

POPULAR ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2023

GLENBROOK HIGH SCHOOL DISTRICT

3801 W. Lake Avenue
Glenview, Illinois 60026
(847) 998-6100
glenbrook225.org

GLENBROOK NORTH HIGH SCHOOL

2300 Shermer Road
Northbrook, Illinois 60062
(847) 272-6400
gbn.glenbrook225.org

GLENBROOK SOUTH HIGH SCHOOL

4000 W. Lake Avenue
Glenview, Illinois 60026
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GLENBROOK OFF CAMPUS

1835 Landwehr Road
Glenview, Illinois 60026
(847) 486-5700

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A MESSAGE FROM THE SCHOOL DISTRICT

Welcome to the Popular Annual Financial Report for the fiscal year ended June 30, 2023.

Our school district takes great pride in its long-term financial stability. Recognized by S&P Global Ratings for its strong management approach, the credit rating organization emphasized that the school district's financial and operational practices are well embedded and sustainable. Glenbrook's financial condition's success is attributed to the practice of leveraging data and defined formulas to make informed decisions.

Each year the school district participates in an independent audit of its financial statements for the prior year. Lauterbach & Amen, LLP of Naperville, performed this year's audit that included a detailed review of financial transactions between July 1, 2022, and June 30, 2023. Preparation for the audit started in May 2023 and continued through November 2023. During this time, members of the assigned team from Lauterbach & Amen, LLP, were provided access to the Business Services team and the District's financial records to complete their review and testing activities. After the audit was completed, an unmodified ("clean") opinion was issued. Accompanying the opinion were four recommendations that have been addressed as part of the 2023-24 fiscal year activities (presented on page 6).

Although not required by Illinois School Code, the school district prepares an Annual Comprehensive Financial Report (ACFR), which offers a complete and detailed presentation of the District's financial condition and an independent opinion of the report's information from our auditor. This document, and other financial resources, are available on the school district's website. We are also pleased to release our fourth Popular Annual Financial Report (PAFR) this year. Based on the ACFR, the PAFR provides information about the school district's financial condition without the overwhelming detail and technical accounting terminology. This report will provide our stakeholders with an easily understandable overview of the school district's financial position at the end of the 2022-23 fiscal year and key considerations for the future. Should you have any further questions or would like to offer feedback regarding this document, please do not hesitate to reach out at any time.



Charles Johns
Dr. Charles Johns
Superintendent



R.J. Gravel
Dr. R.J. Gravel
Deputy Superintendent

MEET THE BOARD OF EDUCATION

BOARD STRUCTURE

Glenbrook High School District 225 is governed by an elected, 7-member Board of Education. All members are elected at-large to four-year terms. Board elections are held during the month of April as part of the consolidated election cycle in odd-numbered years. Board members are volunteers who do not receive a salary for their services. The Board of Education includes four officers: president, vice president, treasurer and secretary. The president and vice president are elected annually by the Board membership, the treasurer role is filled by the Director of Business Services/CSBO and the secretary role is currently filled by the Executive Director of Communications.

The Board of Education meets regularly on the second and fourth Mondays of each month. All meetings of the Board of Education are open to the public. In addition to the regular meetings, the Board of Education has established three standing committees (Facilities, Finance and Technology) to facilitate the review of topics relevant to the operation of the school district. Each committee includes up to three members of the Board of Education, as well as members of the District and School leadership teams (e.g. Superintendent, Principals, Associate Principals, Assistant Superintendents, Directors, and Managers).



Bruce Doughty
President
(2025)



Peter Glowacki
Vice President
(2025)



Sandra Muhlenbeck
Member
(2027)



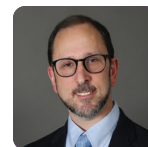
Matthew O'Hara
Member
(2025)



Michelle Seguin
Member
(2025)



Skip Shein
Member
(2027)



Marcelo Sztainberg
Member
(2027)

MEETINGS & COMMITTEES

The most common areas of action for the Board of Education include approving policies for the operation of the schools, adopting and monitoring the budget, adopting the levy, authorizing curriculum development, approving the appointment of teachers and other staff members, and providing overall direction.

