
School administration	831,758	-	-	831,758
Business	938,695	-	-	938,695
Transportation	-	-	-	-
Operations and maintenance	-	-	-	-
Central	653,232	-	-	653,232
Other supporting services	-	-	-	-
Community services	20,036	-	-	20,036
Nonprogrammed charges	2,073,865	-	-	2,073,865
<b>Debt service:</b>				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	156,373	-	-	156,373
Total expenditures	24,298,675	34	-	24,298,709
Excess (deficiency) of revenues over expenditures	871,361	(34)	772	872,099

(Continued)



**West Northfield School District 31**

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2022

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	<u>Educational Account</u>	<u>Tort Immunity and Judgment Account</u>	<u>Working Cash Account</u>	<u>Total</u>
Fund balance, beginning of year	<u>\$ 5,858,300</u>	<u>34</u>	<u>5,931,127</u>	<u>\$ 11,789,461</u>
Fund balance, end of year	<u>\$ 6,729,661</u>	<u>\$ -</u>	<u>\$ 5,931,899</u>	<u>\$ 12,661,560</u>

(Concluded)

**West Northfield School District 31**  
Debt Service Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2022  
With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022			
	Original and Final Budget	Actual	Variance From Final Budget	2021 Actual
Revenues				
Local sources				
General levy	\$ 891,737	\$ 770,634	\$ (121,103)	\$ 783,857
Corporate personal property replacement taxes	100,000	275,010	175,010	150,000
Other	-	99,813	99,813	19,701
Total local sources	<u>991,737</u>	<u>1,145,457</u>	<u>153,720</u>	<u>953,558</u>
Total revenues	<u>991,737</u>	<u>1,145,457</u>	<u>153,720</u>	<u>953,558</u>
Expenditures				
Bonds and other - interest	<u>417,784</u>	<u>414,767</u>	<u>3,017</u>	<u>431,274</u>
Total debt service - interest	<u>417,784</u>	<u>414,767</u>	<u>3,017</u>	<u>431,274</u>
Principal payments on long-term debt	<u>573,747</u>	<u>575,150</u>	<u>1,403</u>	<u>572,379</u>
Other debt service				
Other objects	<u>-</u>	<u>1,075</u>	<u>(1,075)</u>	<u>1,589</u>
Total	<u>-</u>	<u>1,075</u>	<u>(1,075)</u>	<u>1,589</u>
Total debt service	<u>991,531</u>	<u>990,992</u>	<u>539</u>	<u>1,005,242</u>
Total expenditures	<u>991,531</u>	<u>990,992</u>	<u>539</u>	<u>1,005,242</u>
Excess (deficiency) of revenues over expenditures	<u>206</u>	<u>154,465</u>	<u>154,259</u>	<u>(51,684)</u>

(Continued)

**West Northfield School District 31**  
Debt Service Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2022  
With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022		Variance From Final Budget	2021 Actual
	Original and Final Budget	Actual		
Other financing sources				
Transfer to pay principal on capital leases	\$ -	\$ -	\$ -	\$ 157,379
Transfer to pay interest on capital leases	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,379</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>177,758</u>
Net change in fund balance	<u>\$ 206</u>	154,465	<u>\$ 154,259</u>	126,074
Fund balance, beginning of year		<u>1,333,446</u>		<u>1,207,372</u>
Fund balance, end of year		<u>\$ 1,487,911</u>		<u>\$ 1,333,446</u>

(Concluded)

