



INSPIRE • INNOVATE • ENGAGE

NORTH SHORE
SCHOOL DISTRICT 112

Highland Park, Illinois

Annual Comprehensive Financial Report

For the fiscal year
Ended June 30, 2023

"The mission of North Shore School District 112, a community partnership committed to a world-class education, is to nurture every child to become an inspired learner, a well-rounded individual, and contributing member of a global community by striving for excellence within an environment that fosters innovation, respect, engagement, and intellectual inquiry."

ANNUAL COMPREHENSIVE FINANCIAL
REPORT

OF

**NORTH SHORE SCHOOL DISTRICT
112**

HIGHLAND PARK, ILLINOIS

As of and for the Year Ended June 30, 2023

Officials Issuing Report

Jeremy Davis
Assistant Superintendent for Finance & Operations

Department Issuing Report

Business Office

NORTH SHORE SCHOOL DISTRICT 112

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November 8, 2023

President, Members of the Board of Education, and Citizens of Highland Park
North Shore School District 112
Highland Park, IL 60035

The Annual Comprehensive Financial Report of North Shore School District 112 (District 112), Highland Park, Illinois, for the fiscal year ended June 30, 2023, is attached. The Assistant Superintendent of Finance and Operations prepared the report. The report date on the underlying financial statements is November 8, 2023, and an unmodified auditors' opinion on the financial statement has been issued.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner designed to present the financial position and results of operations of the District fairly. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Financial Statements

The Annual Comprehensive Financial Report includes all funds controlled by or dependent on the Board of Education of the District and is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the District's organizational chart, a list of principal officials, the Certificate of Excellence, and the Certificate of Achievement for Excellence in Financial Reporting. The financial section includes Management's Discussion and Analysis (MD&A) of the District's financial performance for the year, the basic financial statements, and the fund financial statements and schedules, as well as the auditors' report on the financial statements and schedules and the notes to the financial statements. The statistical section includes selected unaudited financial and demographic information, generally presented on a multi-year basis.

Other information on the District's financial results can be obtained from the Management Discussion & Analysis included with this Annual Comprehensive Financial Report.

The District does not have financial accountability over any other entity and, thus, does not include any other entity as a component unit in this report. Additionally, the District is an independent entity, not includable as a component unit of any other reporting entity.

History of the District

The District was organized on July 1, 1993, and is governed by an elected seven-member Board of Education. The District maintains grades kindergarten through eighth in seven elementary school buildings and two middle school buildings. Pre-kindergarten and certain special education programs are also provided in the District's administrative building.

The District provides educational instruction to children residing in the City of Highland Park, the City of Highwood, Fort Sheridan, and a portion of Deerfield. The District's operations are funded primarily through local property taxes. The District operates under guidelines and restrictions set forth in the Illinois School Code and various federal statutes.

The District had ten buildings, seven elementary schools, two middle schools, and an administration center/preschool, as of the end of the 2023 fiscal year. The age of the elementary school buildings are as follows: Braeside -1929, Indian Trail -1955, Oak Terrace -2001, Ravinia -1913, Red Oak -1958, Sherwood -1961, and Wayne Thomas -1957. The age of the middle school buildings is as follows: Edgewood -1951 and Northwood -1959. The administration center/preschool, Green Bay, was commissioned in 1929. Within the last 3 years, our two middle schools, Edgewood and Northwood, have been renovated. The District also is beginning to renovate and revitalize two of its elementary schools, Indian Trail and Ravinia, during the 2023-2024 school year.

In November 2022, North Shore School District 112 voters overwhelmingly approved a \$114.4 million referendum. That referendum was to renovate five of the District's elementary schools, Indian Trail, Ravinia, Braeside, Sherwood, and Wayne Thomas. The District issued \$56.3 million of General Obligation Bonds in December 2022 to begin renovations at Indian Trail and Ravinia. Indian Trail currently is under construction now, and Ravinia renovations will begin in early 2024. Prior to the start of the 2023-2024 school year, the preschool was moved from Green Bay to Oak Terrace, and the administration moved to office buildings in Highwood, Illinois. This allowed Green Bay to be used as a swing site for Ravinia Elementary School for the 2023-2024 School Year. Additionally, Elm Place Elementary School will house Indian Trail Elementary School while it is being renovated.

The District's year-over-year enrollment is relatively stable, with some fluctuation during the year generated by military housing in the Fort Sheridan Army base. In the 2023 school year, the total number of regular and special education students enrolled in the District was 3,830. Additionally, Dr. John Kasarda performed an enrollment study in April 2023. The report is posted on the District website and provides projected enrollment for the next five to ten years. Enrollment is forecast to increase slightly over the next five years.

Accounting Systems and Budgetary Control

The District has complete responsibility for the preparation and modification of its annual budget. It is solely accountable for its fiscal matters, including surpluses and deficits, assignments of management, and issuance of debt. The District's administration is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse. In addition, to ensure that adequate accounting data is compiled to prepare financial statements in conformity with accounting principles generally accepted in the United States of America.

The internal control structure is designed to provide a reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and that (2) the valuation of costs and benefits requires estimates and judgments by management.

The District's independent auditors run tests to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, and determine that the District has complied with applicable laws and regulations. The results of the tests for the fiscal year ended June 30, 2023, did not indicate any instances of material weaknesses in the internal control structure. No significant violations of applicable laws and regulations were noted.

The District maintains sound budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the District's Board of Education.

During the second half of the fiscal year, the business office provides the Board with estimated year-end variance reports on a monthly basis. The Board is also provided with other monthly financial information, including revenue and expenditure detail, check registers and cash, receivable, and investment summaries. Additional financial information is routinely provided as needed.

The General Fund Activities, Special Revenue Funds, Debt Service Fund, and Capital Projects Funds are included in the annual budget. The level of budgetary control is established at the individual fund level.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

General Governmental Activities

The general governmental activities include all services provided by the District; included are the general, special revenue, debt service, and capital project funds. The activities include all instructional, maintenance, and administrative costs of the District.

Property taxes are by far the most significant revenue source for the District. The three factors that affect property tax revenues are assessed valuation, the tax multiplier, and the tax rate. The District's equalized assessed valuation of \$2,470,372,185 represents an increase in the tax base of 4.08% over the prior year. The tax multiplier is determined by a state agency that attempts to equalize the real property assessment to determine the property value for taxing purposes. This value is referred to as the equalized assessed valuation (EAV).

Economic Condition and Outlook

The District is located in a mature “built out” community in the northeastern part of the state. The District’s tax base is primarily made up of residential communities, with some retail businesses and little industry. The economic condition of the Highland Park and Highwood areas is relatively stable. Assessed property values in the District’s communities increased last year and are forecast to increase next year as well. According to Lake County estimates, NSSD 112’s assessed property values will increase by over 9%. Assuming that kind of increase occurs, the District anticipates that its tax rate will fall from its high of \$3.6764 to approximately \$3.5126.

NSSD 112’s community continues to demonstrate its ability to pay taxes levied. Additionally, since District 112 is impacted by the Property Tax Extension Limitation Law (PTELL), the District’s tax extension has continued to increase approximately by inflation or 5%, whichever is less, historically. Despite recent inflationary pressures in excess of 5%, NSSD 112 has continued to operate within its means with operational surpluses annually.

Despite the District’s positive fiscal trajectory, some challenges still loom on the horizon. This year, the North Shore Education Association (NSEA) contract must be negotiated in advance of the 2024-2025 school year. The NSEA contract is the primary driver of District 112’s operational costs. Therefore, the outcome will impact the District’s bottom line. The District looks forward to negotiating a fair contract with the NSEA this year.

Additionally, with the passage of the \$114 million referendum in November 2022, the District is renovating 5 of its elementary schools (Indian Trail, Ravinia, Braeside, Sherwood, and Wayne Thomas) in a higher than historical inflationary environment with supply chain issues from time to time. The District also has pledged to spend approximately \$15.8 million of its own reserve funds to contribute to the elementary schools’ renovations. The District is working hard to keep all of these renovation projects on-time and on-budget, but doing so in this environment is not easy. Cost overruns could impact the District’s reserves in future years if inflation increases more than 4.5% annually.

In summary, District 112 has over \$55.9 million in fund balance reserves, excluding the Capital Projects Fund, to help overcome negative economic impacts should District 112's economic outlook diminish. The District also had a surplus of approximately \$5.3 million in all funds, excluding the Capital Projects Fund, this most recent fiscal year, so NSSD 112 is well positioned for the future from a fund balance perspective.

STRATEGIC PLAN, MISSION, BELIEFS, PARAMETERS, OBJECTIVES, AND STRATEGIES

Mission Statement

The mission statement is a clear and concise expression of the District's identity, purpose, and means. It is the keystone of the Strategic Plan.

The mission of North Shore School District 112, a community partnership committed to a world-class education, is to nurture every child to become an inspired learner, well-rounded individual, and contributing member of a global community by striving for excellence within an environment that fosters innovation, respect, engagement, and intellectual inquiry.

Beliefs

The beliefs are the driving force of the entire Strategic Plan. They can be described as the non-negotiable principles that underlie the entire plan and reflect our most deep and abiding convictions.

We Believe That...

- All individuals have inherent value.
- Hard work, self-confidence, and determination increase the probability of achieving full potential.
- Individuals are responsible for their own decisions and actions.
- Any community benefits when people willingly contribute to the well-being of others.
- Everyone can be a successful learner.
- Effective education enhances the quality of life.
- Understanding diversity is essential for people to thrive in an interdependent world.
- Honesty and integrity build trusting relationships.
- Effective education is a partnership among school, family, and the broader community.
- Change involves risk and is necessary for continuous improvement in a dynamic world.

Parameters

The parameters of the Strategic Plan are absolute pronouncements that establish the boundaries to prevent the overzealous pursuit of the Mission. The parameters are self-imposed limitations that are applied throughout the strategic planning process and the development of the Strategic Plan.

1. We will always provide safe, supportive, and nurturing learning and working environments.
2. We will not tolerate behavior that is disrespectful or demeaning to any individual or group.
3. No new program or service will be accepted unless:
 - It is consistent with the strategic plan
 - Its benefits justify costs, and
 - Provisions are made for professional development and program evaluation.
4. No program or service will be retained unless it makes an optimal contribution to the mission and benefits continue to justify the cost.
5. We practice fiscal responsibility while maintaining an operating fund balance of at least 25%.
6. The scope of our programming will always attend to the social, emotional, and physical well-being of our students.
7. The School Improvement Plans will always be consistent with the District's Strategic Plan.
8. We will always consider the environmental impact of our decisions as we pursue our Mission.

Objectives

The objectives of the Strategic Plan are the School District's commitments to achieve specific and measurable results. The objectives are tied very closely to the mission statement and are derived from and define the mission.

- Every student will achieve personal academic excellence by demonstrating growth as measured by North Shore School District 112 standards and assessments.
- Every child will develop, understand, and consistently demonstrate the character attributes of respect, responsibility, trustworthiness, caring, fairness, and citizenship at school and in the community.

Strategies

The strategies of the Strategic Plan describe the broad statements of how the School District's resources will be deployed to achieve our mission and objectives. The strategies are directly related to the mission and objectives and are designed to close the gap between what is and what could be. These strategies will provide focus and total system concentration of our effort and resources.

1. We will continue to align our curriculum and develop standards and student assessments in all curricular areas.
2. We will ensure our educators have the support necessary to utilize effective instructional strategies and interventions to inspire creativity and intellectual curiosity for each student to grow to academic excellence.
3. We will develop and implement plans to ensure the sustainability of the District's financial and human resources and their equitable distribution.
4. We will develop and implement plans to ensure we have the facilities and technology infrastructure needed to achieve our mission and objectives.
5. We will develop plans to unify our District and community by improving our understanding of the benefits of its rich diversity and engaging it as a critical partner in the education of our children.
6. (Combined with Strategy 2, May 2013)
7. We will model, integrate, recognize, reinforce, and develop means to assess the character traits of responsibility, respect, fairness, caring, citizenship, and trustworthiness throughout the District.

Strategy 1

We will continue to align our curriculum, standards, and student assessments in all curricular areas.

Plan 1: Operationalize a system that collects, stores, and analyzes student information and performance data from multiple sources.

Plan 2: Communicate the District's adopted curriculum and its development process to all stakeholders.

Plan 3: We will implement Common Core State Standards with fidelity as part of the established curricular and programmatic review cycles.

Plan 4: Improve vertical and horizontal content collaboration focused on student learning.

Plan 5: Identify and implement unit assessments in the Common Core State Standard areas.

Plan 6: Ensure differentiated staff professional development to address various stages of curriculum development and assessments.

Plan 7: Develop an elementary standards-based report card on adopted District standards.

Plan 8: Embed diversity themes and activities through District-adopted curricula.

Strategy 2

We will ensure our educators have the support necessary to utilize effective instructional strategies and interventions to inspire creativity and intellectual curiosity for each student to grow to academic excellence.

Plan 1: Ensure academic excellence for all North Shore School District 112 students by providing interventions and advanced learning opportunities in addition to Tier I/Core instruction when students demonstrate need.

Plan 2: All District staff will participate in professional development opportunities based on identified needs related to curriculum (Common Core State Standards, Power Standards), instruction (Differentiation, Response to Intervention, English Language Learners, principles of effective, intentional teaching, technology integration), and assessment (formative, summative).

Plan 3: We will increase awareness and access to all instructional programs, resources, tools, and community partnerships available to the North Shore School District 112 faculty.

Strategy 3

We will develop and implement plans to ensure the sustainability of the District's financial and human resources and their equitable distribution.

Plan 1: The District will maximize the efficient, effective, and equitable delivery of personnel, programs, and services. (Special Ed Program Realignment, Language Acquisition Programs, Custodial Services) (Diversity)

Plan 2: The District will improve the efficient and equitable use of the facilities and property (physical) assets.

Plan 3: The District will improve upon the statistical reporting so the District can measure the equitable distribution of financial and human resources.

Strategy 4

We will develop and implement plans to ensure we have the facilities and technology infrastructure needed to achieve our Mission and Objectives.

Plan 1: Secure our buildings to make them a safer learning environment.

Plan 2: Decrease power usage and material waste by 20%.

Plan 3: Develop a common model for disposal (removal) of outdated and/or unneeded District equipment.

Plan 4: Study and recommend a district model for facilities PreK-8.

Plan 5: Create technology standards for teachers.

Plan 6: Standardize software applications.

Plan 7: Implement a plan to increase Internet bandwidth to the industry best.

Plan 8: Complete Promethean Board deployment.

Plan 9: Improve the computer-to-student ratio.

Strategy 5

We will develop plans to unify our District and community by improving our understanding of the benefits of its rich diversity and engaging it as a critical partner in the education of our children.

Plan 1: Newly hired District 112 employees will examine and broaden their understanding of diversity so they can meet the needs of District 112's diverse community.

Plan 2: The District will increase awareness of existing community events to increase stakeholder participation.

Plan 3: North Shore School District 112 will develop and implement communications plans that highlight the diversity across the District and promote Community – School partnership.

Strategy 6

Embedded in Strategy 2.

Strategy 7

Model, integrate, recognize, and develop the means to assess the character traits of trustworthiness, respect, responsibility, fairness, caring, and citizenship throughout the District.

Plan 1: Develop a consistent framework for expectations of good character for students, parents, staff, and community members.

Plan 2: Create an organizational culture within each school that supports the District's character framework and nurtures the social-emotional growth of each student.

Plan 3: Create an organizational culture within each school that supports the District's character framework and nurtures the social-emotional growth of each student.

Plan 4: The District will create and implement a communication plan regarding its character programs and activities ("character plan").

Plan 5: The District will develop partnerships with various organizations to strengthen the character strengths of students, parents, staff, and community members.

Plan 6: Develop ways to celebrate good character.

OTHER INFORMATION

Independent Audit

State statutes require an annual audit of the books of accounts, financial records, and transactions of all funds of the District. As of June 30, 2023, the financial statements audit and the year then ended was performed by the independent certified public accounting firm, Baker Tilly US, LLP. The unmodified auditors' report is included in the financial section of this report.

Awards and Acknowledgments

We wish to thank the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District responsibly and progressively. We also wish to thank the efficient and dedicated business office staff for their assistance in the timely preparation of this report. Their service was instrumental in our receiving of the ACFR awards for both ASBO & GFOA for the year ended June 30, 2022.

Respectfully submitted,



Michael Lubelfeld
Superintendent of Schools



Jeremy Davis
Assistant Superintendent of Finance and Operations



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

North Shore School District 112

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'John W. Hutchison'.

**John W. Hutchison
President**

A handwritten signature in black ink, reading 'Siobhán McMahon'.

**Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director**



Government Finance Officers Association

Certificate of
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for Excellence
in Financial
Reporting

Presented to

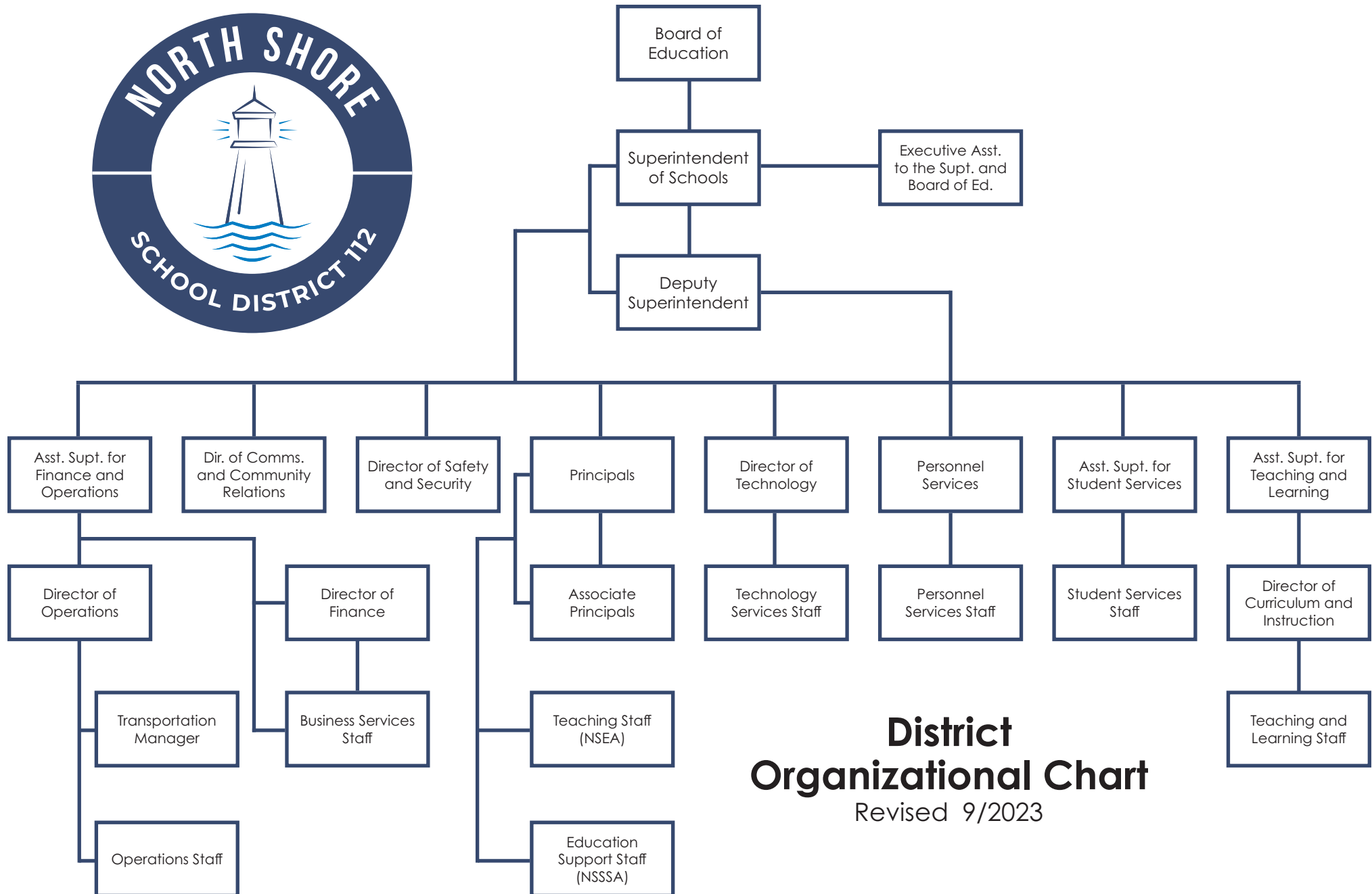
**North Shore School District 112
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



**District
Organizational Chart**
Revised 9/2023

**NORTH SHORE SCHOOLS DISTRICT 112
1936 Green Bay Road
Highland Park, IL 60035**

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2023

Officers and Officials

Board of Education

		<u>Term Expires</u> (April)
Lisa Hirsh	President	2027
Dan Jenks	Vice-President	2025
Melissa Itkin	Secretary	2027
Alexander Brunk	Member	2025
Jenny Butler	Member	2027
Art Kessler	Member	2025
Bennett Lasko	Member	2025

District Administration

Michael Lubelfeld, Ed.D.
Superintendent

Official Issuing Report

Jeremy Davis
Assistant Superintendent for Finance & Operations

Department Issuing Report

Business Office

Independent Auditors' Report

To the Board of Education of
North Shore School District 112

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of North Shore School District 112 (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2023 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended June 30, 2023 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information for the year ended June 30, 2023 as listed in the table of contents 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, 2023, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2023.

We also 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, 2022 (not presented herein), and have issued our report thereon dated October 7, 2022, which contained unmodified opinions on the respective financial statements of the governmental activities and each major fund. The supplementary information 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 2022 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2022 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 supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2022.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections as listed in the table of contents but does not include the basic financial statements and our auditors' 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.

Report on Summarized Comparative Information

We have previously audited the District's 2022 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities and each major fund in our report dated October 7, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2023 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 the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Oak Brook, Illinois
November 8, 2023

North Shore School District 112

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2023

The discussion and analysis of North Shore School District 112's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2023. The management of the District encourages readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A"). Amounts provided throughout the Management's Discussion and Analysis are rounded from information within the financial statements and amounts may differ due to these rounding matters.

Financial Highlights

- In total, net position increased by \$10.8 million. This represents a 10% increase from 2022. The change is primarily due to the renovation capital work at Edgewood Middle School, the OPEB plan, interest and CPPRT. The District capitalized Edgewood Middle School's construction in progress expenditures this fiscal year, resulting in an increase to net position. The District also saw a positive change to the OPEB plan due to lower than expected projected costs. In addition, the increase was assisted by revenue from interest income and the Corporate Personal Property Replacement Tax.
- General revenues accounted for \$87.1 million in revenue or 80% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$22.0 or 20% of total revenues of \$109.1 million.
- The District had \$98.3 million in expenses related to government activities. However, only \$22.0 of these expenses were offset by program specific charges and grants.
- The District issued \$56.3 million in General Obligation Bonds, Series 2022 in December 2022, due to a successful \$114.4 million referendum in November 2022. The District will renovate five of its seven elementary schools over the next five years with that money. The District also will utilize \$6 million of those funds to improve security within the District. The District estimates issuing an additional \$58.1 million in July 2024.

Overview of the Financial Statements

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

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

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

Government-wide financial statements

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

North Shore School District 112

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2023

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

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

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

Fund financial statements

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

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

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

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

The District adopts an annual budget for each of the funds listed above. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with this budget.

North Shore School District 112

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2023

Notes to basic financial statements

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

Other information

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

Government-Wide Financial Analysis

The District's combined net position was higher on June 30, 2023, than it was the year before, increasing 10% to \$121.2 million.

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

	<u>2022</u>	<u>2023</u>
Assets:		
Current and other assets	\$ 161.7	\$ 212.3
Capital assets	<u>145.6</u>	<u>164.7</u>
Total assets	<u>307.3</u>	<u>377.0</u>
 Total deferred outflows of resources	 <u>1.7</u>	 <u>4.6</u>
Liabilities:		
Current liabilities	10.7	11.9
Long-term debt outstanding	<u>85.4</u>	<u>123.4</u>
Total liabilities	<u>96.1</u>	<u>135.3</u>
 Total deferred inflows of resources	 <u>102.5</u>	 <u>125.2</u>
Net position:		
Net investment in capital assets	95.8	108.4
Restricted	14.3	0.4
Unrestricted	<u>0.3</u>	<u>12.4</u>
Total net position	<u>\$ 110.4</u>	<u>\$ 121.2</u>

Revenues in the governmental activities of the District of \$109.1 million exceeded expenses by \$10.8 million. The District capitalized Edgewood Middle School's construction in progress expenditures, resulting in an increase to net position. The District also saw a positive change to the OPEB plan. The increase was also attributable to interest income and corporate personal property replacement tax.