EXCELLENCE IN FINANCIAL MANAGEMENT ★★★★★

AAA/Aaa Bonds

Glenbrook has achieved and maintained the highest bond ratings from both Moody's Investors Services and S&P Global.

Financial Reporting

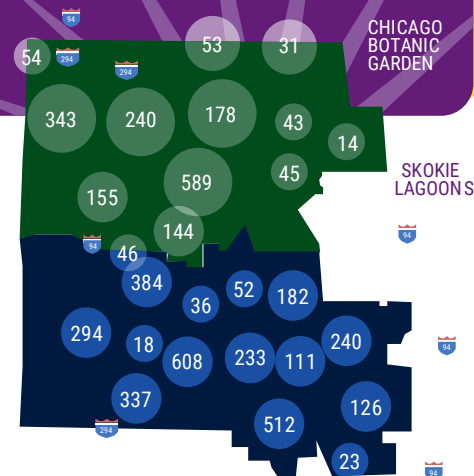
Glenbrook is recognized annually by the Association of School Business Officials International and the Government Finance Officers Association for excellence in financial reporting.

State Financial Rating

Glenbrook has achieved the highest financial management assessment rating of any school district in the State of Illinois (recognition).

DISTRICT AT A GLANCE

Glenbrook High School District 225 was established through a voter referendum on March 29, 1947. Since that time, the school district has grown to include two exemplary high schools and a therapeutic day school located in two of Chicago's premier suburban communities. Through the leadership of its elected Board of Education and professional educational administrators, the school district provided a comprehensive high school experience rich in academics, activities, arts, and athletics to 5,092 students during the 2022-23 school year.



DISTRICT MISSION

District 225 is a learning community dedicated to students and committed to quality of thought, word, and deed.

STUDENT POPULATION CLUSTERS

LEADERSHIP TEAM

Glenbrook High School District 225
Board of Education

Superintendent
Dr. Charles Johns

**Indicates a member of the Superintendent's Cabinet*

Deputy Superintendent
Dr. R.J. Gravel

Assistant Superintendent for Administrative Services*
Mr. Brad Swanson

Assistant Superintendent for Educational Services*
Dr. Ninja Idrizi

Executive Director of Communications*
Ms. Carol Smith

Executive Director of Human Resources*
Ms. Angelica Romano

Principals*
GBN: Stephan Bild & Marina Scott (Interims)
GBS: Dr. Barbara Georges

Director of Business Services/CSBO

Director of Operations/CSBO

Technology Services Manager

Safety and Security Manager

Director of Special Education

Director of Student Support

Director of Teaching and Learning

Communication Managers

Associate Principals for Administrative Services

Associate Principals for Curriculum and Instruction

Assistant Principals for Athletics

Assistant Principals for the Dean's Office

Assistant Principals for Student Services

Assistant Principals for Student Activities

Benefits Manager

Fiscal Services Manager

Grants Manager

Payroll Manager

Building and Grounds Manager

Associate Buildings & Grounds Managers

Assistant Buildings & Grounds Managers

Assistant Safety and Security Managers

Instructional Supervisor/Assistant Director of Specialized Programs and Services

Instructional Supervisor for Off Campus

Instructional Supervisors

Head Athletic Trainers

Associate Deans

College Counselors

DISTRICT AT A GLANCE

DISTRICT BOUNDARIES

Located in Cook County and just 25 miles north of downtown Chicago, Glenbrook serves students from the villages of Glenview, Golf and Northbrook. Population centers and high school boundaries are seen in the district map at left.