**West Northfield School District 31**  
 Capital Projects Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2022  
 With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022		Variance From Final Budget	2021 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
Contributions and donations from private sources	\$ 500	\$ -	\$ (500)	\$ -
Impact fees from municipal or county governments	<u>100,000</u>	<u>163,764</u>	<u>63,764</u>	<u>137,706</u>
Total local sources	<u>100,500</u>	<u>163,764</u>	<u>63,264</u>	<u>137,706</u>
Total revenues	<u>100,500</u>	<u>163,764</u>	<u>63,264</u>	<u>137,706</u>
Expenditures				
Support services				
Facilities acquisition and construction services				
Capital outlay	<u>170,000</u>	<u>49,413</u>	<u>120,587</u>	<u>161,512</u>
Total	<u>170,000</u>	<u>49,413</u>	<u>120,587</u>	<u>161,512</u>
Total support services	<u>170,000</u>	<u>49,413</u>	<u>120,587</u>	<u>161,512</u>
Payments to other districts and government units				
Provision for contingencies	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>
Total expenditures	<u>180,000</u>	<u>49,413</u>	<u>130,587</u>	<u>161,512</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (79,500)</u>	<u>114,351</u>	<u>\$ 193,851</u>	<u>(23,806)</u>

(Continued)

**West Northfield School District 31**  
 Capital Projects Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2022  
 With Comparative Actual Amounts for the Year Ended June 30, 2021

	2022		Variance From Final Budget	2021 Actual
	Original and Final Budget	Actual		
Fund balance, beginning of year	\$ 367,941			\$ 391,747
Fund balance , end of year	\$ 482,292			\$ 367,941

(Concluded)

**OTHER SUPPLEMENTAL INFORMATION**  
**(Unaudited)**

**West Northfield School District 31**  
**PROPERTY TAX RATES - LEVIES AND COLLECTIONS**  
**LAST FIVE TAX LEVY YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Assessed Valuation	\$ <u>622,047,682</u>	\$ <u>669,257,911</u>	\$ <u>675,663,444</u>	\$ <u>598,973,369</u>	\$ <u>611,806,992</u>
<b>Rates Extended</b>					
Educational	2.4162	2.2399	2.0785	2.3196	2.2145
Educational - PA 102-0519	0.2519	-	-	-	-
Operations and Maintenance	0.1929	0.1494	0.2072	0.2235	0.2125
Debt Service	0.1447	0.1327	0.1292	0.1439	0.1380
Transportation	0.1206	0.1046	0.1036	0.0860	0.0736
Municipal Retirement	0.0185	0.0164	0.0222	0.0344	0.0212
Social Security	0.0289	0.0284	0.0355	0.0344	0.0392
Working Cash	<u>0.0001</u>	<u>0.0001</u>	<u>0.0001</u>	<u>0.0001</u>	<u>0.0001</u>
Total rates extended	<u>3.1738</u>	<u>2.6715</u>	<u>2.5763</u>	<u>2.8419</u>	<u>2.6991</u>
<b>Levies Extended</b>					
Educational	\$ 15,030,002	\$ 14,990,504	\$ 14,043,774	\$ 13,894,080	\$ 13,548,522
Educational - PA 102-0519	1,567,047	-	-	-	-
Operations and Maintenance	1,200,000	1,000,000	1,400,000	1,339,000	1,300,000
Debt Service	900,184	887,794	872,873	861,827	844,250
Transportation	750,000	700,000	700,000	515,000	450,000
Municipal Retirement	115,000	110,000	150,000	206,000	130,000
Social Security	180,000	190,000	240,000	206,000	240,000
Working Cash	<u>500</u>	<u>500</u>	<u>500</u>	<u>515</u>	<u>500</u>
Total levies extended	<u>\$ 19,742,733</u>	<u>\$ 17,878,798</u>	<u>\$ 17,407,147</u>	<u>\$ 17,022,422</u>	<u>\$ 16,513,272</u>
Total collections	<u>\$ 9,126,485</u>	<u>\$ 15,954,988</u>	<u>\$ 16,152,582</u>	<u>\$ 16,779,605</u>	<u>\$ 16,212,001</u>
Percentage of extensions collected	<u>46.23%</u>	<u>89.24%</u>	<u>92.79%</u>	<u>98.57%</u>	<u>98.18%</u>

Note: Tax rates are expressed in dollars per \$100 of assessed valuation.