North Shore School District 112
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2023

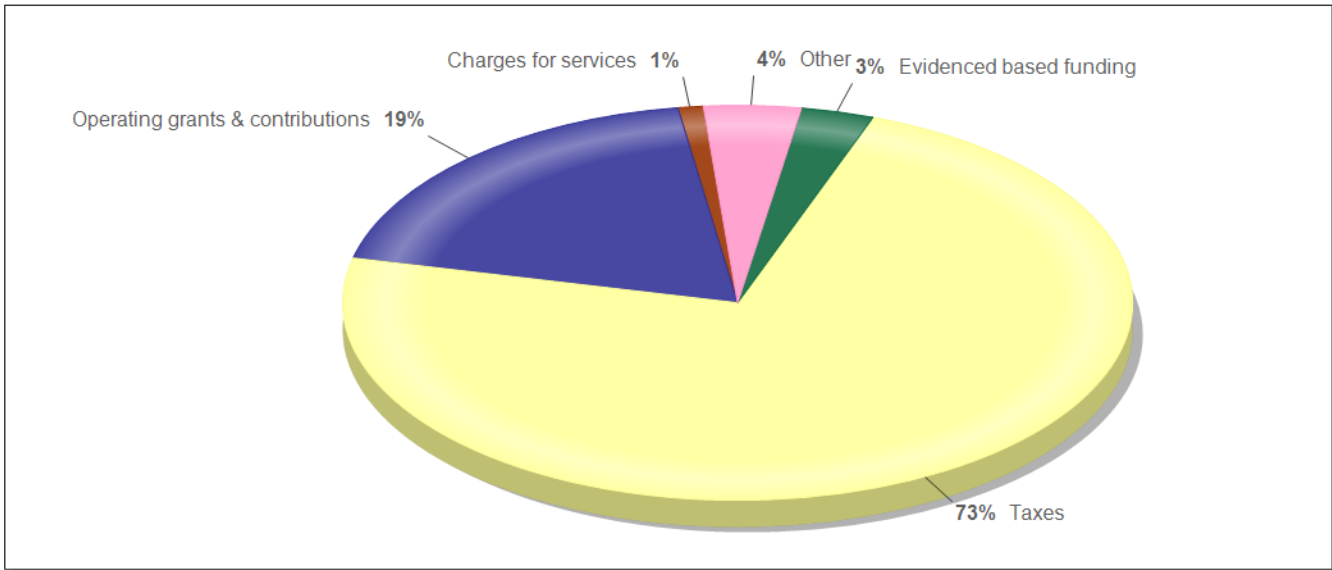
Table 2
Changes in Net Position
(in millions of dollars)

	<u>2022</u>	<u>2023</u>
Revenues:		
<i>Program revenues:</i>		
Charges for services	\$ 0.9	\$ 1.2
Operating grants & contributions	24.7	20.7
Capital grants & contributions	-	0.1
<i>General revenues:</i>		
Taxes	77.2	79.8
Evidenced based funding	3.4	3.4
Other	(0.3)	3.9
Total revenues	<u>105.9</u>	<u>109.1</u>
Expenses:		
Instruction	60.8	58.4
Pupil & instructional staff services	12.7	11.8
Administration & business	4.1	6.8
Transportation	4.5	5.3
Operations & maintenance	9.6	11.6
Interest & fees	1.8	3.7
Other	1.6	0.7
Total expenses	<u>95.1</u>	<u>98.3</u>
Increase in net position	10.8	10.8
Net position, beginning of year	<u>99.6</u>	<u>110.4</u>
Net position, end of year	<u>\$ 110.4</u>	<u>\$ 121.2</u>

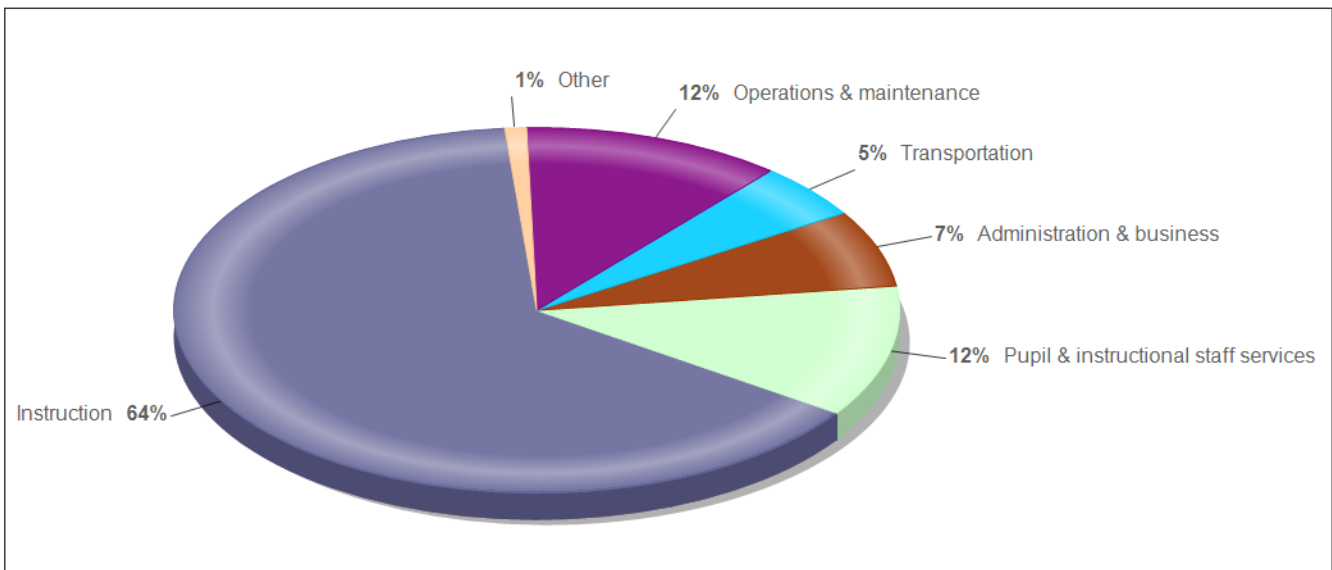
Property taxes accounted for the largest portion of the District's revenues, contributing 73%. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$98.3 million, mainly related to instructing and caring for the students and student transportation at 81%.

North Shore School District 112
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2023

District-Wide Revenues by Source



District-Wide Expenses by Function



Financial Analysis of the District's Funds

The District's Governmental Funds balance increased from \$67.1 million to \$109.9 million.

The General Fund's balance increased by \$3.3 million driven by increased investment income and unrealized gains on investments due to increasing interest rates.

North Shore School District 112

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2023

In the Operations and Maintenance Fund fund balance decreased by \$1M primarily due to transfer of resources to the Debt Service Fund for principal and interest payments on the General Obligation bonds, and the lease obligations for the mobile classroom units and building space. The decrease was partially offset by an increase in Corporate Personal Property Replacement Tax receipts and increasing interest rates.

The Transportation Fund fund balance decreased by \$3.4M due to not levying in this fund. The District plans to levy in the Transportation Fund in future years.

The Municipal Retirement/Social Security Fund fund balance increased by \$381k primarily due to unexpected Corporate Personal Property Replacement Tax receipts, as most of the Corporate Personal Property Replacement Tax receipts are allocated to this fund.

The Capital Project Fund fund balance increased by \$43.7 million as the District issued General Obligation Bonds in December 2022 to fund renovations at five of the District's seven elementary schools and for expenditures related to security enhancements in all schools.

General Fund Budgetary Highlights

The General Fund's local revenue sources were over budget and driven by investment income and unrealized gains on investments during the year.

Capital Assets and Debt Administration

Capital assets

By the end of 2023, the District had compiled a total investment of \$236.7 million (\$164.7 net of accumulated depreciation/amortization) in a broad range of capital assets including buildings, land and equipment. Total depreciation/amortization expense for the year was \$5.6 million. The increase is the result of the renovation work at Edgewood Middle School. As noted in Table 3, construction in progress increased by \$15.5 million year over year. More detailed information about capital assets can be found in Note 4 of the basic financial statements.

Table 3
Capital Assets (net of depreciation/amortization)
(in millions of dollars)

	<u>2022</u>	<u>2023</u>
Land	\$ 4.1	\$ 4.1
Construction in progress	25.7	41.2
Buildings and building improvements	108.0	104.9
Building - right-to-use asset	0.3	1.3
Furniture, equipment, and vehicles	6.4	12.4
Equipment - right-to-use asset	0.5	0.3
Land improvements	<u>0.6</u>	<u>0.5</u>
Total	<u>\$ 145.6</u>	<u>\$ 164.7</u>

North Shore School District 112

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2023

Long-term debt

The District retired \$2.3 million in bonds, including premiums in 2023. The District reported a decrease of \$18.4 million in the net pension/OPEB liabilities. At the end of fiscal 2023, the District had a debt margin of \$114.1 million. The District plans to issue additional bonds of \$58.1 million around July 2024. More detailed information on long-term debt can be found in Note 5 of the basic financial statements.

Table 4
Outstanding Long-Term Debt
(in millions of dollars)

	<u>2022</u>	<u>2023</u>
Compensated absences and other	\$ 0.1	\$ 0.2
Net pension liabilities	3.2	6.6
Net OPEB liabilities	31.9	10.1
General obligation bonds, including premium	49.4	104.2
Lease liabilities	0.8	1.7
Installment contract payable	-	0.6
Total	<u>\$ 85.4</u>	<u>\$ 123.4</u>

Factors Bearing on the District's Future

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

In November 2022, the community approved the referendum to fund renovations at five of the District's seven elementary schools which include: Ravinia, Indian Trail, Wayne Thomas, Braeside, and Sherwood. The referendum also included the funding of \$6 million in security upgrades at all of the District's schools. The District issued \$56.3 million in General Obligation Bonds in December 2022 to begin to fund Phase 2 of its Long Range Facilities Plan.

The other significant factor that will impact the District's future fiscal position is upcoming negotiations with the North Shore Education Association (NSEA). The District currently is in the final year of a 5-year contract with its teachers, and that contract expires at the end of the 2023-2024 school year. The main driver of costs in District 112 is the NSEA contract, and the results of the upcoming negotiations with the NSEA will impact the bottom line of the school district. Management looks forward to negotiating a fair contract with its teachers.

North Shore School District 112
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2023

Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. North Shore School District administration understands that an Annual Comprehensive Financial Report is not required under Illinois law. However, in the interest of transparency, the District believes that this report contains important information for our community. If you have questions about this report, or need additional financial information, contact the Business Office:

Mr. Jeremy Davis - Assistant Superintendent for Finance & Operations, CSBO
North Shore School District 112
1936 Green Bay Road
Highland Park, Illinois 60035

NORTH SHORE SCHOOL DISTRICT 112

STATEMENT OF NET POSITION

AS OF JUNE 30, 2023

	GOVERNMENTAL ACTIVITIES
Assets	
Cash and investments	\$ 160,681,023
Student activity cash	217,093
Receivables:	
Interest	909,236
Property taxes	47,913,996
Replacement taxes	361,420
Intergovernmental	2,091,433
Accounts	35,389
Prepaid items	47,699
Capital assets:	
Land	4,061,995
Construction in progress	41,178,508
Capital assets being depreciated, net of accumulated depreciation	<u>119,542,313</u>
Total assets	<u>377,040,105</u>
Deferred outflows of resources	
Deferred outflows related to pensions	3,829,648
Deferred outflows related to OPEB	<u>815,387</u>
Total deferred outflows of resources	<u>4,645,035</u>
Liabilities	
Accounts payable	4,086,037
Salaries and wages payable	3,465,224
Retainage payable	361,417
Payroll deductions payable	2,339,562
Unearned student fees	256,213
Interest payable	1,362,072
Student activity liabilities	9,742
Long-term liabilities:	
Other long-term liabilities - due within one year	7,786,695
Other long-term liabilities - due after one year	<u>115,630,023</u>
Total liabilities	<u>135,296,985</u>
Deferred inflows of resources	
Property taxes levied for a future period	90,820,094
Deferred inflows related to pensions	824,387
Deferred inflows related to OPEB	<u>33,541,433</u>
Total deferred inflows of resources	<u>125,185,914</u>
Net position	
Net investment in capital assets	108,467,851
Restricted for:	
Retirement benefits	383,651
Unrestricted	<u>12,350,739</u>
Total net position	<u>\$ 121,202,241</u>

See Notes to Basic Financial Statements

NORTH SHORE SCHOOL DISTRICT 112

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2023

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE			NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES
Governmental activities					
Instruction:					
Regular programs	\$ 26,271,627	\$ 761,186	\$ 934,484	\$ -	\$ (24,575,957)
Special programs	12,025,747	-	2,306,978	-	(9,718,769)
Other instructional programs	4,731,102	-	6,172	-	(4,724,930)
Student activities	119,617	126,883	-	-	7,266
State retirement contributions	15,295,355	-	15,295,355	-	-
Support Services:					
Pupils	6,371,864	-	228,603	-	(6,143,261)
Instructional staff	5,424,078	-	110,865	-	(5,313,213)
General administration	4,432,026	-	-	-	(4,432,026)
School administration	346,385	-	-	-	(346,385)
Business	2,046,394	175,985	491,508	50,000	(1,328,901)
Transportation	5,253,890	25,246	1,288,427	-	(3,940,217)
Operations and maintenance	11,604,400	65,349	-	-	(11,539,051)
Central	737,011	-	834	-	(736,177)
Other supporting services	2,483	-	-	-	(2,483)
Community services	(20,928)	-	-	-	20,928
Interest and fees	3,675,514	-	-	-	(3,675,514)
Total governmental activities	\$ 98,316,565	\$ 1,154,649	\$ 20,663,226	\$ 50,000	(76,448,690)

General revenues:

Taxes:

Real estate taxes, levied for general purposes	64,915,255
Real estate taxes, levied for specific purposes	12,597,432
Personal property replacement taxes	2,291,346
State aid-formula grants	3,373,338
Investment income	3,317,727
Unrealized gain/(loss) on investments	534,821
Miscellaneous	<u>234,049</u>
Total general revenues	<u>87,263,968</u>
Change in net position	10,815,278
Net position, beginning of year	<u>110,386,963</u>
Net position, end of year	<u>\$ 121,202,241</u>

See Notes to Basic Financial Statements

NORTH SHORE SCHOOL DISTRICT 112

GOVERNMENTAL FUNDS

BALANCE SHEET

AS OF JUNE 30, 2023

WITH COMPARATIVE TOTALS AS OF JUNE 30, 2022

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
Assets				
Cash and investments	\$ 82,900,480	\$ 10,346,778	\$ 4,505,971	\$ 3,894,421
Student activity cash	217,093	-	-	-
Receivables:				
Interest	127,965	-	-	-
Property taxes	35,069,643	6,643,413	1,860,172	-
Replacement taxes	-	36,232	57,811	267,377
Intergovernmental	1,769,299	-	322,134	-
Accounts	17,521	16,686	-	1,182
Prepaid items	47,699	-	-	-
Total assets	<u>\$ 120,149,700</u>	<u>\$ 17,043,109</u>	<u>\$ 6,746,088</u>	<u>\$ 4,162,980</u>
Liabilities				
Accounts payable	\$ 1,537,077	\$ 670,039	\$ 1,302,411	\$ -
Salaries and wages payable	3,465,224	-	-	-
Student activity liabilities	9,742	-	-	-
Retainage payable	-	-	-	-
Other current liabilities	-	-	-	-
Payroll deductions payable	2,244,560	9,146	-	85,856
Unearned student fees	243,658	-	12,555	-
Total liabilities	<u>7,500,261</u>	<u>679,185</u>	<u>1,314,966</u>	<u>85,856</u>
Deferred inflows of resources				
Property taxes levied for a future period	66,473,860	12,592,466	3,525,922	-
Unavailable state and federal aid receivable	70,819	-	-	-
Unavailable interest receivable	127,965	-	-	-
Total deferred inflows of resources	<u>66,672,644</u>	<u>12,592,466</u>	<u>3,525,922</u>	<u>-</u>
Fund balance				
Nonspendable	47,699	-	-	-
Restricted	-	-	-	3,717,561
Assigned	207,351	3,771,458	1,905,200	359,563
Unassigned	45,721,745	-	-	-
Total fund balance	<u>45,976,795</u>	<u>3,771,458</u>	<u>1,905,200</u>	<u>4,077,124</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 120,149,700</u>	<u>\$ 17,043,109</u>	<u>\$ 6,746,088</u>	<u>\$ 4,162,980</u>

See Notes to Basic Financial Statements

DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL	
		2023	2022
\$ 4,007,246	\$ 55,026,127	\$ 160,681,023	\$ 109,636,545
-	-	217,093	203,349
-	781,271	909,236	-
4,340,768	-	47,913,996	43,528,593
-	-	361,420	359,814
-	-	2,091,433	2,092,535
-	-	35,389	27,477
-	-	47,699	47,699
<u>\$ 8,348,014</u>	<u>\$ 55,807,398</u>	<u>\$ 212,257,289</u>	<u>\$ 155,896,012</u>
\$ -	\$ 576,510	\$ 4,086,037	\$ 3,942,501
-	-	3,465,224	4,445,930
-	-	9,742	3,264
-	361,417	361,417	1,693,138
-	-	-	3,046
-	-	2,339,562	46,330
-	-	256,213	376,010
<u>-</u>	<u>937,927</u>	<u>10,518,195</u>	<u>10,510,219</u>
8,227,846	-	90,820,094	78,308,547
-	-	70,819	24,967
-	781,271	909,236	-
<u>8,227,846</u>	<u>781,271</u>	<u>91,800,149</u>	<u>78,333,514</u>
-	-	47,699	47,699
33,233	50,027,288	53,778,082	8,437,146
86,935	4,060,912	10,391,419	16,116,814
-	-	45,721,745	42,450,620
<u>120,168</u>	<u>54,088,200</u>	<u>109,938,945</u>	<u>67,052,279</u>
<u>\$ 8,348,014</u>	<u>\$ 55,807,398</u>	<u>\$ 212,257,289</u>	<u>\$ 155,896,012</u>

NORTH SHORE SCHOOL DISTRICT 112
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2023

Total fund balances - governmental funds		\$ 109,938,945
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 Balance Sheet.		164,782,816
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 Balance Sheet, as follows:		
Interest revenue	\$ 909,236	
State and federal aid	<u>70,819</u>	
		980,055
Deferred outflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		3,829,648
Deferred outflows of resources related to OPEB do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		815,387
Deferred inflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		(824,387)
Deferred inflows of resources related to OPEB do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		(33,541,433)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.		
Balances at June 30, 2023 are:		
Bonds payable	\$ (97,565,000)	
Lease liabilities	(1,746,872)	
Unamortized bond premium	(6,657,513)	
Net OPEB liability	(10,081,817)	
Net pension liability	(6,574,538)	
Installment contract payable	(604,362)	
Compensated absences	<u>(186,616)</u>	
		(123,416,718)
Interest on long-term liabilities 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>(1,362,072)</u>
Net position of governmental activities		<u>\$ 121,202,241</u>

See Notes to Basic Financial Statements

NORTH SHORE SCHOOL DISTRICT 112

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2022

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
Revenues				
Property taxes	\$ 65,125,457	\$ 12,387,230	\$ -	\$ -
Corporate personal property replacement taxes	-	229,135	366,615	1,695,596
State aid	23,560,122	50,000	1,288,427	-
Federal aid	3,747,236	-	-	8,977
Investment income	1,598,061	186,210	97,385	89,060
Unrealized gain/(loss) on investments	349,888	-	-	-
Student activities	126,883	-	-	-
Other	893,571	342,998	25,246	-
Total revenues	<u>95,401,218</u>	<u>13,195,573</u>	<u>1,777,673</u>	<u>1,793,633</u>
Expenditures				
Current:				
Instruction:				
Regular programs	27,214,631	-	-	348,659
Special programs	9,892,865	-	-	258,221
Other instructional programs	5,137,302	-	-	101,654
Student activities	119,617	-	-	-
State retirement contributions	19,909,405	-	-	-
Support Services:				
Pupils	5,666,370	-	-	129,263
Instructional staff	6,578,394	-	-	115,406
General administration	2,040,170	-	-	23,773
School administration	3,258,608	-	-	111,664
Business	1,689,914	-	-	74,776
Transportation	-	-	5,222,181	13,581
Operations and maintenance	-	7,285,353	-	187,243
Central	1,078,414	-	-	46,699
Other supporting services	1,785	-	-	16
Community services	23,324	-	-	1,984
Payments to other districts and gov't units	1,853,498	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	<u>2,098,591</u>	<u>4,089,222</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>86,562,888</u>	<u>11,374,575</u>	<u>5,222,181</u>	<u>1,412,939</u>
Excess (deficiency) of revenues over expenditures	<u>8,838,330</u>	<u>1,820,998</u>	<u>(3,444,508)</u>	<u>380,694</u>
Other financing sources (uses)				
Transfers in	-	6,000,000	-	-
Transfers (out)	(6,365,755)	(10,402,254)	-	-
Principal on bonds sold	-	-	-	-
Premium on bonds sold	-	-	-	-
Lease issuance	-	1,541,263	-	-
Installment contract issuance	805,816	-	-	-
Total other financing sources (uses)	<u>(5,559,939)</u>	<u>(2,860,991)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	3,278,391	(1,039,993)	(3,444,508)	380,694
Fund balance, beginning of year	<u>42,698,404</u>	<u>4,811,451</u>	<u>5,349,708</u>	<u>3,696,430</u>
Fund balance, end of year	<u>\$ 45,976,795</u>	<u>\$ 3,771,458</u>	<u>\$ 1,905,200</u>	<u>\$ 4,077,124</u>

See Notes to Basic Financial Statements

DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTAL	
		2023	2022
\$ -	\$ -	\$ 77,512,687	\$ 74,963,196
-	-	2,291,346	2,195,536
-	-	24,898,549	24,582,754
-	-	3,756,213	5,845,379
42,786	394,989	2,408,491	574,263
-	184,933	534,821	(1,208,720)
-	-	126,883	110,370
-	-	1,261,815	1,240,084
<u>42,786</u>	<u>579,922</u>	<u>112,790,805</u>	<u>108,302,862</u>
-	-	27,563,290	26,733,736
-	-	10,151,086	8,544,469
-	-	5,238,956	5,444,401
-	-	119,617	136,038
-	-	19,909,405	19,973,007
-	-	5,795,633	5,537,036
-	-	6,693,800	6,380,395
-	-	2,063,943	1,907,950
-	-	3,370,272	3,422,572
-	-	1,764,690	1,956,416
-	-	5,235,762	4,570,534
-	295,796	7,768,392	6,982,602
-	-	1,125,113	1,300,765
-	-	1,801	2,216
-	-	25,308	95,745
-	-	1,853,498	1,619,820
2,807,525	-	2,807,525	2,261,083
2,793,386	-	2,793,386	2,033,450
-	18,960,657	25,148,470	29,380,853
<u>5,600,911</u>	<u>19,256,453</u>	<u>129,429,947</u>	<u>128,283,088</u>
<u>(5,558,125)</u>	<u>(18,676,531)</u>	<u>(16,639,142)</u>	<u>(19,980,226)</u>
4,768,009	6,000,000	16,768,009	4,294,058
-	-	(16,768,009)	(4,294,058)
832,427	53,212,573	54,045,000	-
-	3,133,729	3,133,729	-
-	-	1,541,263	508,625
-	-	805,816	-
<u>5,600,436</u>	<u>62,346,302</u>	<u>59,525,808</u>	<u>508,625</u>
42,311	43,669,771	42,886,666	(19,471,601)
<u>77,857</u>	<u>10,418,429</u>	<u>67,052,279</u>	<u>86,523,880</u>
<u>\$ 120,168</u>	<u>\$ 54,088,200</u>	<u>\$ 109,938,945</u>	<u>\$ 67,052,279</u>

NORTH SHORE SCHOOL DISTRICT 112
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Net change in fund balances - total governmental funds \$ 42,886,666

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the Statement of Net Position, the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the Statement of Activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	\$ 24,809,613	
Depreciation/amortization is reported in the government-wide financial statements	(5,577,522)	
Net book value of assets retired	<u>(1,209)</u>	19,230,882

Certain revenues included in the Statement of Activities do not provide current financial resources and, therefore, are included as deferred inflows of resources in the fund statements:

Interest revenue	\$ 909,236	
State and federal aid	<u>45,852</u>	955,088

The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to the governmental funds, while its principal repayment consumes current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. This is the amount by which proceeds from current year long-term financing arrangements exceeded current year principal repayments (53,584,554)

Governmental funds report the effects of premiums, discounts and similar items 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. (2,809,776)

In the Statement of Activities, operating expenses are measured by the amounts incurred during the year. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources:

Interest payable	\$ (1,206,081)	
Compensated absences	(39,341)	
State on-behalf contribution revenue	(4,614,050)	
State on-behalf contribution expense	4,614,050	
Net OPEB liability	21,816,006	
Deferred outflows related to OPEB	(130,824)	
Deferred inflows related to OPEB	(16,530,760)	
Net pension asset	(5,823,857)	
Net pension liability	(3,337,866)	
Deferred outflows related to pensions	3,068,273	
Deferred inflows related to pensions	<u>6,321,422</u>	<u>4,136,972</u>

Change in net position of governmental activities \$ 10,815,278

See Notes to Basic Financial Statements

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

North Shore School District 112 (the “District”) operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to the accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District:

Reporting Entity

This report includes all of the funds of the District. The District is located in Lake County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all personnel, budgeting, taxing, and debt matters. The reporting entity for the District consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The District has not identified any organizations that meet this criteria.