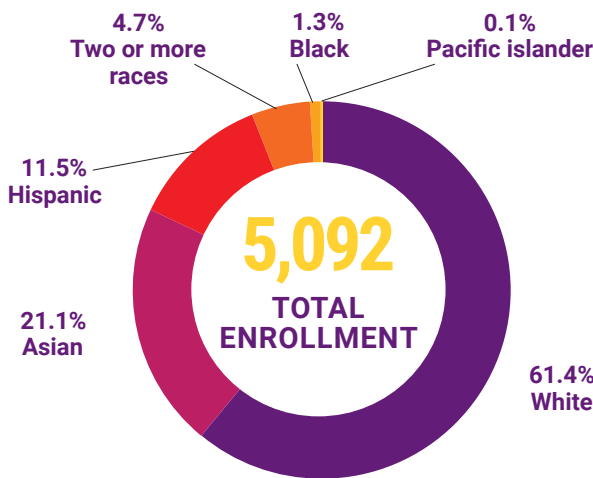


Glenbrook North
Total Students



Glenbrook South
Total Students

STUDENT DEMOGRAPHICS



STUDENTS PER TEACHER RATIO



Student demographic and per teacher ratio data above reflects information as presented in the 2022 Illinois State Report Card. Graduation rate data below reflects students receiving transition services that defer graduation up until the end of the school year of their 22nd birthday.

ADDITIONAL STATISTICS

\$26K
Per-Pupil Expenditures

96%
District Graduation Rate

94.5%
Teachers Holding a Master's or Higher

23
Average Class Size

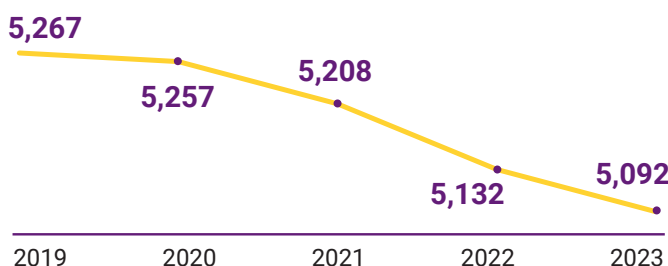
89%
Graduates Enrolled in College Within 12 Months

25
Miles North of Chicago

864
Total Teachers, Administrators and Support Staff

94.4%
Teacher Retention

ENROLLMENT TRENDS



While enrollment projections show enrollment decreasing to 4,998 students over the next 10 years, anticipated residential development projects will likely impact that trend. To support the district's long-term planning efforts, an enrollment projection is prepared by an external demographer each fall. Data reflects the 2023-24 School District Enrollment Forecast Update.

FINANCIAL HIGHLIGHTS

COLLECTIVE BARGAINING

The District successfully negotiated multi-year contracts with the Glenbrook Education Association (G.E.A.), the Glenbrook Educational support Staff Association (G.E.S.S.A.) and the Glenbrook Educational Support Paraprofessionals Association (G.E.S.P.A.). The negotiated agreements are within the parameters set by the Board of Education and provide for consistency and stability across all employee groups. The G.E.A. contract is scheduled to expire on June 30, 2028; the G.E.S.S.A. and G.E.S.P.A. contracts are scheduled to expire on June 30, 2027.

INCREASE IN NET POSITION

The District had \$188 million in expenses related to governmental activities, of which \$44.1 million were offset by program-specific charges for services or operating grants and contributions. General revenues of \$169.7 million offset the remaining program expenses. The balance resulted in an increase in net position of \$25.8 million. An increase in net position indicates that the District's revenue continues to support the programs and services it provides.

INCREASE IN EAV

For tax year 2022, payable in 2023, the District's aggregate equalized assessed value (EAV) for all real property within the boundaries of Northfield Township increased approximately 15% from \$6.1 billion to \$7.2 billion. This is attributed to \$63.7 million in new property and to the Northern Cook County triennial reassessment.

CAPITAL IMPROVEMENTS

Over \$7.4 million in capital projects were completed in the summer of 2023, including the remaining classroom renovations with new flooring, furniture, LED lighting, technology equipment, and whiteboards. Additional projects included the replacement of doors and other security-related enhancements, and the upgrade of all signage at Glenbrook North, Glenbrook South, and the Glenbrook Administration building.

AUDIT RECOMMENDATIONS & CONFIRMED RESOLUTIONS

GASB STATEMENT NO. 100 ACCOUNTING CHANGES AND ERROR CORRECTIONS

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

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

GASB STATEMENT NO. 101 COMPENSATED ABSENCES

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

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

FUND MANAGEMENT

Recommendation: Previously and during our current year-end audit procedures, Lauterbach & Amen noted that the following funds had an excess of actual expenditures over budget for the previous fiscal year and current fiscal year: General and Capital Projects. Lauterbach & Amen recommend the District investigate the causes of the funds over budget and adopt appropriate future funding measures.