Basis of Presentation

Government-wide Financial Statements

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

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

Governmental Funds Financial Statements

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

Separate financial statements are provided for all governmental funds.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

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

Major Governmental Funds

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

This fund also includes student activity funds held and controlled by the District, under the direction of district personnel, and administrative involvement of the board of education.

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

Operations and Maintenance Fund - accounts for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes.

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

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

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

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Capital Project Fund - accounts for the financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

Capital Projects Fund - accounts for construction projects and renovations financed through transfers from the Operations and Maintenance Fund and debt issuance.

On-behalf payments (payments made by a third party for the benefit of the district, such as payments made by the state to the Teachers' Retirement System have been recognized in the financial statements.

Property taxes, replacement taxes, certain state and federal aid, and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and recognized as revenue at that time.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until earned.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and 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 expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Deposits and Investments

State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly-rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments are stated at fair value. Changes in fair value of investments are included as investment income.

Receivables and Payables

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

Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2022 levy resolution was approved during the November 29, 2022 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lessor 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 CPI rates applicable to the 2022 and 2021 tax levies were 5.0% and 1.4%, respectively.

Property taxes are collected by the County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 60 days of the respective installment dates.

The 2022 property tax levy is recognized as a receivable in fiscal 2023, less amounts already received. The District considers that the 2022 levy is to be used to finance operations in fiscal 2024. Therefore, the entire 2022 levy, including amounts collected in fiscal 2023, has been recognized as a deferred inflow of resources, in the accompanying financial statements.

Personal Property Replacement Taxes

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

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/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include land, land improvements, buildings and building improvements, and furniture, 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 \$500 for furniture and equipment and \$100,000 for buildings and improvements, with an estimated useful life in excess of two years. 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.

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

<i>Assets</i>	<i>Years</i>
Buildings and building improvements	40
Land improvements	20
Furniture, equipment, and vehicles	5-20

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

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

Compensated Absences

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

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

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2023 are determined on the basis of current salary rates and include salary related payments.

Employees who work a twelve-month year are entitled to be compensated for vacation time. Employees have six months to use their vacation time after it is earned or allotted.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the applicable bonds using the effective interest method. The balance at year end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the period incurred. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to future periods and therefore will not be recognized as an inflow of resources (revenue) until that future time. These include items such as property taxes levied for future periods and the District's deferred inflows related to its net pension liabilities.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Equity Classifications

Equity is classified as net position in the government-wide financial statements and displayed in three components:

Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, notes, or other borrowings attributable to the acquisition, construction, or improvement of those assets less than any unspent debt proceeds.

Restricted net position - Consists of net position with constraints placed on its use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

Equity is classified as fund balance in the fund financial statements and displayed in five components:

Nonspendable - includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually (principal endowment) (e.g. inventory, pre-paid items, permanent scholarships).

Restricted - includes amounts constrained for a specific purpose by external parties (e.g. Debt Service, Capital Projects, State and Federal Grant Funds).

Committed - includes amounts constrained for a specific purpose by a government using its highest level of decision making authority, the Board of Education. This formal action (a resolution) must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Board of Education that originally created the commitment.

Assigned - includes general fund amounts constrained for a specific purpose by the Board of Education or by an official that has been delegated authority to assign amounts. The Board of Education has declared that the Superintendent may assign amounts for a specific purpose. The Board of Education may also take official action to assign amounts. Additionally, all remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended in all funds is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

The District has a formal minimum fund balance policy. The policy states that unrestricted reserves in the operating funds shall be maintained at a level equal to approximately 25% of the current year expenditures and transfers exclusive of on-behalf payments. The operating budget is comprised of the Educational Accounts and Working Cash Accounts within the General Fund, Operations and Maintenance, and the Transportation Fund. As of June 30, 2023, the District is in compliance with the formal minimum fund balance policy.

The nonspendable fund balance in the General Fund is comprised of \$47,699 for prepaid items. The assigned fund balance in the General Fund of \$207,351 is for student activity purposes. The remaining restricted and assigned fund balances are for the purposes of the respective funds as described above in the Major Governmental Funds section.

Comparative Data

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2022, from which such summarized information was derived.

Eliminations and Reclassifications

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of Expenditures over Budget

For the year ended June 30, 2023, expenditures exceeded budget in the Operations and Maintenance Fund, Debt Service Fund, and Transportation Fund by \$981,931, \$1,496,632 and \$250,546, respectively. These excesses were funded by available financial resources.

NOTE 3 - DEPOSITS AND INVESTMENTS

At year end, the District's cash and investments was comprised of the following:

	<i>Total</i>
Cash and investments	\$ 160,681,023
Student activity cash	<u>217,093</u>
Total	<u><u>\$ 160,898,116</u></u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 3 - DEPOSITS AND INVESTMENTS - (CONTINUED)

For disclosure purposes, this amount is segregated into the following components:

	<i>Cash and investments</i>
Cash on hand	\$ 644
Deposits with financial institutions	59,904,358
ISDLAF+	26,343,081
Money market mutual funds	5,314,096
Other investments	<u>69,335,937</u>
Total	<u>\$ 160,898,116</u>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investments detailed in the interest rate risk table below are measured using the market valuation method and Level 2 valuation inputs with exception of U.S. Treasury notes which are Level 1 valuation inputs.

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

At year end, the District had the following investments subject to interest rate risk:

		<i>Investment Maturity (In Years)</i>			
	<i>Fair Value</i>	<i>Less than one</i>	<i>1-5</i>	<i>5-10</i>	<i>More than 10</i>
US agencies	\$ 7,573,973	\$ 5,640,400	\$ 1,933,573	\$ -	\$ -
Negotiable Certificates of Deposit	5,749,023	1,936,667	3,812,356	-	-
U.S. Treasury Notes	41,912,941	32,658,456	9,254,485	-	-
ISDLAF+ Term Series	<u>14,100,000</u>	<u>14,100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 69,335,937</u>	<u>\$ 54,335,523</u>	<u>\$ 15,000,414</u>	<u>\$ -</u>	<u>\$ -</u>

Redemption Notice Period. Investments in ISDLAF's Term Series may be redeemed upon seven days' advance notice. Redemption prior to maturity may result in the realization of a loss on the investment, including a penalty in an amount necessary to recoup the Term Series penalty charges, losses and other costs attributable to the early redemption.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 3 - DEPOSITS AND INVESTMENTS - (CONTINUED)

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State Statutes limit the investments in commercial paper and corporate bonds to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The District's investment policy does not specifically address credit risk. The District's investments in the money market mutual fund consist of investments in the JP Morgan U.S. Government Money Market Fund, Fidelity Government Money Market Fund, and the Federated Government Obligations Money Market Fund. These funds invest exclusively in high-quality, short-term securities that are issued or guaranteed by the U.S. government or by U.S. government agencies and instrumentalities. The JP Morgan U.S. Government Money Market Fund as well as the Fidelity Money Market Government Portfolio - Institutional Class, the Federated Government Obligations Money Market were rated Aaa-mf by Moody's Investor Services and AAAm by Standard and Poor's. The District's investments in US agencies were also rated Aaa by Moody's Investors Service and AA+ by Standard and Poor's. Ratings were not available for the Negotiable Certificates of Deposit investments and the ISDLAF + Term Series investments.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. It 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.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District's Treasurer to meet the District's ongoing need for safety, liquidity, and rate of return. At June 30, 2023, the District had no investment that totaled 5% or more of the other investments category.

Custodial Credit Risk - Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2023, the bank balance of the District's deposit with financial institutions totaled \$60,772,369 which was completely collateralized.

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

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

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the District for the year ended June 30, 2023 was as follows:

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
<u>Capital assets not being depreciated / amortized:</u>				
Land	\$ 4,063,204	\$ -	\$ 1,209	\$ 4,061,995
Construction in progress	<u>25,688,555</u>	<u>15,489,953</u>	<u>-</u>	<u>41,178,508</u>
Total capital assets not being depreciated / amortized	<u>29,751,759</u>	<u>15,489,953</u>	<u>1,209</u>	<u>45,240,503</u>
<u>Capital assets being depreciated / amortized:</u>				
Land improvements	1,784,282	-	-	1,784,282
Buildings and improvements	158,896,334	3,512	-	158,899,846
Buildings - right-to-use lease asset	563,770	1,541,263	563,770	1,541,263
Furniture, equipment, and vehicles	21,440,893	7,774,885	699,286	28,516,492
Equipment - right-to-use lease asset	<u>669,138</u>	<u>-</u>	<u>-</u>	<u>669,138</u>
Total capital assets being depreciated	<u>183,354,417</u>	<u>9,319,660</u>	<u>1,263,056</u>	<u>191,411,021</u>
<u>Less Accumulated Depreciation / Amortization for:</u>				
Land improvements	1,230,037	44,630	-	1,274,667
Buildings and improvements	50,854,235	3,106,220	-	53,960,455
Buildings - right-to-use lease asset	263,500	482,732	563,770	182,462
Furniture, equipment, and vehicles	15,056,132	1,798,686	699,286	16,155,532
Equipment - right-to-use lease asset	<u>150,338</u>	<u>145,254</u>	<u>-</u>	<u>295,592</u>
Total accumulated depreciation / amortization	<u>67,554,242</u>	<u>5,577,522</u>	<u>1,263,056</u>	<u>71,868,708</u>
Net capital assets being depreciated / amortized	<u>115,800,175</u>	<u>3,742,138</u>	<u>-</u>	<u>119,542,313</u>
Net governmental activities capital assets	<u>\$ 145,551,934</u>	<u>\$ 19,232,091</u>	<u>\$ 1,209</u>	<u>\$ 164,782,816</u>

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

<i>Governmental Activities</i>	<i>Depreciation</i>
Regular programs	\$ 1,322,641
Special programs	38,235
Pupils	1,040,968
General administration	2,972
School administration	2,513
Business	5,199
Transportation	4,601
Operations and maintenance	3,138,832
Central	11,589
Other supporting services	<u>9,972</u>
Total depreciation expense - governmental activities	<u>\$ 5,577,522</u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 5 - LONG TERM LIABILITIES

Changes in General Long-term Liabilities. The following is the long-term liability activity for the District for the year ended June 30, 2023:

	<i>Beginning Balance</i>	<i>Additions</i>	<i>Deletions</i>	<i>Ending Balance</i>	<i>Due Within One Year</i>
General obligation bonds	\$ 45,515,000	\$ 54,045,000	\$ 1,995,000	\$ 97,565,000	\$ 6,925,000
Unamortized premium	<u>3,847,737</u>	<u>3,133,729</u>	<u>323,953</u>	<u>6,657,513</u>	<u>-</u>
Total bonds payable	<u>49,362,737</u>	<u>57,178,729</u>	<u>2,318,953</u>	<u>104,222,513</u>	<u>6,925,000</u>
Lease liabilities	816,680	1,541,263	611,071	1,746,872	473,625
Installment contract payable	-	805,816	201,454	604,362	201,454
Compensated absences	147,275	576,409	537,068	186,616	186,616
Net pension liability	3,236,672	4,384,800	1,046,934	6,574,538	-
Net OPEB liability	<u>31,897,823</u>	<u>945,991</u>	<u>22,761,997</u>	<u>10,081,817</u>	<u>-</u>
Total long-term liabilities - governmental activities	<u>\$ 85,461,187</u>	<u>\$ 65,433,008</u>	<u>\$ 27,477,477</u>	<u>\$ 123,416,718</u>	<u>\$ 7,786,695</u>

The obligations for the installment contract payable, compensated absences, net OPEB liability and net pension liability - Teachers Retirement System will be repaid from the General Fund. The net pension liability - Illinois Municipal Retirement Fund will be repaid from the Municipal Retirement/Social Security Fund.

General Obligation Bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the District. The obligations of the 2019 General Obligation Bonds (Alternate Revenue Source) will be repaid by a transfer from the Operations and Maintenance Fund to the Debt Service Fund. The obligations of the 2022 General Obligation Bonds will be repaid from future property tax revenues in the Debt Service fund.. General obligation bonds currently outstanding are as follows:

<i>Purpose</i>	<i>Interest Rates</i>	<i>Original Indebtedness</i>	<i>Carrying Amount</i>
Series 2019 General Obligation Bonds (Alternative Revenue Source) dated March 14, 2019 are due in annual installments through June 1, 2038	3.25-5.00%	\$ 50,945,000	\$ 43,520,000
Series 2022 General Obligation Bonds dated December 30, 2022 are due in annual installments through December 1, 2042	4.00-5.00%	<u>54,045,000</u>	<u>54,045,000</u>
Total		<u>\$ 104,990,000</u>	<u>\$ 97,565,000</u>

NORTH SHORE SCHOOL DISTRICT 112NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023**NOTE 5 - LONG TERM LIABILITIES - (CONTINUED)**

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

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2024	\$ 6,925,000	\$ 5,088,502	\$ 12,013,502
2025	8,320,000	3,694,338	12,014,338
2026	2,310,000	3,431,337	5,741,337
2027	2,425,000	3,315,838	5,740,838
2028	2,545,000	3,194,587	5,739,587
2029 - 2033	14,555,000	14,141,437	28,696,437
2034 - 2038	36,630,000	9,023,037	45,653,037
2039 - 2043	<u>23,855,000</u>	<u>2,462,100</u>	<u>26,317,100</u>
Total	<u>\$ 97,565,000</u>	<u>\$ 44,351,176</u>	<u>\$ 141,916,176</u>

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2023, the statutory debt limit for the District was \$170,455,681, providing a debt margin of \$114,059,447.

Leases. The District has entered into lease agreements as a lessee for financing the temporary acquisition of general office and warehouse space, office space, buildings, and printers/copiers. These agreements qualify as leases for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. The obligations for the office space and general office and warehouse space will be repaid from the Debt Service Fund and funded by a transfer of resources from the Operations and Maintenance Fund. The obligations for the printers/copiers will be repaid from the Debt Service Fund and funded by a transfer of resources from the General Fund (Educational Accounts).

<i>Description</i>	<i>Date of Issue</i>	<i>Final Maturity</i>	<i>Interest Rates</i>	<i>Original Indebtedness</i>	<i>Balance</i>
Xerox - printers/copiers	12/1/2020	11/30/2025	5.0%	\$ 669,138	\$ 388,071
General office and warehouse space - 1495 Old Deerfield Road	4/12/2023	4/12/2029	5.0%	332,306	315,312
General office and warehouse space - 1465 Busch Parkway	1/18/2023	6/30/2024	5.0%	140,644	83,321
Office space - 445 Sheridan Road	12/31/2022	12/31/2027	5.0%	<u>1,068,313</u>	<u>960,168</u>
Total				<u>\$ 2,210,401</u>	<u>\$ 1,746,872</u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 5 - LONG TERM LIABILITIES - (CONTINUED)

Annual debt service requirements to maturity for the lease liabilities are as follows:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2024	\$ 473,625	\$ 99,186	\$ 572,811
2025	418,844	70,545	489,389
2026	346,890	44,381	391,271
2027	296,819	27,239	324,058
2028	167,382	8,330	175,712
2029	<u>43,312</u>	<u>1,688</u>	<u>45,000</u>
Total	<u>\$ 1,746,872</u>	<u>\$ 251,369</u>	<u>\$ 1,998,241</u>

Installment contracts payable. The District has entered into an agreement to purchase laptops. The obligations will be repaid from the Debt Service Fund and funded by a transfer of resources from the General Fund (Educational Accounts).

Annual debt service requirements to maturity for installment contracts are as follows:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2024	\$ 201,454	\$ 4,521	\$ 205,975
2025	201,454	4,521	205,975
2026	<u>201,454</u>	<u>4,521</u>	<u>205,975</u>
Total	<u>\$ 604,362</u>	<u>\$ 13,563</u>	<u>\$ 617,925</u>

NOTE 6 - RISK MANAGEMENT

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

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

NOTE 7 - JOINT AGREEMENTS

The District is a member of TrueNorth Educational Cooperative 804, a joint agreement that provides certain special education services to residents of many school districts. The District believes that because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not included as component units of the District.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS

The total OPEB expense for the Teachers' Health Insurance Security and Retiree's Health Plan totaled \$(4,866,361).

Teachers' Health Insurance Security

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

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

Benefits Provided. The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the 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.

On Behalf Contributions to THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.90% of pay during the year ended June 30, 2023. State of Illinois contributions of \$365,271 were recognized as revenues and expenditures by the District during the year in the General Fund based on the current financial resources measurement basis. On the economic resources measurement basis, the District recognizes revenues and expenses of \$(6,785,658) of this amount during the year.

Contributions. The District also makes contributions to THIS Fund. The District's THIS Fund contribution was 0.67% during the year ended June 30, 2023. The percentage of employer required contributions in the future will not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. For the year ended June 30, 2023, the District paid \$271,924 to the THIS Fund, which was 100 percent of the required contribution for the year.

THIS Fiduciary Net Position. Detailed information about the THIS Fund's fiduciary net position as of June 30, 2022 is available in the separately issued THIS Annual Financial Report.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Net OPEB Liability. At June 30, 2023, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for the state's retiree insurance 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 collection net OPEB liability	\$ 9,809,097
State's proportionate share of the collective net OPEB liability associated with the District	<u>13,344,311</u>
Total	<u>\$ 23,153,408</u>

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022. 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, 2022, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2022 and 2021, the District's proportion was 0.143310% and 0.143393%, respectively.

Actuarial Assumptions. The net OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	3.50% to 8.50%
Investment Rate of Return	2.75
Healthcare Cost Trend Rates - Initial	Medicare and Non-Medicare - 8.00%
Healthcare Cost Trend Rates - Ultimate	4.25%
Fiscal Year the Ultimate Rate is Reached	2039

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

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

Discount Rate. At June 30, 2022, the discount rate used to measure the total OPEB liability was a blended rate of 3.69%, which was a change from the June 30, 2021 rate of 1.92%. Since THIS is financed on a pay-as-you-go basis, the discount rate is based on the 20-year general obligation bond index.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.69%) or 1-percentage-point higher (4.69%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB Liability	<u>\$ 10,901,503</u>	<u>\$ 9,809,097</u>	<u>\$ 8,686,700</u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (initial rate of 7.00% decreasing to an ultimate rate of 3.25%) for Medicare and non-Medicare coverage or 1-percentage-point higher (initial rate of 9.00% decreasing to an ultimate rate of 5.25%) for Medicare and non-Medicare coverage than the current healthcare cost trend rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability	<u>\$ 8,288,962</u>	<u>\$ 9,809,097</u>	<u>\$ 11,477,424</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2023, the District recognized OPEB expense of \$(4,881,769) and on-behalf revenue and expense of \$(6,785,658) for support provided by the state. At June 30, 2023, the District's deferred outflows of resources and deferred inflows of resources related to OPEBs were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 6,415,632
Changes in Assumptions	8,849	24,196,433
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	1,192	-
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	476,009	2,876,857
District Contributions Subsequent to the Measurement Date	<u>271,924</u>	<u>-</u>
Total	<u>\$ 757,974</u>	<u>\$ 33,488,922</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net OPEB liability for the year ending June 30, 2024. The remaining amounts reported as deferred outflows and inflows of resources related to OPEB (\$33,002,872) will be recognized in OPEB expense as follows in these reporting years:

Year Ending June 30,	Amount
2024	\$ (4,209,404)
2025	(4,209,404)
2026	(4,209,404)
2027	(4,209,404)
2028	(4,209,702)
Thereafter	<u>(11,955,554)</u>
Total	<u>\$ (33,002,872)</u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Retiree's Health Plan

Plan Description. The District's group health insurance plan, a single-employer defined benefit plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. This results in an other postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy. No assets are accumulated in a GASB-compliant trust.

Contributions and Benefits Provided. Eligible retirees may continue medical coverage into retirement on the District plans on a pay-all basis. Coverage is also available for eligible dependents on a pay-all basis. Coverage can continue when Medicare eligible. Coverage for dependents can continue upon the death of the retiree given that contributions continue.

Employees Covered by Benefit Terms. At July 1, 2021, the actuarial valuation date, the following employees were covered by the benefit terms:

Retired Plan Members	4
Active Employees Not Yet Eligible	-
Active Employees Fully Eligible	<u>102</u>
Total	<u><u>106</u></u>

Total OPEB Liability. The District's total OPEB liability of \$272,720 was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2022.

Inflation	3.00%
Election at Retirement	10.00%
Discount Rate	4.13%
Healthcare Cost Trend Rate - Initial	5.00%
Healthcare Cost Trend Rate - Ultimate	4.50%
Fiscal Year the Ultimate Rate is Reached	2038

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2023.

Mortality rates were based on those found in the December 31, 2021 IMRF Actuarial Valuation Report.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of the assumptions about future events.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Changes in Total OPEB Liability. The District's changes in total OPEB liability for the year ended June 30, 2023 was as follows:

	Total OPEB Liability
Balance at June 30, 2022	\$ 271,921
Service Cost	6,304
Interest	10,802
Changes in Assumptions and Other Inputs	(690)
Benefit Payments	<u>(15,617)</u>
Net Changes	<u>799</u>
Balance at June 30, 2023	<u>\$ 272,720</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.13%) or 1-percentage-point higher (5.13%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	<u>\$ 290,651</u>	<u>\$ 272,720</u>	<u>\$ 256,457</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	<u>\$ 253,658</u>	<u>\$ 272,720</u>	<u>\$ 294,515</u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2023, the District recognized OPEB expense of \$15,408. The District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Difference Between Expected and Actual Experience	\$ 34,941	\$ 18,466
Assumption Changes	<u>22,472</u>	<u>34,045</u>
Total	<u>\$ 57,413</u>	<u>\$ 52,511</u>

The amounts reported as deferred outflows and inflows of resources related to OPEB (\$4,902) will be recognized in OPEB expense as follows:

<i>Year Ending June 30,</i>	<i>Amount</i>
2024	\$ (1,699)
2025	(1,370)
2026	(948)
2027	3,261
2028	4,771
Thereafter	<u>887</u>
Total	<u>\$ 4,902</u>

NOTE 9 - RETIREMENT SYSTEMS

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

Teachers' Retirement System

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 <https://www.trsil.org/financial/acfrs/fy2022>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional *Tier 3* hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. One program allows retiring *Tier 1* members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested *Tier 1* and *2* members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the state of Illinois.

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2022 was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the District, is submitted to TRS by the District.

On Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2023, State of Illinois contributions recognized by the District were based on the state's proportionate share of with the pension expense associated with the District, and the District recognized revenue and expenses of \$22,081,013 in governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$19,544,134 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, 2023, were \$235,405, and are deferred because they were paid after the June 30, 2022 measurement date.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

Federal and Special Trust Fund Contributions. When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total District 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 more higher.

For the year ended June 30, 2023, the District pension contribution was 10.49 percent of salaries paid from federal and special trust funds. Contributions for the year ended June 30, 2023, were \$72,068, which was equal to the District's required contribution. These contributions are deferred because they were paid after the June 30, 2022 measurement date.

Salary increases over 6 percent. The District is also 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. For the year ended June 30, 2023, the District paid \$2,341 to TRS for employer contributions due on salary increases in excess of 6 percent.

TRS Fiduciary Net Position. Detailed information about the TRS's fiduciary net position as of June 30, 2022 is available in the separately issued TRS Annual Comprehensive Financial Report.

Net Pension Liability. At June 30, 2023, 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 collective net pension liability	\$ 3,240,628
State's proportionate share of the collective net pension liability associated with the District	<u>281,103,002</u>
Total	<u>\$ 284,343,630</u>

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021, and rolled forward to June 30, 2022. 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, 2022, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2022 and 2021, the District's proportion was 0.00386524 percent and 0.00414898 percent, respectively.

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

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

Actuarial Assumptions. The assumptions used to measure the total pension liability in the June 30, 2022 actuarial valuation included (a) 7.00% investment rate of return net of pension plan investment expense, including inflation, (b) projected salary increases varies by amount of service credit, and (c) inflation of 2.5%.

Mortality. The assumed mortality rates are based on the Society of Actuaries PubT-2010 mortality tables, adjusted for TRS experience, with generational improvement based on Scale MP-2020. The actuarial assumptions used were based on the results of an experience study dated August 12, 2021.

Long-Term Expected Real 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 by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	16.30 %	5.73 %
U.S. equities small/mid cap	1.90 %	6.78 %
International equities developed	14.10 %	6.56 %
Emerging market equities	4.70 %	8.55 %
U.S. bonds core	6.90 %	1.15 %
Cash equivalents	1.20 %	(0.32)%
TIPS	0.50 %	0.33 %
International debt developed	1.20 %	6.56 %
Emerging international debt	3.70 %	3.76 %
Real estate	16.00 %	5.42 %
Private debt	12.50 %	5.29 %
Hedge funds	4.00 %	3.48 %
Private equity	15.00 %	10.04 %
Infrastructure	2.00 %	5.86 %

Discount Rate. At June 30, 2022, the discount rate used to measure the total pension liability was a blended rate of 7.00 percent, which was the same as the prior valuation. 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, 2022 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. *Tier 1's* liability is partially funded by *Tier 2* members, as the *Tier 2* member contribution is higher than the cost of *Tier 2* benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

Discount Rate Sensitivity. 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:

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the collective net pension liability	<u>\$ 3,963,317</u>	<u>\$ 3,240,628</u>	<u>\$ 2,641,350</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2023, the District recognized pension expense of \$(531,700) and on-behalf revenue of \$22,081,013 for support provided by the state. At June 30, 2023, the District's deferred outflows of resources and deferred inflows of resources related to pensions were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,514	\$ 17,867
Net difference between projected and actual earnings on pension plan investments	2,964	-
Assumption changes	14,942	6,187
Changes in proportion and differences between District contributions and proportionate share of contributions	-	800,333
District contributions subsequent to the measurement date	<u>307,473</u>	<u>-</u>
Total	<u><u>\$ 331,893</u></u>	<u><u>\$ 824,387</u></u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability for the year ending June 30, 2024. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$799,967) will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2024	\$ (509,627)
2025	(138,440)
2026	(114,120)
2027	(19,213)
2028	<u>(18,567)</u>
Total	<u><u>\$ (799,967)</u></u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

Illinois Municipal Retirement Fund

Plan Description. The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer pension plan. 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 financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Public Act 96-0889 created a second tier for IMRF's Regular Plan. IMRF assigns a benefit tier to a member when he or she is enrolled in IMRF. The tier is determined by the member's first IMRF participation date. If the member first participated in IMRF before January 1, 2011, they participate in *Regular Tier 1*. If the member first participated in IMRF on or after January 1, 2011, they participate in *Regular Tier 2*.

For *Regular Tier 1*, pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 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 *Regular Tier 1*, the pension is increased by 3% of the original amount on January 1 every year after retirement. For *Regular Tier 2*, pension benefits vest after ten years of service. Participating members who retire at or after age 67 with 10 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 *Regular 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. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Plan Membership. At December 31, 2022, the measurement date, membership of the plan was as follows:

Retirees and beneficiaries	327
Inactive, non-retired members	398
Active members	109
Total	<u>834</u>

Contributions. As set by statute, District employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's actuarially determined contribution rate for calendar year 2022 was 9.06 percent of annual covered payroll. 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

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

Actuarial Assumptions. The assumptions used to measure the total pension liability in the December 31, 2022 annual actuarial valuation included (a) 7.25% investment rate of return, (b) projected salary increases from 2.85% to 13.75%, and (c) price inflation of 2.25%. The retirement age is based on experience-based table of rates that are specific to the type of eligibility condition. The tables were last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.

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

Long-Term Expected Real 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 arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Projected Returns/Risk	
		One Year Arithmetic	Ten Year Geometric
Equities	35.50 %	7.82 %	6.50 %
International equities	18.00 %	9.23 %	7.60 %
Fixed income	25.50 %	5.01 %	4.90 %
Real estate	10.50 %	7.10 %	6.20 %
Alternatives	9.50 %		
Private equity		13.43 %	9.90 %
Hedge funds		-	-
Commodities		7.42 %	6.25 %
Cash equivalents	1.00 %	4.00 %	4.00 %

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

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

Discount Rate Sensitivity. The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate of 7.25% as well as what the net pension liability/(asset) would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 45,749,882	\$ 41,667,746	\$ 38,363,104
Plan fiduciary net position	<u>38,333,836</u>	<u>38,333,836</u>	<u>38,333,836</u>
Net pension liability/(asset)	<u>\$ 7,416,046</u>	<u>\$ 3,333,910</u>	<u>\$ 29,268</u>

Changes in Net Pension Liability/(Asset). The District's changes in net pension liability/(asset) for the calendar year ended December 31, 2022 was as follows:

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
Balances at December 31, 2021	\$ 40,816,147	\$ 46,640,004	\$ (5,823,857)
Service cost	506,394	-	506,394
Interest on total pension liability	2,877,703	-	2,877,703
Differences between expected and actual experience of the total pension liability	221,271	-	221,271
Benefit payments, including refunds of employee contributions	(2,753,769)	(2,753,769)	-
Contributions - employer	-	491,300	(491,300)
Contributions - employee	-	245,856	(245,856)
Net investment income	-	(6,057,248)	6,057,248
Other (net transfer)	<u>-</u>	<u>(232,307)</u>	<u>232,307</u>
Balances at December 31, 2022	<u>\$ 41,667,746</u>	<u>\$ 38,333,836</u>	<u>\$ 3,333,910</u>

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEMS - (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2023, the District recognized pension expense of \$1,055,785. The District's deferred outflows and inflows of resources related to pension were from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Differences between expected and actual experience	\$ 19,381	\$ -
Net difference between projected and actual earnings on pension plan investments	3,235,240	-
Contributions subsequent to the measurement date	<u>243,134</u>	<u>-</u>
Total	<u><u>\$ 3,497,755</u></u>	<u><u>\$ -</u></u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending June 30, 2024. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$3,254,621) will be recognized in pension expense as follows:

<i>Year Ending June 30,</i>	<i>Amount</i>
2024	\$ (210,061)
2025	529,288
2026	1,063,969
2027	<u>1,871,425</u>
Total	<u><u>\$ 3,254,621</u></u>

NOTE 10 - INTERFUND TRANSFERS

The Board of Education transferred \$3,866,888 of fund balance from the Operations and Maintenance Fund to the Debt Service Fund to provide a funding source for the interest and principal paid on the 2019 Series General Obligation Bonds (Alternative Revenue Source). The Board of Education transferred \$6,000,000 of fund balance from the General Fund (Educational Accounts) to the Operations and Maintenance Fund and from the Operations and Maintenance Fund to the Capital Projects Fund to fund ongoing capital projects.

During the year, the District transferred \$365,755 from the General Fund (Educational Accounts) and \$535,366 from the Operations and Maintenance Fund to the Debt Service Fund for the payment of principal and interest on the District's leases and installment contracts.

NOTE 11 - CONTINGENT LIABILITIES

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

NORTH SHORE SCHOOL DISTRICT 112

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

NOTE 12 - STATE AND FEDERAL AID CONTINGENCIES

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under the terms of the grants. Management believes such disallowance, if any, would be immaterial.

NOTE 13 - EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 99, *Omnibus 2022*, GASB Statement No. 100, *Accounting Changes and Error Corrections an amendment of GASB Statement No. 62*, and GASB Statement No. 101, *Compensated Absences*.

When they become effective, application of these standards may restate portions of these financial statements.

NOTE 14 - CONSTRUCTION COMMITMENTS

As of June 30, 2023, the District is committed to approximately \$9,300,199 in expenditures in the upcoming years for the Edgewood Middle School Renovations. This expenditure will be paid through the available fund balance and alternative revenue bond already issued.

NORTH SHORE SCHOOL DISTRICT 112
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY/(ASSET)
AND RELATED RATIOS
Nine Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability			
Service cost	\$ 506,394	\$ 496,582	\$ 555,769
Interest	2,877,703	2,777,426	2,738,472
Differences between expected and actual experience	221,271	774,086	124,319
Changes of assumptions	-	-	(368,706)
Benefit payments, including refunds of member contributions	<u>(2,753,769)</u>	<u>(2,585,973)</u>	<u>(2,379,935)</u>
Net change in total pension liability	851,599	1,462,121	669,919
Total pension liability - beginning	<u>40,816,147</u>	<u>39,354,026</u>	<u>38,684,107</u>
Total pension liability - ending (a)	<u>\$ 41,667,746</u>	<u>\$ 40,816,147</u>	<u>\$ 39,354,026</u>
Plan fiduciary net position			
Employer contributions	\$ 491,300	\$ 608,369	\$ 589,455
Employee contributions	245,856	244,146	235,169
Net investment income	(6,057,248)	6,961,704	5,313,573
Benefit payments, including refunds of member contributions	(2,753,769)	(2,585,973)	(2,379,935)
Other (net transfer)	<u>(232,307)</u>	<u>416,071</u>	<u>87,714</u>
Net change in plan fiduciary net position	(8,306,168)	5,644,317	3,845,976
Plan fiduciary net position - beginning	<u>46,640,004</u>	<u>40,995,687</u>	<u>37,149,711</u>
Plan fiduciary net position - ending (b)	<u>\$ 38,333,836</u>	<u>\$ 46,640,004</u>	<u>\$ 40,995,687</u>
Employer's net pension liability/(asset) - ending (a) - (b)	<u>\$ 3,333,910</u>	<u>\$ (5,823,857)</u>	<u>\$ (1,641,661)</u>
Plan fiduciary net position as a percentage of the total pension liability	92.00%	114.27%	104.17%
Covered payroll	\$ 5,420,200	\$ 5,228,629	\$ 5,157,302
Employer's net pension liability/(asset) as a percentage of covered payroll	61.51%	-111.38%	-31.83%

Notes to Schedule:

The District implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Actuary valuations are as of December 31st, which is 6 months prior to the end of the fiscal year.

See Auditors' Report and Notes to Required Supplementary Information

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 575,979	\$ 587,622	\$ 651,947	\$ 650,206	\$ 667,664	\$ 718,390
2,665,153	2,600,132	2,610,710	2,438,032	2,331,010	2,122,147
33,075	114,528	(108,775)	1,260,509	418,802	526,739
-	900,301	(1,175,599)	(74,501)	35,695	1,345,471
<u>(2,125,679)</u>	<u>(2,083,226)</u>	<u>(2,091,097)</u>	<u>(2,028,224)</u>	<u>(1,915,914)</u>	<u>(1,806,182)</u>
1,148,528	2,119,357	(112,814)	2,246,022	1,537,257	2,906,565
<u>37,535,579</u>	<u>35,416,222</u>	<u>35,529,036</u>	<u>33,283,014</u>	<u>31,745,757</u>	<u>28,839,192</u>
<u>\$ 38,684,107</u>	<u>\$ 37,535,579</u>	<u>\$ 35,416,222</u>	<u>\$ 35,529,036</u>	<u>\$ 33,283,014</u>	<u>\$ 31,745,757</u>
\$ 469,646	\$ 624,192	\$ 665,976	\$ 668,374	\$ 645,638	\$ 693,937
250,828	260,336	274,398	259,568	285,528	271,543
6,101,118	(1,950,418)	5,645,455	2,021,493	145,061	1,698,754
<u>(2,125,679)</u>	<u>(2,083,226)</u>	<u>(2,091,097)</u>	<u>(2,028,224)</u>	<u>(1,915,914)</u>	<u>(1,806,182)</u>
<u>(152,047)</u>	<u>480,767</u>	<u>(890,503)</u>	<u>1,413,289</u>	<u>670,656</u>	<u>377,670</u>
4,543,866	(2,668,349)	3,604,229	2,334,500	(169,031)	1,235,722
<u>32,605,845</u>	<u>35,274,194</u>	<u>31,669,965</u>	<u>29,335,465</u>	<u>29,504,496</u>	<u>28,268,774</u>
<u>\$ 37,149,711</u>	<u>\$ 32,605,845</u>	<u>\$ 35,274,194</u>	<u>\$ 31,669,965</u>	<u>\$ 29,335,465</u>	<u>\$ 29,504,496</u>
<u>\$ 1,534,396</u>	<u>\$ 4,929,734</u>	<u>\$ 142,028</u>	<u>\$ 3,859,071</u>	<u>\$ 3,947,549</u>	<u>\$ 2,241,261</u>
96.03%	86.87%	99.60%	89.14%	88.14%	92.94%
\$ 5,300,731	\$ 5,543,458	\$ 5,781,286	\$ 5,722,380	\$ 5,751,951	\$ 5,795,851
28.95%	88.93%	2.46%	67.44%	68.63%	38.67%

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF EMPLOYER CONTRIBUTIONS Nine Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 472,641	\$ 587,698	\$ 589,480	\$ 469,645	\$ 624,193
Contributions in relation to the actuarially determined contribution	<u>(491,300)</u>	<u>(608,369)</u>	<u>(589,455)</u>	<u>(469,646)</u>	<u>(624,192)</u>
Contribution deficiency (excess)	<u>\$ (18,659)</u>	<u>\$ (20,671)</u>	<u>\$ 25</u>	<u>\$ (1)</u>	<u>\$ 1</u>
Covered payroll	\$ 5,420,200	\$ 5,228,629	\$ 5,157,302	\$ 5,300,731	\$ 5,543,458
Contributions as a percentage of covered payroll	9.06%	11.64%	11.43%	8.86%	11.26%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Actuarially determined contribution	\$ 658,488	\$ 668,374	\$ 652,271	\$ 690,286	
Contributions in relation to the actuarially determined contribution	<u>(665,976)</u>	<u>(668,374)</u>	<u>(645,638)</u>	<u>(693,937)</u>	
Contribution deficiency (excess)	<u>\$ (7,488)</u>	<u>\$ -</u>	<u>\$ 6,633</u>	<u>\$ (3,651)</u>	
Covered payroll	\$ 5,781,286	\$ 5,722,380	\$ 5,751,951	\$ 5,795,851	
Contributions as a percentage of covered payroll	11.52%	11.68%	11.22%	11.97%	

Notes to Schedule:

The District implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Valuation date:

Actuarially determined contribution rates are calculated as of December 31 each year, which are 6 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	21 years
Asset valuation method	5-Year Smoothed Market, 20% corridor
Inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	MP-2020

Other information:

There were no benefit changes during the year.

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
TEACHERS' RETIREMENT SYSTEM
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY AND DISTRICT CONTRIBUTIONS
Nine Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>
District's proportion of the net pension liability	0.0038652373%	0.0041489792%	0.0043307051%
District's proportionate share of the net pension liability	\$ 3,240,628	\$ 3,236,672	\$ 3,733,729
State's proportionate share of the net pension liability	<u>281,103,002</u>	<u>271,267,544</u>	<u>292,445,011</u>
Total net pension liability	<u>\$ 284,343,630</u>	<u>\$ 274,504,216</u>	<u>\$ 296,178,740</u>
Covered payroll	\$ 40,585,640	\$ 39,549,855	\$ 37,247,016
District's proportionate share of the net pension liability as a percentage of covered payroll	7.98%	8.18%	10.02%
Plan fiduciary net position as a percentage of the total pension liability	42.80%	45.10%	37.80%
Contractually required contribution	\$ 308,028	\$ 330,427	\$ 278,320
Contributions in relation to the contractually required contribution	<u>(307,473)</u>	<u>(324,385)</u>	<u>(278,514)</u>
Contribution deficiency (excess)	<u>\$ 555</u>	<u>\$ 6,042</u>	<u>\$ (194)</u>
Contributions as a percentage of covered payroll	0.7576%	0.8202%	0.7477%

Notes to Schedule:

The District implemented GASB 68 in 2015. Information for fiscal years prior to 2015 is not applicable.

Actuary valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pension liability is reported.

Key Assumptions:

Long-term expected rate of return	7.00%	7.00%	7.00%
Municipal bond index	3.54%	2.16%	2.21%
Single equivalent discount rate	7.00%	7.00%	7.00%
Inflation rate	2.50%	2.25%	2.50%
Projected salary increases	3.75% to 8.75%	3.50% to 8.50%	4.00% to 9.50%
	varying by service	varying by service	varying by service

See Auditors' Report and Notes to Required Supplementary Information

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.0044663825%	0.0051371907%	0.0010507300%	0.0092197824%	0.0044071134%	0.0093547000%
\$ 3,622,601	\$ 4,004,175	\$ 8,027,380	\$ 7,277,732	\$ 2,887,103	\$ 5,693,111
<u>257,816,553</u>	<u>274,302,765</u>	<u>275,779,322</u>	<u>297,041,611</u>	<u>241,581,897</u>	<u>220,632,818</u>
<u>\$ 261,439,154</u>	<u>\$ 278,306,940</u>	<u>\$ 283,806,702</u>	<u>\$ 304,319,343</u>	<u>\$ 244,469,000</u>	<u>\$ 226,325,929</u>
\$ 36,313,246	\$ 34,875,687	\$ 36,799,959	\$ 37,236,364	\$ 37,390,153	\$ 37,372,407
9.98%	11.48%	21.81%	19.54%	7.72%	15.23%
39.60%	40.00%	39.30%	36.40%	41.50%	43.00%
\$ 211,118	\$ 225,568	\$ 283,026	\$ 418,881	\$ 356,851	\$ 257,839
<u>(211,118)</u>	<u>(310,182)</u>	<u>(322,673)</u>	<u>(477,837)</u>	<u>(356,851)</u>	<u>(257,960)</u>
<u>\$ -</u>	<u>\$ (84,614)</u>	<u>\$ (39,647)</u>	<u>\$ (58,956)</u>	<u>\$ -</u>	<u>\$ (121)</u>
0.5814%	0.8894%	0.8768%	1.2833%	0.9544%	0.6902%
7.00%	7.00%	7.00%	7.00%	7.50%	7.50%
3.50%	3.87%	3.58%	2.85%	3.73%	N/A
7.00%	7.00%	7.00%	6.83%	7.47%	7.50%
2.50%	2.50%	2.50%	2.50%	3.00%	3.00%
4.00% to 9.50%	4.00% to 9.50%	3.25% to 9.25%	3.25% to 9.25%	3.75% to 9.75%	5.75%
varying by service	varying by service	varying by service	varying by service	varying by service	

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
RETIREE'S HEALTH PLAN
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY
AND RELATED RATIOS
Six Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB liability			
Service cost	\$ 6,304	\$ 9,840	\$ 13,005
Interest	10,802	5,026	5,751
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	48,268	-
Changes of assumptions	(690)	(17,680)	8,048
Benefit payments, including refunds of member contributions	<u>(15,617)</u>	<u>(8,130)</u>	<u>(16,788)</u>
Net change in total OPEB liability	799	37,324	10,016
Total OPEB liability - beginning	<u>271,921</u>	<u>234,597</u>	<u>224,581</u>
Total OPEB liability - ending	<u>\$ 272,720</u>	<u>\$ 271,921</u>	<u>\$ 234,597</u>
Covered-employee payroll	\$ 4,219,038	\$ 5,228,629	\$ 5,244,902
District's total OPEB liability as a percentage of covered payroll	6.46%	5.20%	4.47%
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability			
Service cost	\$ 14,591	\$ 13,946	\$ 15,059
Interest	7,087	7,337	7,179
Changes of benefit terms	(16,215)	(4,900)	(7,343)
Differences between expected and actual experience	(40,688)	-	-
Changes of assumptions	13,279	3,183	1,974
Benefit payments, including refunds of member contributions	<u>(14,989)</u>	<u>(8,483)</u>	<u>(19,042)</u>
Net change in total OPEB liability	(36,935)	11,083	(2,173)
Total OPEB liability - beginning	<u>261,516</u>	<u>250,433</u>	<u>252,606</u>
Total OPEB liability - ending	<u>\$ 224,581</u>	<u>\$ 261,516</u>	<u>\$ 250,433</u>
Covered-employee payroll	\$ 4,847,730	\$ 5,470,121	\$ 5,091,337
District's total OPEB liability as a percentage of covered payroll	4.63%	4.78%	4.92%

Notes to Schedule:

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available. There are no assets accumulated in a trust that meets the criteria of GASB codification P52.101 to pay related benefits for the OPEB plan.

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
TEACHERS' HEALTH INSURANCE SECURITY FUND
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY AND DISTRICT CONTRIBUTIONS
Six Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability	0.143310%	0.143393%	0.143859%	0.141857%	0.155250%	0.161887%
District's proportionate share of the net OPEB liability	\$ 9,809,097	\$ 31,625,902	\$ 38,462,103	\$ 39,262,413	\$ 40,901,840	\$ 42,008,930
State's proportionate share of the net OPEB liability	<u>13,344,311</u>	<u>42,880,107</u>	<u>52,105,675</u>	<u>53,166,317</u>	<u>54,922,350</u>	<u>55,168,164</u>
Total net OPEB liability	<u>\$ 23,153,408</u>	<u>\$ 74,506,009</u>	<u>\$ 90,567,778</u>	<u>\$ 92,428,730</u>	<u>\$ 95,824,190</u>	<u>\$ 97,177,094</u>
Covered payroll	\$ 40,585,640	39,549,855	\$ 37,247,016	\$ 36,313,246	\$ 34,875,687	\$ 36,799,959
District's proportionate share of the net OPEB liability as a percentage of covered payroll	24.17%	79.96%	103.26%	108.12%	117.28%	114.15%
Plan fiduciary net position as a percentage of the total pension liability	5.24%	1.40%	0.70%	0.25%	-0.07%	-0.17%
Contractually required contribution	\$ 271,924	\$ 264,984	\$ 342,673	\$ 334,082	\$ 320,856	\$ 323,840
Contributions in relation to the contractually required contribution	<u>(271,924)</u>	<u>(264,984)</u>	<u>(342,673)</u>	<u>(334,082)</u>	<u>(320,856)</u>	<u>(323,842)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2)</u>
Contributions as a percentage of covered payroll	0.6700%	0.6700%	0.9200%	0.9200%	0.9200%	0.8800%

Notes to Schedule:

The District implemented GASB 75 in fiscal year 2018. Information for fiscal years prior to 2018 is not applicable.

Actuary valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

Key Assumptions:

Long-term expected rate of return	2.75%	2.75%	0.00%	0.00%	0.00%	0.00%
Municipal bond index	3.69%	1.92%	2.45%	3.13%	3.62%	3.56%
Single equivalent discount rate	3.69%	1.92%	2.45%	3.13%	3.62%	3.56%
Inflation rate	2.25%	2.50%	2.50%	2.50%	2.75%	2.75%
Healthcare cost trend rates - initial	Medicare and Non-Medicare - 8.00%	Medicare and Non-Medicare - 8.00%	Medicare and Non-Medicare - 8.25%	Medicare - 9.00% Non-Medicare - 8.00%	Medicare - 9.00% Non-Medicare - 8.00%	Medicare - 9.00% Non-Medicare - 8.00%
Healthcare cost trend rates - ultimate	4.25%	4.25%	4.25%	4.50%	4.50%	4.50%
Mortality	PubT-2010	RP-2014 Tables	RP-2014 Tables	RP-2014 Tables	RP-2014 Tables	RP-2014 Tables

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2023 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2022 ACTUAL
Revenues					
Local sources					
General levy	\$ 64,483,000	\$ 64,483,000	\$ 64,407,576	\$ (75,424)	\$ 57,303,097
Special education levy	718,700	718,700	717,881	(819)	694,294
Investment income (loss)	356,394	704,234	1,598,061	893,827	209,145
Unrealized gain/(loss) on investments	-	-	349,888	349,888	(917,593)
Sales to pupils - lunch	15,000	15,000	151,186	136,186	12,120
Other food service	-	-	24,799	24,799	-
Student activities	-	-	126,883	126,883	110,370
Contributions and donations from private sources	-	-	-	-	365
Refund of prior years' expenditures	15,000	15,000	13,006	(1,994)	52,213
Proceeds from vendor contracts	25,000	25,000	51,068	26,068	29,373
Other local fees	610,000	610,000	620,915	10,915	673,692
Other	55,000	55,000	32,597	(22,403)	99,112
Total local sources	66,278,094	66,625,934	68,093,860	1,467,926	58,266,188
State sources					
Evidence based funding	1,369,542	3,369,542	3,373,338	3,796	3,369,558
Special education - private facility tuition	117,721	235,377	235,377	-	112,300
Special education - orphanage - individual	41,715	41,715	33,794	(7,921)	48,601
State free lunch & breakfast	5,447	5,447	2,052	(3,395)	8,251
Other restricted revenue from state sources	-	-	6,156	6,156	6,626
On behalf payment to TRS from the state	32,000,000	32,000,000	19,909,405	(12,090,595)	19,973,007
Total state sources	33,534,425	35,652,081	23,560,122	(12,091,959)	23,518,343
Federal sources					
Federal impact aid	375,000	375,000	391,343	16,343	373,763
National school lunch program	187,747	187,747	377,697	189,950	587,569
Special milk program	3,953	3,953	8,623	4,670	8,064
School breakfast program	63,600	63,600	36,638	(26,962)	205,918
Food service - other	-	-	64,351	64,351	65,755
Title I - Low income	326,052	326,052	320,857	(5,195)	404,015
Federal - special education - preschool flow-through	33,945	33,945	41,064	7,119	58,658
Federal - special education - IDEA - flow-through/low incident	906,055	906,055	1,002,994	96,939	1,009,572
Federal - special education - IDEA - room & board	-	-	255,438	255,438	1,376
Emergency immigrant assistance	-	-	12,000	12,000	-

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2023 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023					2022 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		
Title III - English language acquisition	\$ 50,862	\$ 50,862	\$ 6,172	\$ (44,690)	\$	70,111
Title II - Teacher quality	90,516	90,516	110,865	20,349		110,300
Medicaid matching funds - administrative outreach	23,000	23,000	55,405	32,405		20,564
Medicaid matching funds - fee-for-service program	30,000	30,000	124,234	94,234		89,832
Other restricted revenue from federal sources	<u>1,060,000</u>	<u>1,060,000</u>	<u>939,555</u>	<u>(120,445)</u>		<u>1,814,031</u>
Total federal sources	<u>3,150,730</u>	<u>3,150,730</u>	<u>3,747,236</u>	<u>596,506</u>		<u>4,819,528</u>
Total revenues	<u>102,963,249</u>	<u>105,428,745</u>	<u>95,401,218</u>	<u>(10,027,527)</u>		<u>86,604,059</u>
Expenditures						
Instruction						
Regular programs						
Salaries	22,814,103	22,814,103	22,602,109	211,994		21,600,973
Employee benefits	7,065,252	7,065,252	3,615,858	3,449,394		3,415,027
On-behalf payments to TRS from the state	32,000,000	32,000,000	19,909,405	12,090,595		19,973,007
Purchased services	622,699	622,699	490,424	132,275		909,465
Supplies and materials	454,150	454,150	506,240	(52,090)		484,495
Capital outlay	<u>63,000</u>	<u>63,000</u>	<u>38,967</u>	<u>24,033</u>		<u>100,026</u>
Total	<u>63,019,204</u>	<u>63,019,204</u>	<u>47,163,003</u>	<u>15,856,201</u>		<u>46,482,993</u>
Pre-K programs						
Salaries	436,495	436,495	603,927	(167,432)		618,111
Employee benefits	5,246	5,246	83,811	(78,565)		20,460
Purchased services	6,200	6,200	-	6,200		-
Supplies and materials	61,135	61,135	43,231	17,904		74,766
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>44,612</u>
Total	<u>509,076</u>	<u>509,076</u>	<u>730,969</u>	<u>(221,893)</u>		<u>757,949</u>
Special education programs						
Salaries	4,806,289	4,806,289	5,306,396	(500,107)		4,719,876
Employee benefits	51,418	51,418	748,862	(697,444)		898,834
Purchased services	239,000	239,000	355,131	(116,131)		331,330
Supplies and materials	130,000	130,000	38,755	91,245		102,365
Capital outlay	10,000	10,000	20,723	(10,723)		6,475
Other objects	<u>2,000</u>	<u>2,000</u>	<u>320</u>	<u>1,680</u>		<u>1,290</u>
Total	<u>5,238,707</u>	<u>5,238,707</u>	<u>6,470,187</u>	<u>(1,231,480)</u>		<u>6,060,170</u>
Special education programs Pre-K						
Salaries	558,877	558,877	522,563	36,314		506,653
Employee benefits	<u>-</u>	<u>-</u>	<u>84,553</u>	<u>(84,553)</u>		<u>5,913</u>
Total	<u>558,877</u>	<u>558,877</u>	<u>607,116</u>	<u>(48,239)</u>		<u>512,566</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2023 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				2022 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Remedial and supplemental programs K - 12					
Salaries	\$ 1,138,333	\$ 1,138,333	\$ 1,247,239	\$ (108,906)	\$ 905,966
Employee benefits	<u>9,365</u>	<u>9,365</u>	<u>178,462</u>	<u>(169,097)</u>	<u>154,365</u>
Total	<u>1,147,698</u>	<u>1,147,698</u>	<u>1,425,701</u>	<u>(278,003)</u>	<u>1,060,331</u>
Remedial and supplemental programs Pre - K					
Salaries	-	-	3,050	(3,050)	8,260
Employee benefits	<u>-</u>	<u>-</u>	<u>6</u>	<u>(6)</u>	<u>27</u>
Total	<u>-</u>	<u>-</u>	<u>3,056</u>	<u>(3,056)</u>	<u>8,287</u>
Summer school programs					
Salaries	103,000	103,000	149,231	(46,231)	165,521
Employee benefits	<u>25,984</u>	<u>25,984</u>	<u>25,585</u>	<u>399</u>	<u>15,300</u>
Total	<u>128,984</u>	<u>128,984</u>	<u>174,816</u>	<u>(45,832)</u>	<u>180,821</u>
Gifted programs					
Salaries	673,321	673,321	694,551	(21,230)	658,660
Employee benefits	<u>31,424</u>	<u>31,424</u>	<u>104,785</u>	<u>(73,361)</u>	<u>115,796</u>
Total	<u>704,745</u>	<u>704,745</u>	<u>799,336</u>	<u>(94,591)</u>	<u>774,456</u>
Bilingual programs					
Salaries	3,205,500	3,205,500	2,936,450	269,050	3,097,861
Employee benefits	<u>38,020</u>	<u>38,020</u>	<u>492,675</u>	<u>(454,655)</u>	<u>560,002</u>
Total	<u>3,243,520</u>	<u>3,243,520</u>	<u>3,429,125</u>	<u>(185,605)</u>	<u>3,657,863</u>
Special education programs K -12 - private tuition					
Other objects	<u>800,000</u>	<u>800,000</u>	<u>1,410,584</u>	<u>(610,584)</u>	<u>655,953</u>
Total	<u>800,000</u>	<u>800,000</u>	<u>1,410,584</u>	<u>(610,584)</u>	<u>655,953</u>
Student activities					
Other objects	<u>-</u>	<u>-</u>	<u>119,617</u>	<u>(119,617)</u>	<u>136,038</u>
Total	<u>-</u>	<u>-</u>	<u>119,617</u>	<u>(119,617)</u>	<u>136,038</u>
Total instruction	<u>75,350,811</u>	<u>75,350,811</u>	<u>62,333,510</u>	<u>13,017,301</u>	<u>60,287,427</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2023 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				2022 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Support services					
Pupils					
Attendance and social work services					
Supplies and materials	\$ -	\$ -	\$ 78,360	\$ (78,360)	\$ -
Total	-	-	78,360	(78,360)	-
Guidance services					
Salaries	1,394,512	1,394,512	1,435,963	(41,451)	1,390,948
Employee benefits	17,751	17,751	218,654	(200,903)	208,451
Total	1,412,263	1,412,263	1,654,617	(242,354)	1,599,399
Health services					
Salaries	486,375	486,375	485,515	860	490,113
Employee benefits	1,107	1,107	70,400	(69,293)	72,845
Purchased services	38,000	38,000	43,374	(5,374)	15,234
Supplies and materials	-	-	7,442	(7,442)	10,057
Capital outlay	15,000	15,000	5,640	9,360	54,234
Total	540,482	540,482	612,371	(71,889)	642,483
Psychological services					
Salaries	785,162	785,162	761,077	24,085	831,484
Employee benefits	12,840	12,840	121,612	(108,772)	141,605
Purchased services	50,000	50,000	40,700	9,300	15,230
Supplies and materials	10,000	10,000	13,240	(3,240)	13,952
Total	858,002	858,002	936,629	(78,627)	1,002,271
Speech pathology and audiology services					
Salaries	1,554,571	1,554,571	1,359,228	195,343	1,580,332
Employee benefits	22,639	22,639	238,896	(216,257)	229,403
Purchased services	2,000	2,000	2,050	(50)	-
Supplies and materials	3,000	3,000	816	2,184	3,509
Total	1,582,210	1,582,210	1,600,990	(18,780)	1,813,244
Other support services - pupils					
Salaries	425,244	425,244	338,744	86,500	331,801
Employee benefits	39,960	39,960	105,408	(65,448)	78,187
Purchased services	-	-	264,559	(264,559)	-
Supplies and materials	-	-	80,332	(80,332)	-
Total	465,204	465,204	789,043	(323,839)	409,988
Total pupils	4,858,161	4,858,161	5,672,010	(813,849)	5,467,385

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2022 ACTUAL
Instructional staff					
Improvement of instructional services					
Salaries	\$ 539,364	\$ 539,364	\$ 454,634	\$ 84,730	\$ 644,598
Employee benefits	230,544	230,544	310,031	(79,487)	350,724
Purchased services	1,567,078	1,567,078	1,170,443	396,635	948,776
Supplies and materials	808,944	808,944	869,505	(60,561)	993,265
Other objects	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Total	<u>3,150,930</u>	<u>3,150,930</u>	<u>2,804,613</u>	<u>346,317</u>	<u>2,937,363</u>
Educational media services					
Salaries	1,381,845	1,381,845	1,388,349	(6,504)	1,293,608
Employee benefits	30,217	30,217	212,822	(182,605)	212,020
Purchased services	1,433,689	1,433,689	1,789,435	(355,746)	1,667,160
Supplies and materials	339,000	339,000	380,960	(41,960)	150,050
Capital outlay	1,867,214	1,100,000	2,012,915	(912,915)	1,918,093
Other objects	<u>2,500</u>	<u>2,500</u>	<u>2,215</u>	<u>285</u>	<u>965</u>
Total	<u>5,054,465</u>	<u>4,287,251</u>	<u>5,786,696</u>	<u>(1,499,445)</u>	<u>5,241,896</u>
Assessment and testing					
Purchased services	<u>130,500</u>	<u>130,500</u>	<u>-</u>	<u>130,500</u>	<u>-</u>
Total	<u>130,500</u>	<u>130,500</u>	<u>-</u>	<u>130,500</u>	<u>-</u>
Total instructional staff	<u>8,335,895</u>	<u>7,568,681</u>	<u>8,591,309</u>	<u>(1,022,628)</u>	<u>8,179,259</u>
General administration					
Board of education services					
Employee benefits	-	-	8,598	(8,598)	8,598
Purchased services	828,000	828,000	714,377	113,623	691,440
Supplies and materials	8,000	8,000	863	7,137	989
Other objects	<u>30,000</u>	<u>30,000</u>	<u>16,786</u>	<u>13,214</u>	<u>13,777</u>
Total	<u>866,000</u>	<u>866,000</u>	<u>740,624</u>	<u>125,376</u>	<u>714,804</u>
Executive administration services					
Salaries	448,835	448,835	471,738	(22,903)	447,660
Employee benefits	70,560	70,560	234,213	(163,653)	169,777
Purchased services	8,000	8,000	7,457	543	3,241
Supplies and materials	1,500	1,500	608	892	459
Capital outlay	-	-	-	-	1,968
Other objects	<u>15,000</u>	<u>15,000</u>	<u>14,760</u>	<u>240</u>	<u>8,352</u>
Total	<u>543,895</u>	<u>543,895</u>	<u>728,776</u>	<u>(184,881)</u>	<u>631,457</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023			VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
Tort immunity services					
Purchased services	\$ 494,211	\$ 494,211	\$ 570,770	\$ (76,559)	\$ 537,686
Total	494,211	494,211	570,770	(76,559)	537,686
Total general administration	1,904,106	1,904,106	2,040,170	(136,064)	1,883,947
School administration					
Office of the principal services					
Salaries	2,686,084	2,686,084	2,698,239	(12,155)	2,706,889
Employee benefits	287,792	287,792	551,194	(263,402)	574,581
Purchased services	20,200	20,200	9,175	11,025	8,106
Total	2,994,076	2,994,076	3,258,608	(264,532)	3,289,576
Total school administration	2,994,076	2,994,076	3,258,608	(264,532)	3,289,576
Business					
Direction of business support services					
Salaries	511,342	511,342	538,334	(26,992)	510,979
Employee benefits	-	-	85,329	(85,329)	77,214
Total	511,342	511,342	623,663	(112,321)	588,193
Fiscal services					
Salaries	219,085	219,085	144,819	74,266	222,905
Employee benefits	-	-	40,715	(40,715)	51,130
Purchased services	80,500	80,500	177,719	(97,219)	127,936
Supplies and materials	5,000	5,000	7,733	(2,733)	9,399
Capital outlay	-	-	-	-	692
Other objects	54,500	54,500	46,863	7,637	43,356
Total	359,085	359,085	417,849	(58,764)	455,418
Operation and maintenance of plant services					
Purchased services	-	-	-	-	4,872
Total	-	-	-	-	4,872
Food services					
Purchased services	866,505	866,505	578,913	287,592	747,775
Supplies and materials	-	-	64,589	(64,589)	65,755
Capital outlay	-	-	16,698	(16,698)	-
Other objects	-	-	125	(125)	695
Total	866,505	866,505	660,325	206,180	814,225

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2023 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023					2022
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		ACTUAL
Internal services						
Employee benefits	\$ -	\$ -	\$ -	\$ -	\$	16
Supplies and materials	<u>5,000</u>	<u>5,000</u>	<u>4,775</u>	<u>225</u>		<u>3,928</u>
Total	<u>5,000</u>	<u>5,000</u>	<u>4,775</u>	<u>225</u>		<u>3,944</u>
Total business	<u>1,741,932</u>	<u>1,741,932</u>	<u>1,706,612</u>	<u>35,320</u>		<u>1,866,652</u>
Central						
Direction of central support services						
Employee benefits	<u>-</u>	<u>-</u>	<u>686</u>	<u>(686)</u>		<u>(7,944)</u>
Total	<u>-</u>	<u>-</u>	<u>686</u>	<u>(686)</u>		<u>(7,944)</u>
Information services						
Salaries	92,735	92,735	69,491	23,244		90,034
Employee benefits	-	-	20,081	(20,081)		20,592
Purchased services	87,500	87,500	143,257	(55,757)		200,324
Supplies and materials	500	500	16,093	(15,593)		7,202
Capital outlay	2,500	2,500	3,648	(1,148)		12,865
Other objects	<u>2,000</u>	<u>2,000</u>	<u>1,070</u>	<u>930</u>		<u>17,422</u>
Total	<u>185,235</u>	<u>185,235</u>	<u>253,640</u>	<u>(68,405)</u>		<u>348,439</u>
Staff services						
Salaries	485,165	485,165	543,773	(58,608)		575,042
Employee benefits	38,202	38,202	112,081	(73,879)		126,554
Purchased services	163,000	163,000	117,238	45,762		108,310
Supplies and materials	35,000	35,000	53,863	(18,863)		9,801
Other objects	<u>1,000</u>	<u>1,000</u>	<u>781</u>	<u>219</u>		<u>207</u>
Total	<u>722,367</u>	<u>722,367</u>	<u>827,736</u>	<u>(105,369)</u>		<u>819,914</u>
Data processing services						
Purchased services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>99,166</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>99,166</u>
Total central	<u>907,602</u>	<u>907,602</u>	<u>1,082,062</u>	<u>(174,460)</u>		<u>1,259,575</u>
Other supporting services						
Salaries	-	-	1,133	(1,133)		915
Employee benefits	-	-	14	(14)		751
Supplies and materials	<u>-</u>	<u>-</u>	<u>638</u>	<u>(638)</u>		<u>504</u>
Total	<u>-</u>	<u>-</u>	<u>1,785</u>	<u>(1,785)</u>		<u>2,170</u>
Total support services	<u>20,741,772</u>	<u>19,974,558</u>	<u>22,352,556</u>	<u>(2,377,998)</u>		<u>21,948,564</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2023 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023					2022 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		
Community services						
Salaries	\$ 57,044	\$ 57,044	\$ 12,436	\$ 44,608	\$ 65,476	
Employee benefits	-	-	8,142	(8,142)	854	
Purchased services	-	-	-	-	4,563	
Supplies and materials	-	-	2,746	(2,746)	14,262	
Total community services	<u>57,044</u>	<u>57,044</u>	<u>23,324</u>	<u>33,720</u>	<u>85,155</u>	
Payments to other districts and governmental units						
Payments for special education programs						
Purchased services	<u>647,000</u>	<u>647,000</u>	<u>389,269</u>	<u>257,731</u>	<u>669,103</u>	
Total	<u>647,000</u>	<u>647,000</u>	<u>389,269</u>	<u>257,731</u>	<u>669,103</u>	
Payments for special education programs - tuition						
Other objects	<u>1,456,640</u>	<u>1,456,640</u>	<u>1,464,229</u>	<u>(7,589)</u>	<u>950,717</u>	
Total	<u>1,456,640</u>	<u>1,456,640</u>	<u>1,464,229</u>	<u>(7,589)</u>	<u>950,717</u>	
Total payments to other districts and governmental units	<u>2,103,640</u>	<u>2,103,640</u>	<u>1,853,498</u>	<u>250,142</u>	<u>1,619,820</u>	
Total expenditures	<u>98,253,267</u>	<u>97,486,053</u>	<u>86,562,888</u>	<u>10,923,165</u>	<u>83,940,966</u>	
Excess (deficiency) of revenues over expenditures	<u>4,709,982</u>	<u>7,942,692</u>	<u>8,838,330</u>	<u>895,638</u>	<u>2,663,093</u>	
Other financing sources (uses)						
Installment contract issuance	-	-	805,816	805,816	-	
Transfer to operations and maintenance fund	(3,000,000)	(6,000,000)	(6,000,000)	-	-	
Transfer for principal on leases	-	-	(332,183)	(332,183)	(150,338)	
Transfer for interest on leases	-	-	(33,572)	(33,572)	(38,492)	
Total other financing sources (uses)	<u>(3,000,000)</u>	<u>(6,000,000)</u>	<u>(5,559,939)</u>	<u>440,061</u>	<u>(188,830)</u>	
Net change in fund balance	<u>\$ 1,709,982</u>	<u>\$ 1,942,692</u>	3,278,391	<u>\$ 1,335,699</u>	2,474,263	
Fund balance, beginning of year			<u>42,698,404</u>		<u>40,224,141</u>	
Fund balance, end of year			<u>\$ 45,976,795</u>		<u>\$ 42,698,404</u>	

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
OPERATIONS AND MAINTENANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022						
	2023					
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		2022 ACTUAL
Revenues						
Local sources						
General levy	\$ 12,401,700	\$ 12,401,700	\$ 12,387,230	\$ (14,470)	\$	12,948,858
Corporate personal property replacement taxes	150,000	217,794	229,135	11,341		219,552
Investment income	44,097	44,097	186,210	142,113		32,696
Rentals	20,000	20,000	65,349	45,349		15,921
Impact fees from municipal or county governments	200,000	200,000	169,975	(30,025)		336,372
Other	<u>200,000</u>	<u>200,000</u>	<u>107,674</u>	<u>(92,326)</u>		<u>-</u>
Total local sources	<u>13,015,797</u>	<u>13,083,591</u>	<u>13,145,573</u>	<u>61,982</u>		<u>13,553,399</u>
State sources						
School infrastructure - maintenance projects	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>		<u>-</u>
Total state sources	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>		<u>-</u>
Federal sources						
Other restricted revenue from federal sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>1,007,375</u>
Total federal sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>1,007,375</u>
Total revenues	<u>13,015,797</u>	<u>13,083,591</u>	<u>13,195,573</u>	<u>111,982</u>		<u>14,560,774</u>
Expenditures						
Support services						
Business						
Operation and maintenance of plant services						
Salaries	1,222,907	1,222,907	1,279,395	(56,488)		1,256,231
Employee benefits	-	-	183,439	(183,439)		166,082
Purchased services	5,290,737	5,290,737	4,411,719	879,018		3,933,932
Supplies and materials	1,355,000	1,355,000	1,410,800	(55,800)		1,409,071
Capital outlay	<u>2,074,000</u>	<u>2,524,000</u>	<u>4,089,222</u>	<u>(1,565,222)</u>		<u>4,503,642</u>
Total	<u>9,942,644</u>	<u>10,392,644</u>	<u>11,374,575</u>	<u>(981,931)</u>		<u>11,268,958</u>
Total business	<u>9,942,644</u>	<u>10,392,644</u>	<u>11,374,575</u>	<u>(981,931)</u>		<u>11,268,958</u>
Total support services	<u>9,942,644</u>	<u>10,392,644</u>	<u>11,374,575</u>	<u>(981,931)</u>		<u>11,268,958</u>
Total expenditures	<u>9,942,644</u>	<u>10,392,644</u>	<u>11,374,575</u>	<u>(981,931)</u>		<u>11,268,958</u>
Excess (deficiency) of revenues over expenditures	<u>3,073,153</u>	<u>2,690,947</u>	<u>1,820,998</u>	<u>(869,949)</u>		<u>3,291,816</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

OPERATIONS AND MAINTENANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023					2022
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		ACTUAL
Other financing sources (uses)						
Transfer from general fund (educational accounts)	\$ 3,000,000	\$ 6,000,000	\$ 6,000,000	\$ -	\$ -	\$ -
Lease issuance	-	-	1,541,263	1,541,263		508,625
Transfer for principal on leases	-	-	(480,342)	(480,342)		(210,745)
Transfer for interest on leases	-	-	(55,024)	(55,024)		(27,595)
Transfer to pay principal on revenue bonds	(1,995,000)	(1,995,000)	(1,995,000)	-		(1,900,000)
Transfer to pay interest on revenue bonds	(1,871,888)	(1,871,888)	(1,871,888)	-		(1,966,888)
Transfer to capital projects fund	<u>(3,000,000)</u>	<u>(6,000,000)</u>	<u>(6,000,000)</u>	<u>-</u>		<u>-</u>
Total other financing sources (uses)	<u>(3,866,888)</u>	<u>(3,866,888)</u>	<u>(2,860,991)</u>	<u>1,005,897</u>		<u>(3,596,603)</u>
Net change in fund balance	<u>\$ (793,735)</u>	<u>\$ (1,175,941)</u>	(1,039,993)	<u>\$ 135,948</u>		(304,787)
Fund balance, beginning of year			<u>4,811,451</u>			<u>5,116,238</u>
Fund balance, end of year			<u>\$ 3,771,458</u>			<u>\$ 4,811,451</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112

TRANSPORTATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2022 ACTUAL
Revenues					
Local sources					
General levy	\$ -	\$ -	\$ -	\$ -	\$ 3,818,571
Corporate personal property replacement taxes	240,000	348,470	366,615	18,145	351,286
Regular transportation fees from pupils or parents	16,000	16,000	25,246	9,246	20,916
Investment income	<u>39,426</u>	<u>39,426</u>	<u>97,385</u>	<u>57,959</u>	<u>23,449</u>
Total local sources	<u>295,426</u>	<u>403,896</u>	<u>489,246</u>	<u>85,350</u>	<u>4,214,222</u>
State sources					
Transportation - regular/vocational	679,443	679,443	735,087	55,644	579,442
Transportation - special education	<u>584,969</u>	<u>584,969</u>	<u>553,340</u>	<u>(31,629)</u>	<u>484,969</u>
Total state sources	<u>1,264,412</u>	<u>1,264,412</u>	<u>1,288,427</u>	<u>24,015</u>	<u>1,064,411</u>
Federal sources					
Other restricted revenue from federal sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,000</u>
Total federal sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,000</u>
Total revenues	<u>1,559,838</u>	<u>1,668,308</u>	<u>1,777,673</u>	<u>109,365</u>	<u>5,289,633</u>
Expenditures					
Support Services					
Business					
Pupil transportation services					
Salaries	86,498	86,498	86,498	-	85,479
Employee benefits	-	-	16,423	(16,423)	16,346
Purchased services	4,880,137	4,880,137	5,114,442	(234,305)	4,448,806
Supplies and materials	<u>5,000</u>	<u>5,000</u>	<u>4,818</u>	<u>182</u>	<u>4,111</u>
Total	<u>4,971,635</u>	<u>4,971,635</u>	<u>5,222,181</u>	<u>(250,546)</u>	<u>4,554,742</u>
Total business	<u>4,971,635</u>	<u>4,971,635</u>	<u>5,222,181</u>	<u>(250,546)</u>	<u>4,554,742</u>
Total support services	<u>4,971,635</u>	<u>4,971,635</u>	<u>5,222,181</u>	<u>(250,546)</u>	<u>4,554,742</u>
Total expenditures	<u>4,971,635</u>	<u>4,971,635</u>	<u>5,222,181</u>	<u>(250,546)</u>	<u>4,554,742</u>
Net change in fund balance	<u>\$ (3,411,797)</u>	<u>\$ (3,303,327)</u>	(3,444,508)	<u>\$ (141,181)</u>	734,891
Fund balance, beginning of year			<u>5,349,708</u>		<u>4,614,817</u>
Fund balance, end of year			<u>\$ 1,905,200</u>		<u>\$ 5,349,708</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023					2022
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		ACTUAL
Revenues						
Local sources						
General levy	\$ -	\$ -	\$ -	\$ -	\$	99,188
Social security/Medicare only levy	-	-	-	-		99,188
Corporate personal property replacement taxes	1,110,000	1,611,673	1,695,596	83,923		1,624,698
Investment income	<u>15,193</u>	<u>15,193</u>	<u>89,060</u>	<u>73,867</u>		<u>10,420</u>
Total local sources	<u>1,125,193</u>	<u>1,626,866</u>	<u>1,784,656</u>	<u>157,790</u>		<u>1,833,494</u>
Federal sources						
Other restricted revenue from federal sources	<u>-</u>	<u>-</u>	<u>8,977</u>	<u>8,977</u>		<u>7,476</u>
Total federal sources	<u>-</u>	<u>-</u>	<u>8,977</u>	<u>8,977</u>		<u>7,476</u>
Total revenues	<u>1,125,193</u>	<u>1,626,866</u>	<u>1,793,633</u>	<u>166,767</u>		<u>1,840,970</u>
Expenditures						
Instruction						
Regular programs	235,955	235,955	348,659	(112,704)		323,776
Pre-K programs	7,994	7,994	31,268	(23,274)		24,615
Special education programs	295,995	295,995	216,484	79,511		224,376
Special education programs Pre-K	-	-	24,781	(24,781)		25,261
Remedial and supplemental programs K-12	8,602	8,602	16,956	(8,354)		12,287
Remedial and supplemental programs Pre-K	-	-	187	(187)		889
Summer school programs	3,642	3,642	3,236	406		5,055
Gifted programs	10,926	10,926	9,834	1,092		9,329
Bilingual programs	<u>59,066</u>	<u>59,066</u>	<u>57,129</u>	<u>1,937</u>		<u>69,749</u>
Total instruction	<u>622,180</u>	<u>622,180</u>	<u>708,534</u>	<u>(86,354)</u>		<u>695,337</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

www.comptroller.tn.gov/REPORTS/REPORTS FOR THE YEAR ENDED JUNE 30, 2022

	2023					
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		2022 ACTUAL
Support services						
Pupils						
Guidance services	\$ 17,107	\$ 17,107	\$ 19,674	\$ (2,567)	\$	19,070
Health services	108,174	108,174	74,390	33,784		65,655
Psychological services	13,281	13,281	10,652	2,629		11,928
Speech pathology and audiology services	22,820	22,820	19,141	3,679		22,139
Other support services - pupils	<u>8,619</u>	<u>8,619</u>	<u>5,406</u>	<u>3,213</u>		<u>5,093</u>
Total pupils	<u>170,001</u>	<u>170,001</u>	<u>129,263</u>	<u>40,738</u>		<u>123,885</u>
Instructional staff						
Improvement of instructional staff	22,280	22,280	14,864	7,416		19,068
Educational media services	<u>113,175</u>	<u>113,175</u>	<u>100,542</u>	<u>12,633</u>		<u>100,161</u>
Total instructional staff	<u>135,455</u>	<u>135,455</u>	<u>115,406</u>	<u>20,049</u>		<u>119,229</u>
General administration						
Executive administration services	<u>29,867</u>	<u>29,867</u>	<u>23,773</u>	<u>6,094</u>		<u>25,971</u>
Total general administration	<u>29,867</u>	<u>29,867</u>	<u>23,773</u>	<u>6,094</u>		<u>25,971</u>
School administration						
Office of the principal services	<u>120,065</u>	<u>120,065</u>	<u>111,664</u>	<u>8,401</u>		<u>132,996</u>
Total school administration	<u>120,065</u>	<u>120,065</u>	<u>111,664</u>	<u>8,401</u>		<u>132,996</u>
Business						
Direction of business support services	67,321	67,321	52,445	14,876		55,303
Fiscal services	57,505	57,505	22,331	35,174		40,025
Operations and maintenance of plant services	235,671	235,671	187,243	48,428		212,414
Pupil transportation services	16,230	16,230	13,581	2,649		15,792
Internal services	<u>15</u>	<u>15</u>	<u>-</u>	<u>15</u>		<u>-</u>
Total business	<u>376,742</u>	<u>376,742</u>	<u>275,600</u>	<u>101,142</u>		<u>323,534</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023					2022
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		ACTUAL
Central						
Information services	\$ 16,659	\$ 16,659	\$ 11,784	\$ 4,875	\$	17,262
Staff services	<u>39,411</u>	<u>39,411</u>	<u>34,915</u>	<u>4,496</u>		<u>36,793</u>
Total central	<u>56,070</u>	<u>56,070</u>	<u>46,699</u>	<u>9,371</u>		<u>54,055</u>
Other supporting services	<u>2,381</u>	<u>2,381</u>	<u>16</u>	<u>2,365</u>		<u>46</u>
Total support services	<u>890,581</u>	<u>890,581</u>	<u>702,421</u>	<u>188,160</u>		<u>779,716</u>
Community services	<u>3,158</u>	<u>3,158</u>	<u>1,984</u>	<u>1,174</u>		<u>10,590</u>
Total expenditures	<u>1,515,919</u>	<u>1,515,919</u>	<u>1,412,939</u>	<u>102,980</u>		<u>1,485,643</u>
Net change in fund balance	<u>\$ (390,726)</u>	<u>\$ 110,947</u>	380,694	<u>\$ 269,747</u>		355,327
Fund balance, beginning of year			<u>3,696,430</u>			<u>3,341,103</u>
Fund balance, end of year			<u>\$ 4,077,124</u>			<u>\$ 3,696,430</u>

See Auditors' Report and Notes to Required Supplementary Information

NORTH SHORE SCHOOL DISTRICT 112
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Data

The budgeted amounts for the Governmental Funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

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

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

The Board of Education amended the budget on May 16, 2023.

Excess of Expenditures over Budget

For the year ended June 30, 2022, expenditures exceeded budget in the Operations and Maintenance Fund and Transportation Fund by \$981,931 and \$250,546, respectively. These excesses were funded by available financial resources.

NORTH SHORE SCHOOL DISTRICT 112

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				2022 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Revenues					
Local sources					
Investment income	\$ 360	\$ 360	\$ 42,786	\$ 42,426	\$ 3,207
Total local sources	360	360	42,786	42,426	3,207
Total revenues	360	360	42,786	42,426	3,207
Expenditures					
Debt services					
Payments on long term debt					
Interest on long term debt	3,866,888	1,966,888	1,960,484	6,404	2,032,975
Principal payments on long term debt	-	1,900,000	2,807,525	(907,525)	2,261,083
Total	3,866,888	3,866,888	4,768,009	(901,121)	4,294,058
Other debt service					
Purchased services	-	237,391	832,902	(595,511)	475
Total	-	237,391	832,902	(595,511)	475
Total debt services	3,866,888	4,104,279	5,600,911	(1,496,632)	4,294,533
Total expenditures	3,866,888	4,104,279	5,600,911	(1,496,632)	4,294,533
Excess (deficiency) of revenues over expenditures	(3,866,528)	(4,103,919)	(5,558,125)	(1,454,206)	(4,291,326)
Other financing sources (uses)					
Principal on bonds sold	-	237,391	832,427	595,036	-
Transfer for principal on leases	-	-	812,525	812,525	361,083
Transfer for interest on leases	-	-	88,596	88,596	66,087
Transfer to pay principal on revenue bonds	1,995,000	1,995,000	1,995,000	-	1,900,000
Transfer to pay interest on revenue bonds	1,871,888	1,871,888	1,871,888	-	1,966,888
Total other financing sources (uses)	3,866,888	4,104,279	5,600,436	1,496,157	4,294,058
Net change in fund balance	\$ 360	\$ 360	42,311	\$ 41,951	2,732
Fund balance, beginning of year			77,857		75,125
Fund balance, end of year			\$ 120,168		\$ 77,857

NORTH SHORE SCHOOL DISTRICT 112

CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023					2022
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		ACTUAL
Revenues						
Local sources						
Investment income	\$ 41,209	\$ 403,000	\$ 394,989	\$ (8,011)	\$	295,346
Unrealized gain/(loss) on investments	<u>-</u>	<u>-</u>	<u>184,933</u>	<u>184,933</u>		<u>(291,127)</u>
Total local sources	<u>41,209</u>	<u>403,000</u>	<u>579,922</u>	<u>176,922</u>		<u>4,219</u>
State sources						
Evidence based funding	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
Total state sources	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
Total revenues	<u>2,041,209</u>	<u>403,000</u>	<u>579,922</u>	<u>176,922</u>		<u>4,219</u>
Expenditures						
Support services						
Business						
Facilities acquisition and construction service						
Purchased services	-	-	295,796	(295,796)		-
Capital outlay	-	-	18,960,657	(18,960,657)		22,738,246
Other objects	<u>14,833,001</u>	<u>20,333,001</u>	<u>-</u>	<u>20,333,001</u>		<u>-</u>
Total	<u>14,833,001</u>	<u>20,333,001</u>	<u>19,256,453</u>	<u>1,076,548</u>		<u>22,738,246</u>
Total business	<u>14,833,001</u>	<u>20,333,001</u>	<u>19,256,453</u>	<u>1,076,548</u>		<u>22,738,246</u>
Total support services	<u>14,833,001</u>	<u>20,333,001</u>	<u>19,256,453</u>	<u>1,076,548</u>		<u>22,738,246</u>
Total expenditures	<u>14,833,001</u>	<u>20,333,001</u>	<u>19,256,453</u>	<u>1,076,548</u>		<u>22,738,246</u>
Excess (deficiency) of revenues over expenditures	<u>(12,791,792)</u>	<u>(19,930,001)</u>	<u>(18,676,531)</u>	<u>1,253,470</u>		<u>(22,734,027)</u>
Other financing sources (uses)						
Principal on bonds sold	-	53,807,609	53,212,573	(595,036)		-
Premium on bonds sold	-	2,538,693	3,133,729	595,036		-
Transfer from operations and maintenance fund	<u>3,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>	<u>-</u>		<u>-</u>
Total other financing sources (uses)	<u>3,000,000</u>	<u>62,346,302</u>	<u>62,346,302</u>	<u>-</u>		<u>-</u>
Net change in fund balance	<u>\$ (9,791,792)</u>	<u>\$ 42,416,301</u>	<u>43,669,771</u>	<u>\$ 1,253,470</u>		<u>(22,734,027)</u>
Fund balance, beginning of year			<u>10,418,429</u>			<u>33,152,456</u>
Fund balance, end of year			<u>\$ 54,088,200</u>			<u>\$ 10,418,429</u>

NORTH SHORE SCHOOL DISTRICT 112**GENERAL FUND****COMBINING BALANCE SHEET****AS OF JUNE 30, 2023**

	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
Assets			
Cash and investments	\$ 79,584,261	\$ 3,316,219	\$ 82,900,480
Student activity cash	217,093	-	217,093
Receivables:			
Interest	127,965	-	127,965
Property taxes	34,963,345	106,298	35,069,643
Intergovernmental	1,769,299	-	1,769,299
Accounts	17,521	-	17,521
Prepaid items	47,699	-	47,699
Total assets	<u>\$ 116,727,183</u>	<u>\$ 3,422,517</u>	<u>\$ 120,149,700</u>
Liabilities, deferred inflows of resources, and fund balance			
Liabilities			
Accounts payable	\$ 1,537,077	\$ -	\$ 1,537,077
Salaries and wages payable	3,465,224	-	3,465,224
Payroll deductions payable	2,244,560	-	2,244,560
Unearned student fees	243,658	-	243,658
Student activity liabilities	9,742	-	9,742
Total liabilities	<u>7,500,261</u>	<u>-</u>	<u>7,500,261</u>
Deferred inflows of resources			
Property taxes levied for a future period	66,272,373	201,487	66,473,860
Unavailable state and federal aid receivable	70,819	-	70,819
Unavailable interest receivable	127,965	-	127,965
Total deferred inflows of resources	<u>66,471,157</u>	<u>201,487</u>	<u>66,672,644</u>
Fund balance			
Nonspendable	47,699	-	47,699
Assigned	207,351	-	207,351
Unassigned	42,500,715	3,221,030	45,721,745
Total fund balance	<u>42,755,765</u>	<u>3,221,030</u>	<u>45,976,795</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 116,727,183</u>	<u>\$ 3,422,517</u>	<u>\$ 120,149,700</u>

NORTH SHORE SCHOOL DISTRICT 112

GENERAL FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2023

	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
Revenues			
Property taxes	\$ 64,915,255	\$ 210,202	\$ 65,125,457
State aid	23,560,122	-	23,560,122
Federal aid	3,747,236	-	3,747,236
Investment income	1,559,515	38,546	1,598,061
Unrealized gain/(loss) on investments	349,888	-	349,888
Student activities	126,883	-	126,883
Other	893,571	-	893,571
Total revenues	<u>95,152,470</u>	<u>248,748</u>	<u>95,401,218</u>
Expenditures			
Current:			
Instruction:			
Regular programs	27,214,631	-	27,214,631
Special programs	9,892,865	-	9,892,865
Other instructional programs	5,137,302	-	5,137,302
Student activities	119,617	-	119,617
State retirement contributions	19,909,405	-	19,909,405
Support Services:			
Pupils	5,666,370	-	5,666,370
Instructional staff	6,578,394	-	6,578,394
General administration	2,040,170	-	2,040,170
School administration	3,258,608	-	3,258,608
Business	1,689,914	-	1,689,914
Central	1,078,414	-	1,078,414
Other supporting services	1,785	-	1,785
Community services	23,324	-	23,324
Payments to other districts and gov't units	1,853,498	-	1,853,498
Capital outlay	<u>2,098,591</u>	<u>-</u>	<u>2,098,591</u>
Total expenditures	<u>86,562,888</u>	<u>-</u>	<u>86,562,888</u>
Excess (deficiency) of revenues over expenditures	<u>8,589,582</u>	<u>248,748</u>	<u>8,838,330</u>
Other financing sources (uses)			
Transfers (out)	(6,365,755)	-	(6,365,755)
Installment contract issuance	805,816	-	805,816
Total other financing sources (uses)	<u>(5,559,939)</u>	<u>-</u>	<u>(5,559,939)</u>
Net change in fund balance	3,029,643	248,748	3,278,391
Fund balance, beginning of year	<u>39,726,122</u>	<u>2,972,282</u>	<u>42,698,404</u>
Fund balance, end of year	<u>\$ 42,755,765</u>	<u>\$ 3,221,030</u>	<u>\$ 45,976,795</u>

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2022 ACTUAL
Revenues					
Local sources					
General levy	\$ 64,272,600	\$ 64,272,600	\$ 64,197,374	\$ (75,226)	\$ 57,298,129
Special education levy	718,700	718,700	717,881	(819)	694,294
Investment income (loss)	352,160	700,000	1,559,515	859,515	208,376
Unrealized gain/(loss) on investments	-	-	349,888	349,888	(917,593)
Sales to pupils - lunch	15,000	15,000	151,186	136,186	12,120
Other food service	-	-	24,799	24,799	-
Student activities	-	-	126,883	126,883	110,370
Contributions and donations from private sources	-	-	-	-	365
Refund of prior years' expenditures	15,000	15,000	13,006	(1,994)	52,213
Proceeds from vendor contracts	25,000	25,000	51,068	26,068	29,373
Other local fees	610,000	610,000	620,915	10,915	673,692
Other	55,000	55,000	32,597	(22,403)	99,112
Total local sources	66,063,460	66,411,300	67,845,112	1,433,812	58,260,451
State sources					
Evidence based funding	1,369,542	3,369,542	3,373,338	3,796	3,369,558
Special education - private facility tuition	117,721	235,377	235,377	-	112,300
Special education - orphanage - individual	41,715	41,715	33,794	(7,921)	48,601
State free lunch & breakfast	5,447	5,447	2,052	(3,395)	8,251
Other restricted revenue from state sources	-	-	6,156	6,156	6,626
On behalf payment to TRS from the state	32,000,000	32,000,000	19,909,405	(12,090,595)	19,973,007
Total state sources	33,534,425	35,652,081	23,560,122	(12,091,959)	23,518,343
Federal sources					
Federal impact aid	375,000	375,000	391,343	16,343	373,763
National school lunch program	187,747	187,747	377,697	189,950	587,569
Special milk program	3,953	3,953	8,623	4,670	8,064
School breakfast program	63,600	63,600	36,638	(26,962)	205,918
Food service - other	-	-	64,351	64,351	65,755
Title I - Low income	326,052	326,052	320,857	(5,195)	404,015
Federal - special education - preschool flow-through	33,945	33,945	41,064	7,119	58,658
Federal - special education - IDEA - flow-through/low incident	906,055	906,055	1,002,994	96,939	1,009,572
Federal - special education - IDEA - room & board	-	-	255,438	255,438	1,376

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				2022 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Emergency immigrant assistance	\$ -	\$ -	\$ 12,000	\$ 12,000	\$ -
Title III - English language acquisition	50,862	50,862	6,172	(44,690)	70,111
Title II - Teacher quality	90,516	90,516	110,865	20,349	110,300
Medicaid matching funds - administrative outreach	23,000	23,000	55,405	32,405	20,564
Medicaid matching funds - fee-for-service program	30,000	30,000	124,234	94,234	89,832
Other restricted revenue from federal sources	<u>1,060,000</u>	<u>1,060,000</u>	<u>939,555</u>	<u>(120,445)</u>	<u>1,814,031</u>
Total federal sources	<u>3,150,730</u>	<u>3,150,730</u>	<u>3,747,236</u>	<u>596,506</u>	<u>4,819,528</u>
Total revenues	<u>102,748,615</u>	<u>105,214,111</u>	<u>95,152,470</u>	<u>(10,061,641)</u>	<u>86,598,322</u>

Expenditures

Instruction

Regular programs

Salaries	22,814,103	22,814,103	22,602,109	211,994	21,600,973
Employee benefits	7,065,252	7,065,252	3,615,858	3,449,394	3,415,027
On-behalf payments to TRS from the state	32,000,000	32,000,000	19,909,405	12,090,595	19,973,007
Purchased services	622,699	622,699	490,424	132,275	909,465
Supplies and materials	454,150	454,150	506,240	(52,090)	484,495
Capital outlay	<u>63,000</u>	<u>63,000</u>	<u>38,967</u>	<u>24,033</u>	<u>100,026</u>
Total	<u>63,019,204</u>	<u>63,019,204</u>	<u>47,163,003</u>	<u>15,856,201</u>	<u>46,482,993</u>

Pre-K programs

Salaries	436,495	436,495	603,927	(167,432)	618,111
Employee benefits	5,246	5,246	83,811	(78,565)	20,460
Purchased services	6,200	6,200	-	6,200	-
Supplies and materials	61,135	61,135	43,231	17,904	74,766
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,612</u>
Total	<u>509,076</u>	<u>509,076</u>	<u>730,969</u>	<u>(221,893)</u>	<u>757,949</u>

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				2022 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Special education programs					
Salaries	\$ 4,806,289	\$ 4,806,289	\$ 5,306,396	\$ (500,107)	\$ 4,719,876
Employee benefits	51,418	51,418	748,862	(697,444)	898,834
Purchased services	239,000	239,000	355,131	(116,131)	331,330
Supplies and materials	130,000	130,000	38,755	91,245	102,365
Capital outlay	10,000	10,000	20,723	(10,723)	6,475
Other objects	<u>2,000</u>	<u>2,000</u>	<u>320</u>	<u>1,680</u>	<u>1,290</u>
Total	<u>5,238,707</u>	<u>5,238,707</u>	<u>6,470,187</u>	<u>(1,231,480)</u>	<u>6,060,170</u>
Special education programs Pre-K					
Salaries	558,877	558,877	522,563	36,314	506,653
Employee benefits	<u>-</u>	<u>-</u>	<u>84,553</u>	<u>(84,553)</u>	<u>5,913</u>
Total	<u>558,877</u>	<u>558,877</u>	<u>607,116</u>	<u>(48,239)</u>	<u>512,566</u>
Remedial and supplemental programs K - 12					
Salaries	1,138,333	1,138,333	1,247,239	(108,906)	905,966
Employee benefits	<u>9,365</u>	<u>9,365</u>	<u>178,462</u>	<u>(169,097)</u>	<u>154,365</u>
Total	<u>1,147,698</u>	<u>1,147,698</u>	<u>1,425,701</u>	<u>(278,003)</u>	<u>1,060,331</u>
Remedial and supplemental programs Pre - K					
Salaries	-	-	3,050	(3,050)	8,260
Employee benefits	<u>-</u>	<u>-</u>	<u>6</u>	<u>(6)</u>	<u>27</u>
Total	<u>-</u>	<u>-</u>	<u>3,056</u>	<u>(3,056)</u>	<u>8,287</u>
Summer school programs					
Salaries	103,000	103,000	149,231	(46,231)	165,521
Employee benefits	<u>25,984</u>	<u>25,984</u>	<u>25,585</u>	<u>399</u>	<u>15,300</u>
Total	<u>128,984</u>	<u>128,984</u>	<u>174,816</u>	<u>(45,832)</u>	<u>180,821</u>
Gifted programs					
Salaries	673,321	673,321	694,551	(21,230)	658,660
Employee benefits	<u>31,424</u>	<u>31,424</u>	<u>104,785</u>	<u>(73,361)</u>	<u>115,796</u>
Total	<u>704,745</u>	<u>704,745</u>	<u>799,336</u>	<u>(94,591)</u>	<u>774,456</u>
Bilingual programs					
Salaries	3,205,500	3,205,500	2,936,450	269,050	3,097,861
Employee benefits	<u>38,020</u>	<u>38,020</u>	<u>492,675</u>	<u>(454,655)</u>	<u>560,002</u>
Total	<u>3,243,520</u>	<u>3,243,520</u>	<u>3,429,125</u>	<u>(185,605)</u>	<u>3,657,863</u>

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				2022 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Special education programs K -12 - private tuition					
Other objects	\$ 800,000	\$ 800,000	\$ 1,410,584	\$ (610,584)	\$ 655,953
Total	800,000	800,000	1,410,584	(610,584)	655,953
Student activities					
Other objects	-	-	119,617	(119,617)	136,038
Total	-	-	119,617	(119,617)	136,038
Total instruction	75,350,811	75,350,811	62,333,510	13,017,301	60,287,427
Support services					
Pupils					
Attendance and social work services					
Supplies and materials	-	-	78,360	(78,360)	-
Total	-	-	78,360	(78,360)	-
Guidance services					
Salaries	1,394,512	1,394,512	1,435,963	(41,451)	1,390,948
Employee benefits	17,751	17,751	218,654	(200,903)	208,451
Total	1,412,263	1,412,263	1,654,617	(242,354)	1,599,399
Health services					
Salaries	486,375	486,375	485,515	860	490,113
Employee benefits	1,107	1,107	70,400	(69,293)	72,845
Purchased services	38,000	38,000	43,374	(5,374)	15,234
Supplies and materials	-	-	7,442	(7,442)	10,057
Capital outlay	15,000	15,000	5,640	9,360	54,234
Total	540,482	540,482	612,371	(71,889)	642,483
Psychological services					
Salaries	785,162	785,162	761,077	24,085	831,484
Employee benefits	12,840	12,840	121,612	(108,772)	141,605
Purchased services	50,000	50,000	40,700	9,300	15,230
Supplies and materials	10,000	10,000	13,240	(3,240)	13,952
Total	858,002	858,002	936,629	(78,627)	1,002,271
Speech pathology and audiology services					
Salaries	1,554,571	1,554,571	1,359,228	195,343	1,580,332
Employee benefits	22,639	22,639	238,896	(216,257)	229,403
Purchased services	2,000	2,000	2,050	(50)	-
Supplies and materials	3,000	3,000	816	2,184	3,509
Total	1,582,210	1,582,210	1,600,990	(18,780)	1,813,244

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				2022
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Other support services - pupils					
Salaries	\$ 425,244	\$ 425,244	\$ 338,744	\$ 86,500	\$ 331,801
Employee benefits	39,960	39,960	105,408	(65,448)	78,187
Purchased services	-	-	264,559	(264,559)	-
Supplies and materials	-	-	80,332	(80,332)	-
Total	465,204	465,204	789,043	(323,839)	409,988
Total pupils	4,858,161	4,858,161	5,672,010	(813,849)	5,467,385
Instructional staff					
Improvement of instructional services					
Salaries	539,364	539,364	454,634	84,730	644,598
Employee benefits	230,544	230,544	310,031	(79,487)	350,724
Purchased services	1,567,078	1,567,078	1,170,443	396,635	948,776
Supplies and materials	808,944	808,944	869,505	(60,561)	993,265
Other objects	5,000	5,000	-	5,000	-
Total	3,150,930	3,150,930	2,804,613	346,317	2,937,363
Educational media services					
Salaries	1,381,845	1,381,845	1,388,349	(6,504)	1,293,608
Employee benefits	30,217	30,217	212,822	(182,605)	212,020
Purchased services	1,433,689	1,433,689	1,789,435	(355,746)	1,667,160
Supplies and materials	339,000	339,000	380,960	(41,960)	150,050
Capital outlay	1,867,214	1,100,000	2,012,915	(912,915)	1,918,093
Other objects	2,500	2,500	2,215	285	965
Total	5,054,465	4,287,251	5,786,696	(1,499,445)	5,241,896
Assessment and testing					
Purchased services	130,500	130,500	-	130,500	-
Total	130,500	130,500	-	130,500	-
Total instructional staff	8,335,895	7,568,681	8,591,309	(1,022,628)	8,179,259
General administration					
Board of education services					
Employee benefits	-	-	8,598	(8,598)	8,598
Purchased services	828,000	828,000	714,377	113,623	691,440
Supplies and materials	8,000	8,000	863	7,137	989
Other objects	30,000	30,000	16,786	13,214	13,777
Total	866,000	866,000	740,624	125,376	714,804

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				2022 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Executive administration services					
Salaries	\$ 448,835	\$ 448,835	\$ 471,738	\$ (22,903)	\$ 447,660
Employee benefits	70,560	70,560	234,213	(163,653)	169,777
Purchased services	8,000	8,000	7,457	543	3,241
Supplies and materials	1,500	1,500	608	892	459
Capital outlay	-	-	-	-	1,968
Other objects	<u>15,000</u>	<u>15,000</u>	<u>14,760</u>	<u>240</u>	<u>8,352</u>
Total	<u>543,895</u>	<u>543,895</u>	<u>728,776</u>	<u>(184,881)</u>	<u>631,457</u>
Tort immunity services					
Purchased services	<u>494,211</u>	<u>494,211</u>	<u>570,770</u>	<u>(76,559)</u>	<u>537,686</u>
Total	<u>494,211</u>	<u>494,211</u>	<u>570,770</u>	<u>(76,559)</u>	<u>537,686</u>
Total general administration	<u>1,904,106</u>	<u>1,904,106</u>	<u>2,040,170</u>	<u>(136,064)</u>	<u>1,883,947</u>
School administration					
Office of the principal services					
Salaries	2,686,084	2,686,084	2,698,239	(12,155)	2,706,889
Employee benefits	287,792	287,792	551,194	(263,402)	574,581
Purchased services	<u>20,200</u>	<u>20,200</u>	<u>9,175</u>	<u>11,025</u>	<u>8,106</u>
Total	<u>2,994,076</u>	<u>2,994,076</u>	<u>3,258,608</u>	<u>(264,532)</u>	<u>3,289,576</u>
Total school administration	<u>2,994,076</u>	<u>2,994,076</u>	<u>3,258,608</u>	<u>(264,532)</u>	<u>3,289,576</u>
Business					
Direction of business support services					
Salaries	511,342	511,342	538,334	(26,992)	510,979
Employee benefits	<u>-</u>	<u>-</u>	<u>85,329</u>	<u>(85,329)</u>	<u>77,214</u>
Total	<u>511,342</u>	<u>511,342</u>	<u>623,663</u>	<u>(112,321)</u>	<u>588,193</u>
Fiscal services					
Salaries	219,085	219,085	144,819	74,266	222,905
Employee benefits	-	-	40,715	(40,715)	51,130
Purchased services	80,500	80,500	177,719	(97,219)	127,936
Supplies and materials	5,000	5,000	7,733	(2,733)	9,399
Capital outlay	-	-	-	-	692
Other objects	<u>54,500</u>	<u>54,500</u>	<u>46,863</u>	<u>7,637</u>	<u>43,356</u>
Total	<u>359,085</u>	<u>359,085</u>	<u>417,849</u>	<u>(58,764)</u>	<u>455,418</u>

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023			VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
Operation and maintenance of plant services					
Purchased services	\$ -	\$ -	\$ -	\$ -	\$ 4,872
Total	-	-	-	-	4,872
Food services					
Purchased services	866,505	866,505	578,913	287,592	747,775
Supplies and materials	-	-	64,589	(64,589)	65,755
Capital outlay	-	-	16,698	(16,698)	-
Other objects	-	-	125	(125)	695
Total	866,505	866,505	660,325	206,180	814,225
Internal services					
Employee benefits	-	-	-	-	16
Supplies and materials	5,000	5,000	4,775	225	3,928
Total	5,000	5,000	4,775	225	3,944
Total business	1,741,932	1,741,932	1,706,612	35,320	1,866,652
Central					
Direction of central support services					
Employee benefits	-	-	686	(686)	(7,944)
Total	-	-	686	(686)	(7,944)
Information services					
Salaries	92,735	92,735	69,491	23,244	90,034
Employee benefits	-	-	20,081	(20,081)	20,592
Purchased services	87,500	87,500	143,257	(55,757)	200,324
Supplies and materials	500	500	16,093	(15,593)	7,202
Capital outlay	2,500	2,500	3,648	(1,148)	12,865
Other objects	2,000	2,000	1,070	930	17,422
Total	185,235	185,235	253,640	(68,405)	348,439
Staff services					
Salaries	485,165	485,165	543,773	(58,608)	575,042
Employee benefits	38,202	38,202	112,081	(73,879)	126,554
Purchased services	163,000	163,000	117,238	45,762	108,310
Supplies and materials	35,000	35,000	53,863	(18,863)	9,801
Other objects	1,000	1,000	781	219	207
Total	722,367	722,367	827,736	(105,369)	819,914

NORTH SHORE SCHOOL DISTRICT 112
EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023			VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
Data processing services					
Purchased services	\$ -	\$ -	\$ -	\$ -	\$ 99,166
Total	-	-	-	-	99,166
Total central	907,602	907,602	1,082,062	(174,460)	1,259,575
Other supporting services					
Salaries	-	-	1,133	(1,133)	915
Employee benefits	-	-	14	(14)	751
Supplies and materials	-	-	638	(638)	504
Total	-	-	1,785	(1,785)	2,170
Total support services	20,741,772	19,974,558	22,352,556	(2,377,998)	21,948,564
Community services					
Salaries	57,044	57,044	12,436	44,608	65,476
Employee benefits	-	-	8,142	(8,142)	854
Purchased services	-	-	-	-	4,563
Supplies and materials	-	-	2,746	(2,746)	14,262
Total community services	57,044	57,044	23,324	33,720	85,155
Payments to other districts and governmental units					
Payments for special education programs					
Purchased services	647,000	647,000	389,269	257,731	669,103
Total	647,000	647,000	389,269	257,731	669,103
Payments for special education programs - tuition					
Other objects	1,456,640	1,456,640	1,464,229	(7,589)	950,717
Total	1,456,640	1,456,640	1,464,229	(7,589)	950,717
Total payments to other districts and governmental units	2,103,640	2,103,640	1,853,498	250,142	1,619,820
Total expenditures	98,253,267	97,486,053	86,562,888	10,923,165	83,940,966
Excess (deficiency) of revenues over expenditures	4,495,348	7,728,058	8,589,582	861,524	2,657,356

NORTH SHORE SCHOOL DISTRICT 112

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023					2022
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET		ACTUAL
Other financing sources (uses)						
Installment contract issuance	\$ -	\$ -	\$ 805,816	\$ 805,816	\$ -	
Transfer to operations and maintenance fund	(3,000,000)	(6,000,000)	(6,000,000)	-	-	
Transfer for principal on leases	-	-	(332,183)	(332,183)	(150,338)	
Transfer for interest on leases	-	-	(33,572)	(33,572)	(38,492)	
Total other financing sources (uses)	<u>(3,000,000)</u>	<u>(6,000,000)</u>	<u>(5,559,939)</u>	<u>440,061</u>	<u>(188,830)</u>	
Net change in fund balance	<u>\$ 1,495,348</u>	<u>\$ 1,728,058</u>	3,029,643	<u>\$ 1,301,585</u>	2,468,526	
Fund balance, beginning of year			<u>39,726,122</u>		<u>37,257,596</u>	
Fund balance, end of year			<u>\$ 42,755,765</u>		<u>\$ 39,726,122</u>	

NORTH SHORE SCHOOL DISTRICT 112**WORKING CASH ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				2022
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues					
Local sources					
General levy	\$ 210,400	\$ 210,400	\$ 210,202	\$ (198)	\$ 4,968
Investment income	<u>4,234</u>	<u>4,234</u>	<u>38,546</u>	<u>34,312</u>	<u>769</u>
Total local sources	<u>214,634</u>	<u>214,634</u>	<u>248,748</u>	<u>34,114</u>	<u>5,737</u>
Total revenues	<u>214,634</u>	<u>214,634</u>	<u>248,748</u>	<u>34,114</u>	<u>5,737</u>
Expenditures					
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 214,634</u>	<u>\$ 214,634</u>	248,748	<u>\$ 34,114</u>	5,737
Fund balance, beginning of year			<u>2,972,282</u>		<u>2,966,545</u>
Fund balance, end of year			<u>\$ 3,221,030</u>		<u>\$ 2,972,282</u>

Statistical Section

This part of the District's annual comprehensive financial report presents detailed information as a context for understanding of what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	85 - 96
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	97 - 100
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	101 - 104
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	105 - 108
Operating Information These schedules contain information about the District's services and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it	109 - 110

NORTH SHORE SCHOOL DISTRICT 112Net Position by Component
Last Ten Fiscal Years

	Fiscal Year			
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Governmental Activities:				
Net investment in capital assets	\$ 108,467,851	\$ 95,795,290	\$ 85,571,450	\$ 82,112,891
Restricted				
Operations and maintenance	-	1,359,847	2,269,175	3,649,258
Student transportation	-	3,617,664	3,278,424	1,866,272
Retirement benefits	383,651	9,249,784	4,722,681	793,175
Capital projects	-	-	-	-
Tort immunity	-	-	-	-
Debt service	-	33,708	33,708	33,708
Unrestricted (deficit)	<u>12,350,739</u>	<u>330,670</u>	<u>3,701,045</u>	<u>3,530,358</u>
Total net position	<u>\$ 121,202,241</u>	<u>\$ 110,386,963</u>	<u>\$ 99,576,483</u>	<u>\$ 91,985,662</u>

*Net Position restated due to GASB Statement No. 68 implementation as of June 30, 2014. Prior years not restated.

**Net Position restated due to GASB Statement No. 75 implementation as of June 30, 2017. Prior years not restated.

Fiscal Year						
	<u>2019</u>	<u>2018**</u>	<u>2017</u>	<u>2016</u>	<u>2015*</u>	<u>2014</u>
\$	80,246,759	\$77,225,869	\$70,739,137	\$67,998,467	\$68,680,537	\$64,808,837
	4,305,936	1,901,116	1,334,784	1,707,408	1,729,994	4,147,494
	1,570,837	1,655,424	2,188,423	1,903,340	1,802,912	1,346,866
	990,281	991,833	1,409,808	1,164,837	1,813,653	1,942,691
	-	-	-	1,536,694	80,089	1,547,521
	-	-	-	-	-	203,055
	33,708	33,708	33,708	2,406	2,406	643,106
	<u>(6,477,011)</u>	<u>(8,954,459)</u>	<u>38,806,684</u>	<u>33,160,795</u>	<u>26,277,098</u>	<u>25,903,146</u>
\$	<u>80,670,510</u>	<u>\$ 72,853,491</u>	<u>\$ 114,512,544</u>	<u>\$ 107,473,947</u>	<u>\$ 100,386,689</u>	<u>\$ 100,542,716</u>

NORTH SHORE SCHOOL DISTRICT 112

Changes in Net Position
Last Ten Fiscal Years

Expenses	Fiscal Year				
	2023	2022	2021	2020	2019
Governmental Activities:					
Instruction					
Regular Programs	\$ 26,271,627	\$ 31,457,281	\$ 22,949,415	\$ 23,337,480	\$ 22,715,295
Special Programs	12,025,747	7,925,350	10,803,370	10,229,019	9,461,508
Other Programs	4,731,102	3,734,773	6,092,880	6,051,864	6,356,340
Student activities	119,617	136,038	36,119	-	-
State On-behalf Contributions to TRS	15,295,355	17,596,864	31,754,171	29,350,056	28,230,342
Support services					
Pupils	6,371,864	6,002,713	5,148,808	5,474,390	5,163,931
Instructional Staff	5,424,078	6,707,286	6,963,538	6,028,086	6,490,806
District Administration	4,432,026	1,091,632	2,660,867	2,173,984	2,045,035
School Administration	346,385	1,243,559	3,509,193	3,207,865	3,612,142
Business	2,046,394	1,754,161	1,683,042	1,698,450	1,690,192
Transportation	5,253,890	4,527,732	3,358,881	4,020,805	3,597,466
Operations and Maintenance	11,604,400	9,594,137	11,205,139	8,978,220	10,433,070
Central	737,011	1,468,224	1,087,887	1,110,769	1,201,309
Other Supporting Services	2,483	2,128	2,620	9,884	11,003
Community Services	(20,928)	119,395	6,360	7,526	187,741
Payments to other Districts and Government Units- excluding Special Education	-	-	-	37,058	-
Interest on Debt	3,675,514	1,779,933	1,804,720	1,891,095	1,163,702
Total Governmental Expenses	98,316,565	95,141,206	109,067,010	103,606,551	102,359,882
Program Revenues					
Governmental Activities:					
Charges for Services:					
Instruction					
Regular Programs	761,186	772,804	820,112	1,492,122	1,395,013
Other Programs	-	-	-	-	-
Student activities	126,883	110,370	49,659	-	-
Support Services					
Transportation	25,246	20,916	11,756	24,523	33,616
Business	175,985	12,120	-	16,228	34,152
Operations and Maintenance	65,349	15,921	44,892	24,410	34,063
Operating Grants and Contributions:					
Instruction					
Regular Programs	934,484	1,459,168	1,294,937	620,880	304,036
Special Programs	2,306,978	1,817,813	1,624,948	1,676,176	1,809,437
Other Programs	6,172	70,111	13,102	70,288	122,512
State On-behalf Contributions to TRS	15,295,355	17,596,864	31,754,171	29,350,056	28,230,342
Support services					
Pupils	228,603	231,462	-	-	-
Instructional Staff	110,865	361,321	82,686	95,156	113,348
Operations and Maintenance	-	1,006,496	-	-	-
Transportation	1,288,427	1,064,411	1,848,605	1,121,202	1,160,483
Business	491,508	876,014	532,456	361,890	330,167
Central	834	223,739	-	-	-
Payments to other Districts and Government Units- excluding Special Education	-	-	-	-	-
Capital Grants and Contributions:					
Instruction					
Regular Programs	-	-	361,361	-	-
Support services					
Business	50,000	-	-	-	-
Operations and Maintenance	-	-	-	50,000	-
Total Government Program Revenues	21,867,875	25,639,530	38,438,685	34,902,931	33,567,169
Net (Expense) Revenue	(76,448,690)	(69,501,676)	(70,628,325)	(68,703,620)	(68,792,713)
General Revenues:					
Governmental Activities:					
Taxes					
Property Taxes	77,512,687	74,963,196	73,021,793	71,594,376	69,650,798
Replacement Taxes	2,291,346	2,195,536	1,015,425	728,794	674,008
General State Aid	3,373,338	3,369,558	3,365,702	3,365,702	3,361,213
Investment Earnings	3,317,727	574,263	312,304	3,532,452	2,864,768
Unrealized gain/(loss) on investments	534,821	(1,208,720)	-	-	-
Other General Revenues	234,049	418,323	291,709	797,448	58,945
Total General Revenues	87,263,968	80,312,156	78,006,933	80,018,772	76,609,732
Change in Net Position	\$ 10,815,278	\$ 10,810,480	\$ 7,378,608	\$ 11,315,152	\$ 7,817,019

*Property tax revenues adjusted for 2013 due to restatement identified during fiscal year 2014 audit.

Fiscal Year				
2018	2017	2016	2015	2014
\$ 23,867,323	\$ 24,769,383	\$ 25,768,271	\$ 24,437,351	\$ 23,536,690
9,998,574	10,005,498	10,618,189	12,141,245	13,059,882
6,802,804	5,662,970	4,489,402	5,558,022	5,004,500
-	-	-	-	-
27,575,120	29,596,726	20,192,502	18,144,483	12,958,399
7,220,973	6,239,677	5,869,190	5,617,111	4,491,877
7,226,009	4,615,680	4,056,260	3,930,168	3,723,817
1,431,123	1,551,617	1,731,554	1,584,879	1,616,177
4,025,350	3,142,361	3,324,345	3,390,702	3,330,904
1,523,766	1,510,867	1,467,777	1,457,453	1,381,477
3,339,234	2,817,920	2,858,449	2,568,430	2,458,682
8,354,742	9,298,769	7,683,641	8,140,562	7,566,338
1,228,281	1,175,479	1,034,870	1,008,172	613,487
33,994	22,484	22,307	6,723	94,014
33,773	61,748	38,037	23,205	47,647
-	65,168	-	-	-
-	-	-	392,481	343,964
102,661,066	100,536,347	89,154,794	88,400,987	80,227,855
648,625	1,099,583	1,023,967	1,322,665	1,202,464
1,571	38,018	8,105	560	15,697
-	-	-	-	-
22,193	54,116	2,624	-	110
33,523	34,813	48,458	32,969	33,947
88,625	97,997	46,906	67,965	53,316
275,130	416,939	370,659	327,342	324,403
2,824,918	4,651,419	4,655,445	3,702,270	3,609,722
101,704	458,534	99,384	212,786	279,400
27,575,120	29,596,726	20,192,502	18,144,483	12,958,399
-	-	-	-	-
131,058	172,027	128,787	20,885	73,232
-	-	-	-	-
619,199	348,792	978,775	1,059,844	1,047,278
307,190	718,150	311,252	350,420	366,893
-	-	-	-	-
-	12,000	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
32,628,856	37,699,114	27,866,864	25,242,189	19,964,861
(70,032,210)	(62,837,233)	(61,287,930)	(63,158,798)	(60,262,994)
67,455,017	67,272,865	66,281,835	64,802,614	65,388,504
690,421	735,781	581,440	727,678	676,619
3,356,655	1,267,676	1,207,820	1,186,814	1,192,276
583,741	452,122	221,497	265,139	146,699
-	-	-	-	-
108,507	147,386	82,596	35,513	157,063
72,194,341	69,875,830	68,375,188	67,017,758	67,561,161
\$ 2,162,131	\$ 7,038,597	\$ 7,087,258	\$ 3,858,960	\$ 7,298,167

NORTH SHORE SCHOOL DISTRICT 112

Fund Balances - Governmental Funds
Last Ten Fiscal Years

	Fiscal Year			
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
General Fund				
Nonspendable	\$ 47,699	\$ 47,699	\$ 47,699	\$ 47,699
Restricted	-	-	-	-
Assigned	207,351	200,085	225,753	-
Unassigned	<u>45,721,745</u>	<u>42,450,620</u>	<u>39,950,689</u>	<u>42,968,875</u>
Total General Fund	<u>\$ 45,976,795</u>	<u>\$ 42,698,404</u>	<u>\$ 40,224,141</u>	<u>\$ 43,016,574</u>
All Other Governmental Funds:				
Restricted, reported in:				
Special revenue funds	3,717,561	8,403,438	8,628,619	9,129,169
Debt service funds	33,233	33,708	33,708	33,708
Capital projects fund	50,027,288	-	13,910,269	35,312,142
Assigned, reported in:				
Special revenue funds	6,036,221	5,454,151	4,443,539	3,776,374
Debt service funds	86,935	44,149	41,417	28,230
Capital projects fund	<u>4,060,912</u>	<u>10,418,429</u>	<u>19,242,187</u>	<u>11,603,421</u>
Total All Other Governmental Funds	<u>\$ 63,962,150</u>	<u>\$ 24,353,875</u>	<u>\$ 46,299,739</u>	<u>\$ 59,883,044</u>

Fiscal Year					
<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 23,405	\$ -	\$ 21,722	\$ 34,422	\$ 16,897	\$ -
-	-	-	-	-	203,055
-	-	-	-	-	2,945
<u>45,104,656</u>	<u>40,417,522</u>	<u>40,796,509</u>	<u>35,244,638</u>	<u>29,953,400</u>	<u>25,387,182</u>
<u>\$ 45,128,061</u>	<u>\$ 40,417,522</u>	<u>\$ 40,818,231</u>	<u>\$ 35,279,060</u>	<u>\$ 29,970,297</u>	<u>\$ 25,593,182</u>
9,017,671	6,298,722	6,159,366	6,322,264	5,994,046	7,437,051
33,708	33,708	33,708	2,406	2,406	643,106
52,603,194	-	-	1,536,694	80,089	1,547,521
2,541,084	2,334,856	1,778,269	1,209,887	776,055	303,622
3,667	3,000	2,556	33,708	23,989	10,432
<u>372,377</u>	<u>276</u>	<u>-</u>	<u>2,213</u>	<u>1,549</u>	<u>623</u>
<u>\$ 64,571,701</u>	<u>\$ 8,670,562</u>	<u>\$ 7,973,899</u>	<u>\$ 9,107,172</u>	<u>\$ 6,878,134</u>	<u>\$ 9,942,355</u>

NORTH SHORE SCHOOL DISTRICT 112

Governmental Funds Revenues
Last Ten Fiscal Years

Fiscal Years					
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Local Sources	\$ 84,136,043	\$ 77,874,729	\$ 75,817,927	\$ 77,976,409	\$ 74,522,566
State Sources	4,989,144	4,609,747	5,278,783	4,583,936	5,446,620
Federal Sources	3,756,213	5,845,379	4,051,877	2,777,614	2,475,990
On-behalf Sources	<u>19,909,405</u>	<u>19,973,007</u>	<u>17,469,491</u>	<u>16,817,921</u>	<u>15,433,490</u>
Total revenues	<u>\$ 112,790,805</u>	<u>\$ 108,302,862</u>	<u>\$ 102,618,078</u>	<u>\$ 102,155,880</u>	<u>\$ 97,878,666</u>

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$	69,632,223	\$ 69,944,681	\$ 68,297,428	\$ 67,255,103	\$ 67,742,840
	5,639,141	4,777,093	4,108,543	4,848,657	4,820,676
	2,325,314	2,974,880	2,854,473	2,011,704	2,072,528
	<u>27,575,120</u>	<u>29,596,726</u>	<u>20,192,502</u>	<u>18,144,483</u>	<u>12,958,399</u>
\$	<u>105,171,798</u>	<u>107,293,380</u>	<u>95,452,946</u>	<u>92,259,947</u>	<u>87,594,443</u>

NORTH SHORE SCHOOL DISTRICT 112

Governmental Funds Expenditures and Debt Service Ratio

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	Fiscal Year		
	<u>2023</u>	<u>2022</u>	<u>2021</u>
Current:			
Instruction			
Regular programs	\$ 27,563,290	\$ 26,733,736	\$ 22,772,039
Special programs	10,151,086	8,544,469	8,322,023
Other instructional programs	5,238,956	5,444,401	6,196,675
Student activities	119,617	136,038	36,119
State retirement contributions	19,909,405	19,973,007	17,469,491
Total instruction	62,982,354	60,831,651	54,796,347
Supporting services			
Pupils	5,795,633	5,537,036	5,156,802
Instructional staff	6,693,800	6,380,395	5,978,784
General administration	2,063,943	1,907,950	1,959,970
School administration	3,370,272	3,422,572	3,286,867
Business	1,764,690	1,956,416	1,883,801
Transportation	5,235,762	4,570,534	3,392,277
Operations and maintenance	7,768,392	6,982,602	8,650,070
Central	1,125,113	1,300,765	1,175,313
Other supporting services	1,801	2,216	2,486
Total supporting services	33,819,406	32,060,486	31,486,370
Community services	25,308	95,745	35,923
Payments to other districts and gov't units	1,853,498	1,619,820	1,881,902
Total current expenditures	98,680,566	94,607,702	88,200,542
Capital outlay	25,148,470	29,380,853	27,137,624
Debt service			
Principal	2,807,525	2,261,083	1,810,000
Interest and fiscal charges	2,793,386	2,033,450	2,057,863
Total debt service	5,600,911	4,294,533	3,867,863
Total expenditures	<u>\$ 129,429,947</u>	<u>\$ 128,283,088</u>	<u>\$ 119,206,029</u>
Debt service required as a percentage of noncapital expenditures	5.56%	4.32%	4.10%
Debt service as a percentage of total expenditures	4.33%	3.35%	3.24%

Fiscal Year						
2020	2019	2018	2017	2016	2015	2014
\$ 22,442,338	\$ 21,429,240	\$ 22,149,485	\$ 23,759,650	\$ 24,908,073	\$ 23,446,996	\$ 22,710,782
8,002,627	7,302,687	7,818,010	8,154,935	8,845,182	9,992,820	10,618,072
6,090,419	5,959,324	6,225,403	5,718,821	4,653,924	5,678,753	5,520,181
-	-	-	-	-	-	-
16,817,921	15,433,490	27,575,120	29,596,726	20,192,502	18,144,483	12,958,399
53,353,305	50,124,741	63,768,018	67,230,132	58,599,681	57,263,052	51,807,434
4,969,338	5,032,862	6,169,659	5,754,210	5,351,221	5,077,790	4,058,354
5,803,233	6,157,252	6,437,861	4,466,319	3,871,885	3,836,369	3,789,155
1,965,024	1,756,816	1,458,128	1,599,472	1,727,553	1,556,412	1,614,322
3,088,408	3,069,125	3,155,342	3,199,396	3,452,753	3,346,522	3,329,335
1,578,649	1,556,540	1,435,398	1,520,007	1,321,923	1,382,542	1,364,767
4,004,492	3,584,612	3,328,696	2,813,469	2,845,174	2,558,139	2,455,810
6,799,319	8,411,386	7,018,004	7,226,023	6,257,255	6,419,905	5,742,346
1,059,201	1,172,275	1,144,932	1,167,720	955,930	834,624	612,119
9,168	10,631	34,274	21,162	18,785	6,601	94,014
29,276,832	30,751,499	30,182,294	27,767,778	25,802,479	25,018,904	23,060,222
6,579	130,583	28,315	61,766	38,471	18,536	47,647
1,967,537	1,976,265	1,768,568	1,823,781	1,503,862	1,750,133	1,837,749
84,604,253	82,983,088	95,747,195	96,883,457	85,944,493	84,050,625	76,753,052
20,487,908	8,828,354	9,128,649	6,004,025	1,970,652	1,820,159	1,618,932
1,720,000	-	-	-	-	4,975,000	3,076,748
2,143,863	1,066,954	-	-	-	101,269	388,212
3,863,863	1,066,954	-	-	-	5,076,269	3,464,960
\$ 108,956,024	\$ 92,878,396	\$ 104,875,844	\$ 102,887,482	\$ 87,915,145	\$ 90,947,053	\$ 81,836,944
4.37%	1.27%	0.00%	0.00%	0.00%	5.70%	4.32%
3.55%	1.15%	0.00%	0.00%	0.00%	5.58%	4.23%

NORTH SHORE SCHOOL DISTRICT 112

Other Financing Sources and Uses and

Net Change in Fund Balances

Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (16,639,142)	\$ (19,980,226)	\$ (16,587,951)	\$ (6,800,144)
Other financing sources (uses)				
Transfers in	16,768,009	4,294,058	16,734,776	13,863,388
Bond proceeds	54,045,000	-	-	-
Premium on bonds sold	3,133,729	-	-	-
Lease proceeds	1,541,263	508,625	-	-
Installment contract proceeds	805,816	-	-	-
Transfers out	<u>(16,768,009)</u>	<u>(4,294,058)</u>	<u>(16,734,776)</u>	<u>(13,863,388)</u>
Total other financing sources (uses)	<u>59,525,808</u>	<u>508,625</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 42,886,666</u>	<u>\$ (19,471,601)</u>	<u>\$ (16,587,951)</u>	<u>\$ (6,800,144)</u>

Fiscal Year					
<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 5,000,270	\$ 295,954	\$ 4,405,898	\$ 7,537,801	\$ 1,312,894	\$ 5,757,499
8,458,447	10,000,000	-	-	4,435,569	37,845
50,945,000	-	-	-	-	-
4,666,408	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(8,458,447)</u>	<u>(10,000,000)</u>	<u>-</u>	<u>-</u>	<u>(4,435,569)</u>	<u>(37,845)</u>
<u>55,611,408</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 60,611,678</u>	<u>\$ 295,954</u>	<u>\$ 4,405,898</u>	<u>\$ 7,537,801</u>	<u>\$ 1,312,894</u>	<u>\$ 5,757,499</u>

NORTH SHORE SCHOOL DISTRICT 112
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Tax Levy Years

<u>Tax Levy Year</u>	<u>Equalized Assessed Valuation</u>		<u>Total Equalized Assessed Value</u>	<u>Actual Estimated Value</u>	<u>Total Direct Rate</u>
	<u>Real Estate</u>	<u>Railroad</u>			
2022	\$ 2,466,055,441	\$ 4,316,744	\$ 2,470,372,185	\$ 7,485,976,318	3.676%
2021	2,369,794,568	3,649,098	2,373,443,666	7,192,253,533	3.299%
2020	2,370,078,113	3,649,098	2,373,727,211	7,193,112,761	3.184%
2019	2,420,333,320	3,508,602	2,423,841,922	7,344,975,521	3.039%
2018	2,468,137,523	3,231,303	2,471,368,826	7,488,996,442	2.914%
2017	2,472,548,411	3,021,625	2,475,570,036	7,501,727,382	2.830%
2016	2,374,567,316	2,965,779	2,377,533,095	7,204,645,742	2.862%
2015	2,235,806,902	2,918,358	2,238,725,260	6,784,015,939	3.006%
2014	2,104,832,545	2,465,263	2,107,297,808	6,385,750,933	3.150%
2013	2,116,481,601	2,372,736	2,118,854,337	6,420,770,718	3.076%

Source: Lake County Clerk's Office

Note: The county assesses property at approximately 33.3% of actual value for all types of real property. Estimated actual value is calculated by dividing assessed value by that percentage. Tax rates are per \$100 of assessed value.

NORTH SHORE SCHOOL DISTRICT 112
Property Tax Rates - All Direct and Overlapping Governments
Last Ten Tax Levy Years

Tax Levy Year	District		Overlapping Rates										Total Tax Rate
	Direct Rates											Total	
			Highland		Lake County			South Lake		Overlapping			
	NSSD 112	Highland Park	Lake County	HSD 113	Park District	North Sanitary	Forest Preserve	Township of Moraine	College of Lake County		Mosquito Abatement		
2022	\$ 3.676	\$ 0.909	\$ 0.589	\$ 2.525	\$ 0.612	\$ 0.160	\$ 0.173	\$ 0.054	\$ 0.296	\$ 0.012	\$ 5.329	\$ 9.005	
2021	3.299	0.904	0.598	2.486	0.608	0.158	0.179	0.056	0.293	0.013	5.296	8.595	
2020	3.184	0.875	0.598	2.391	0.572	0.157	0.182	0.055	0.290	0.012	5.133	8.317	
2019	3.039	0.809	0.597	2.280	0.560	0.153	0.180	0.056	0.282	0.012	4.927	7.966	
2018	2.914	0.772	0.612	2.222	0.535	0.153	0.182	0.054	0.282	0.011	4.824	7.738	
2017	2.826	0.726	0.622	2.164	0.521	0.153	0.187	0.054	0.281	0.011	4.718	7.544	
2016	2.862	0.737	0.632	2.187	0.529	0.157	0.193	0.056	0.285	0.012	4.788	7.649	
2015	3.006	0.749	0.663	2.309	0.520	0.166	0.208	0.063	0.299	0.012	4.989	7.995	
2014	3.152	0.795	0.682	2.421	0.508	0.169	0.210	0.066	0.306	0.013	5.171	8.323	
2013	3.076	0.785	0.663	2.364	0.497	0.164	0.218	0.070	0.296	0.007	5.064	8.140	

Source: Lake County Clerk's Office

Note: Tax rates are per \$100 of assessed value

NORTH SHORE SCHOOL DISTRICT 112

Principal Taxpayers
Tax Levy Year 2022 and Nine Years Ago

<u>Taxpayer</u>	<u>2022</u>		<u>2013</u>	
	<u>Equalized Assessed Valuation</u>	<u>Percentage of Total</u>	<u>Equalized Assessed Valuation</u>	<u>Percentage of Total</u>
Albion Jacobs LLC	\$ 15,250,809	0.62%	\$ -	0.00%
FPACP3 Sheridan LLC	9,353,324	0.38%	-	0.00%
T Renaissance II LLC	8,849,115	0.36%	-	0.00%
Se McGovern House Transitory LLC	8,299,426	0.34%	-	0.00%
Federal Realty Investment Trust	7,862,703	0.32%	6,535,843	0.31%
Midwest Family Housing LLC	7,778,875	0.31%	8,983,717	0.42%
Americana Associates	6,917,996	0.28%	-	0.00%
Klaimont Investments LLC	6,630,288	0.27%	-	0.00%
One Highland Park LLC	6,000,589	0.24%	-	0.00%
799 Central Avenue 10775611 LLC	4,960,343	0.20%	-	0.00%
Metzler I Renaissance Place LP	-	0.00%	9,930,977	0.47%
Chicago Title Land Trust Co.	-	0.00%	5,179,691	0.24%
Highland Park Associates II, LLC	-	0.00%	4,340,741	0.20%
Klaimont Family Associates LP	-	0.00%	4,296,505	0.20%
Americana Apartments	-	0.00%	3,921,248	0.19%
Morningside Highwood LLC	-	0.00%	3,909,844	0.18%
Lake Forest Bank and Trust	-	0.00%	3,673,976	0.17%
Sunset Food Mart, Inc.	-	0.00%	3,599,737	0.17%
Total Principal Taxpayers in District	<u>81,903,468</u>	<u>3.32%</u>	<u>54,372,279</u>	<u>2.55%</u>
Other Taxpayers in District	<u>2,388,468,717</u>	<u>96.68%</u>	<u>2,064,482,058</u>	<u>97.45%</u>
District's Total EAV	<u>\$ 2,470,372,185</u>	<u>100.00%</u>	<u>2,118,854,337</u>	<u>100.00%</u>

Source: Office of the County Clerk - Lake County, IL
2013 Information- 2014 ACFR

NORTH SHORE SCHOOL DISTRICT 112

Property Tax Levies and Collections

Last Ten Tax Levy Years

Tax Levy Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Subsequent Year Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2022	\$ 90,820,096	\$ 42,906,098	47.24%	\$ -	\$ 42,906,098	47.24%
2021	78,308,547	34,779,954	44.41%	42,732,544	77,512,498	98.98%
2020	75,580,566	35,069,986	46.40%	39,893,210	74,963,196	99.18%
2019	73,665,695	31,361,162	42.57%	41,660,631	73,021,793	99.13%
2018	72,005,975	35,561,608	49.39%	36,032,166	71,593,774	99.43%
2017	69,963,100	41,871,249	59.85%	27,779,549	69,650,798	99.55%
2016	68,033,775	34,178,718	50.24%	33,276,494	67,455,212	99.15%
2015	67,303,111	33,840,154	50.28%	33,432,460	67,272,614	99.95%
2014	66,417,096	33,244,394	50.05%	33,037,441	66,281,835	99.80%
2013	65,175,159	32,401,169	49.71%	32,306,679	64,707,848	99.28%

NORTH SHORE SCHOOL DISTRICT 112

Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	Government Activities			Total Primary Government	Equalized Assessed Valuation	Ratio of General Bonded Debt to Actual Estimated Value	Percentage of Personal Income*	Debt Outstanding per Capita
	General Obligation Bonds and Certificates	Lease and installment contract liabilities	Less: Amounts Available for Debt Service					
2023	\$ 104,222,513	\$ 2,351,234	\$ -	\$ 106,573,747	\$ 2,470,372,185	1.42%	3.42%	3,002
2022	49,362,737	816,680	-	50,179,417	2,373,443,666	0.69%	1.72%	1,411
2021	51,508,338	-	-	51,508,338	2,373,727,211	0.70%	1.81%	1,483
2020	53,563,939	-	-	53,563,939	2,423,841,922	0.73%	1.94%	1,542
2019	55,529,540	-	-	55,529,540	2,471,368,826	0.68%	1.95%	1,460
2018	-	-	-	-	2,475,570,036	0.00%	NA	-
2017	-	-	-	-	2,377,533,095	0.00%	NA	-
2016	-	-	-	-	2,238,725,260	0.00%	NA	-
2015	-	-	-	-	2,107,297,808	0.00%	NA	-
2014	5,041,680	-	-	5,041,680	2,118,854,337	0.07%	NA	143

NA - not available

* See the schedule of Demographic Statistics on page 102 for personal income and population data.

NORTH SHORE SCHOOL DISTRICT 112

Computation of Direct and Overlapping Debt

June 30, 2023

<u>Taxing Authority</u>	Gross Bonded Debt <u>Outstanding</u>	Overlapping Percent	Applicable to District
Lake County	\$ - (1)	8.995%	\$ -
Lake County Forest Preserve	166,060,000 (2)	8.995%	14,937,097
City of Highland Park	17,700,864 (3)	96.846%	17,142,579
City of Highwood	12,765,000	100.000%	12,765,000
Park District of Highland Park	9,900,000 (2)	95.516%	9,456,084
Township High School District 113	67,875,000	56.332%	38,235,345
Community College #532	<u>7,595,000 (1)</u>	8.995%	<u>683,170</u>
Total Overlapping Bonded Debt	281,895,864		93,219,275
Direct Debt			
North Shore School District 112	<u>54,045,000 (1)</u>	100.000%	<u>54,045,000</u>
Total Overlapping and Direct Debt	<u>\$ 335,940,864</u>		<u>\$ 147,264,275</u>

Source of Information - Office of Lake County Clerk

- (1) Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation.
- (2) Excludes outstanding Debt Certificates
- (3) Excludes self-supporting bonds.

Note: Percent applicable to School District is calculated using assessed valuation of the School District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

NORTH SHORE SCHOOL DISTRICT 112

Legal Debt Margin Information Last Ten Fiscal Years

	Fiscal Year				
	<u>2023*</u>	<u>2022*</u>	<u>2021*</u>	<u>2020*</u>	<u>2019*</u>
Assessed Valuation	\$ 2,470,372,185	\$ 2,373,443,666	\$ 2,373,727,211	\$ 2,423,841,922	\$ 2,471,368,826
Statutory Debt Limitation (6.9% of assessed valuation)	170,455,681	163,767,613	163,787,178	167,245,093	170,524,449
Debt June 30	<u>56,396,234</u>	<u>816,680</u>	\$ -	\$ -	-
Legal Bonded Debt Margin	<u>\$ 114,059,447</u>	<u>\$ 162,950,933</u>	<u>\$ 116,372,178</u>	<u>\$ 118,020,093</u>	<u>\$ 119,579,449</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>33.09%</u>	<u>0.50%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

*Excludes alternative revenue bonds pursuant to the Debt Reform Act.

Fiscal Year				
<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 2,475,570,036	\$ 2,377,533,095	\$ 2,107,297,808	\$ 2,107,297,808	\$ 2,118,854,337
170,814,332	164,049,784	145,403,549	145,403,549	146,200,949
-	-	-	-	4,975,000
<u>\$ 170,814,332</u>	<u>\$ 164,049,784</u>	<u>\$ 145,403,549</u>	<u>\$ 145,403,549</u>	<u>\$ 141,225,949</u>
<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>3.40%</u>

NORTH SHORE SCHOOL DISTRICT 112

Demographic and Economic Statistics

Last Ten Calendar Years

Calendar Year	Population		Unemployment Rate		Personal	Per Capita
	Highland		Highland		Income	Personal
	<u>Park</u>	<u>Highwood</u>	<u>Park</u>	<u>Highwood</u>	<u>(in thousands)</u>	<u>Income</u>
2022	30,163	5,335	3.1	4	\$ 3,113,298	NA
2021	30,177	5,374	3.7	4.1	2,923,409	NA
2020	29,515	5,224	6.6	6.9	2,853,625	NA
2019	29,515	5,224	3.0	3.5	2,762,810	NA
2018	29,622	5,272	3.5	3.8	2,609,697	NA
2017	29,767	5,325	3.4	4.2	2,480,013	NA
2016	29,641	5,324	4.2	5.2	2,327,814	NA
2015	29,743	5,352	4.1	5	2,198,848	NA
2014	29,871	5,387	5.0	6.3	2,164,473	NA
2013	29,902	5,338	6.3	7.8	NA	NA

Source of Information:

* Population: Quickfacts.Census.Gov

% Unemployment Rate: Illinois Department of Employment Security

Prior years: U.S. Census Data, Sperling's Best places website

Personal Income and Per Capital Personal Income:

Bureau of Economic Analysis.gov

Note: Personal income for 2014 is for the two applicable cities only.

NA - not available

NORTH SHORE SCHOOL DISTRICT 112

Principal Employers
Current Year and Nine Years Ago

Employer	2023		2014	
	Number Employed	Percentage of Total Employment	Number Employed	Percentage of Total Employment
Highland Park Hospital - North Shore University Health System	1,200	7.24%	1,200	7.1%
Township High School District #113	652	3.93%	691	4.1%
Dick Blick Holdings HQ	600	3.62%		
North Shore Elementary School District #112 (FTE)	552	3.33%	611	3.6%
Ravinia Music Festival	500	3.01%	575	3.4%
Sunset Foods	275	1.66%		
City of Highland Park (FTE)	259	1.56%	279	1.7%
True North Cooperative (previously North Suburban Special Education District)	244	1.47%	550	3.3%
Target	224	1.35%	224	1.3%
Northmoor Country Club	221	1.33%	200	1.2%
Jewel-Osco	200	1.21%	200	1.2%
Highland Park Park District			820	4.9%

This list may include full-time and part-time and/or seasonal employees for some employers

Sources:

- (1) Village Records /School District Records
- (2) Employer Official Website
- (3) A to Z Database
- (4) Data Axle Reference Solutions

* Calculating applicable percentages to the Illinois Department of Employment Security Reports the estimated number of persons employed in the District in 2022 is 16,585.

NORTH SHORE SCHOOL DISTRICT 112

Full-time Equivalent District Employees by Type

Last Ten Fiscal Years

Fiscal Year	Full-time Equivalent Employees									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Instruction										
Total instruction	<u>403</u>	<u>401</u>	<u>409</u>	<u>415</u>	<u>417</u>	<u>*445</u>	<u>*452</u>	<u>*463</u>	<u>*464</u>	<u>*462</u>
Support Services										
Total support services	<u>153</u>	<u>151</u>	<u>129</u>	<u>127</u>	<u>125</u>	<u>*125</u>	<u>*128</u>	<u>*134</u>	<u>*145</u>	<u>*155</u>
Total	<u>552</u>	<u>552</u>	<u>538</u>	<u>542</u>	<u>542</u>	<u>570</u>	<u>580</u>	<u>597</u>	<u>609</u>	<u>617</u>

* as of September of that fiscal year

NORTH SHORE SCHOOL DISTRICT 112

Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Average Daily Attendance	Operating Expenditures	Cost Per Pupil	Percentage Change	Expenses	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio
2023	3,457	\$ 76,284,315	\$22,070	5.72%	\$ 90,144,472	\$ 26,080	6.29%	356 *	9.7
2022	3,482	72,689,758	20,876	-16.29%	85,435,790	24,536	-15.16%	354 *	9.8
2021	2,777	69,243,635	24,938	21.50%	80,298,546	28,920	25.28%	388 *	7.2
2020	3,242	66,548,990	20,526	17.90%	74,847,051	23,085	21.32%	383 *	8.5
2019	3,736	65,042,635	17,410	-5.93%	71,095,013	19,030	-6.74%	377 *	9.9
2018	3,494	64,661,271	18,506	5.21%	71,299,836	20,460	-6.15%	405 *	8.6
2017	3,573	62,853,161	17,591	6.50%	77,696,654	21,745	21.73%	410 *	8.7
2016	3,791	62,617,698	16,518	5.51%	67,722,640	17,865	-5.07%	422 *	9.0
2015	3,868	60,564,282	15,658	-1.79%	72,802,570	18,822	5.02%	427 *	9.1
2014	3,843	61,278,220	15,944	2.52%	68,878,545	17,923	-6.74%	428 *	9.0

* as of September of that fiscal year

Source of Information: District Personnel Department records
Annual Financial Report 2014-2023 (ISBE Form SD50-35/JA50-60)

NORTH SHORE SCHOOL DISTRICT 112

Operating Indicators by Function

June 30, 2023

Function	2023
Instruction	
Regular and Special student enrollment	3,830
Support Services	
Pupil	
% of student population from Non-English Language Background	34%
School Administration	
Average daily attendance	3,457
Fiscal	
Purchase Orders Processed	4,005
Maintenance	
District Square Footage Maintained by Custodians and Maintenance Staff	853,000
District Acreage Maintained by Grounds Staff	96
Transportation	
Avg. number of regular pupils transported per year	2,746
Avg. number of regular bus runs to/from school	146
Extra Curricular Activities	
Number of competitive sports	26
Number of student clubs	117
% of Students eligible to file for Federally funded Free or Reduced Lunches	19.76%

Source of Information:

ISBE Fall Enrollment

Infinite Campus Student Data System

District Records

NORTH SHORE SCHOOL DISTRICT 112

School Building Information Last Ten Fiscal Years

	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Elementary Schools -										
Braeside										
Square Feet*	43,636	43,636	43,636	43,636	43,636	43,636	43,636	43,636	43,636	43,636
Enrollment **	270	278	273	270	271	255	265	283	265	266
Indian Trail										
Square Feet	65,403	65,403	65,403	65,403	65,403	65,403	65,403	65,403	65,403	65,403
Enrollment	471	460	400	426	424	285	318	356	389	400
Lincoln										
Square Feet	48,471	48,471	48,471	48,471	48,471	48,471	48,471	48,471	48,471	48,471
Enrollment	School Closed	School Closed	School Closed	School Closed	School Closed	207	210	227	237	248
Oak Terrace										
Square Feet	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Enrollment	376	419	432	468	487	526	523	534	533	534
Ravinia										
Square Feet	51,634	51,634	51,634	51,634	51,634	51,634	51,634	51,634	51,634	51,634
Enrollment	255	256	241	239	225	235	243	274	300	301
Red Oak										
Square Feet	57,153	57,153	57,153	57,153	57,153	57,153	57,153	57,153	57,153	57,153
Enrollment	211	224	260	259	249	320	327	326	297	289
Sherwood										
Square Feet	50,863	50,863	50,863	50,863	50,863	50,863	50,863	50,863	50,863	50,863
Enrollment	382	419	387	376	384	292	291	302	318	338
Wayne Thomas										
Square Feet	56,221	56,221	56,221	56,221	56,221	56,221	56,221	56,221	56,221	56,221
Enrollment	392	339	306	319	323	298	286	298	316	327
Green Bay**										
Square Feet	60,808	60,808	60,808	60,808	60,808	60,808	60,808	60,808	60,808	60,808
Enrollment	266	261	174	278	271	266	219	268	255	239
Totals - Elementary										
Square Feet	519,189	519,189	519,189	519,189	519,189	519,189	519,189	519,189	519,189	519,189
Enrollment	2623	2,656	2,473	2,635	2,634	2,684	2,682	2,868	2,910	2,942
Middle Schools -										
Edgewood										
Square Feet	145,923	Under	136,492	136,492	136,492	136,492	136,492	136,492	136,492	136,492
Enrollment	673	Renovation	727	769	793	524	517	569	617	615
Elm Place										
Square Feet	113,493	113,493	113,493	113,493	113,493	113,493	113,493	113,493	113,493	113,493
Enrollment	School	692	518	508	School Closed	302	349	374	376	374
Northwood										
Square Feet	121,160	121,160	Under	Under	83,826	83,826	83,826	83,826	83,826	83,826
Enrollment	534	490	Renovation	Renovation	515	492	479	511	512	491
Totals - Middle Schools										
Square Feet	380,576	234,653	249,985	249,985	333,811	333,811	333,811	333,811	333,811	333,811
Enrollment	1207	1,182	1,245	1,277	1,308	1,318	1,345	1,454	1,505	1,480
District Totals:										
Square Feet	899,765	753,842	769,174	769,174	853,000	853,000	853,000	853,000	853,000	853,000
Enrollment	3830	3,838	3,718	3,912	3,942	4,002	4,027	4,322	4,415	4,422

* Square footage represents the total square footage of the building.

** Enrollment data from ISBE End of Year Report for FY14 through FY18.

Enrollment data from Infinite Campus Student Enrollment Report for FY19 through FY23

Source of Information:

1. Architect/Engineer Data
2. ISBE End-of-Year Report & Infinite Campus Student Enrollment Summary Report