Action Plan: Management acknowledges the overbudgeted General and Capital Projects Funds resulting from end-of-year reporting and accrual adjustments. Management will consider these end-of-year adjustments when developing future budgets.

GASB STATEMENT NO. 96 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

Recommendation: As the District has no material subscriptions, there was no impact on the financial statements in the current year, therefore this comment is considered implemented. This comment is implemented and will not be repeated.

Action Plan: The District and Lauterbach & Amen will continue to monitor subscriptions in the future to determine if additional reporting is required.

FINANCIAL STATEMENTS

The school district annually prepares and publishes a series of financial statements in the form of an Annual Comprehensive Financial Report (ACFR). For the purposes of this document, several of these statements have been selected and are presented in a condensed form. To view the ACFR in its entirety, please visit the school district's website and select Our District > Business Services > Financial Information.

CONDENSED STATEMENT OF NET POSITION

The Statement of Net Position indicates the net worth of the school district as of June 30, 2023. The statement presents a comprehensive picture of the organization's financial position, including all financed debt, the value of its property (i.e., buildings, land, and capitalized equipment), and its liquid assets (i.e., cash on hand, investments) as of a certain point in time. The 38.8% increase in net position from 2022 to 2023 indicates an improved financial position able to withstand unanticipated losses or other costs that could impact district operations.

Governmental Activities	Fiscal Year 2022	Fiscal Year 2023
Assets		
Current and other assets	\$201,746,276	\$198,245,329
Capital assets	\$124,878,173	\$124,563,170
Construction in progress	\$1,169,838	\$2,377,571
Total assets	\$327,794,287	\$325,186,070
Deferred outflows of resources	\$19,964,076	\$23,219,635
Liabilities		
Long-term liabilities	\$134,697,440	\$93,863,127
Other liabilities	\$16,330,388	\$17,919,045
Total liabilities	\$151,027,828	\$111,782,172
Deferred inflows of resources	\$130,248,676	\$144,361,137
Net Position		
Net investment in capital assets	\$64,775,626	\$76,601,432
Restricted	\$27,487,762	\$32,490,550
Unrestricted (deficit)	(\$25,781,529)	(\$16,829,586)
Total net position	\$66,481,859	\$92,262,396

>> **Looking for more?** To view the full Statement of Net Position, refer to pages 34 and 35 in the Annual Comprehensive Financial Report

DEFINITIONS

Assets

Assets are resources owned and controlled by the school district that are expected to benefit future operations.

Deferred Outflows

Deferred outflows are the consumption of net assets applicable to future reporting periods.

Liabilities

Liabilities are debt or obligations that the school district must pay.

Deferred Inflows

Deferred inflows are the acquisition of net assets applicable to future reporting periods.

Net Investment in Capital Assets

Net investment in capital assets represents the school district's investment in capital assets, less any related outstanding debt used to acquire those assets.

Net Position

Net position reflects the school district's net worth. (Net position = Assets + Deferred outflows - Liabilities - Deferred inflows)

DID YOU KNOW?

The school district uses a "zero-based budgeting" approach, combined with a formula-driven review of budget allocations? These practices help ensure decision making processes are consistent, data-based and equitable to current and future generations of students.

CONDENSED STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCE

The Statement of Revenues, Expenditures, and Changes in Fund Balances presents a summary of all transactions and financial events between July 1, 2022 and June 30, 2023, that affects the net position reported on the statement.

In a school district, it is common to reference its net position as expressed through its fund balance (also known as reserve), to determine the financial stability of the organization. Should the fund balance level demonstrate a significant decrease, it would indicate that the organization's expenditures exceeded its revenues. There are times when this is appropriate, such as when the Board of Education approved a series of capital projects to improve the safety and security of its facilities. Using the school district's fund balance should be limited to one-time, purposeful uses (e.g., the safety and security projects), or due to delayed revenues impacting the overall cash flow for the organization (e.g., the delay of property tax revenue).

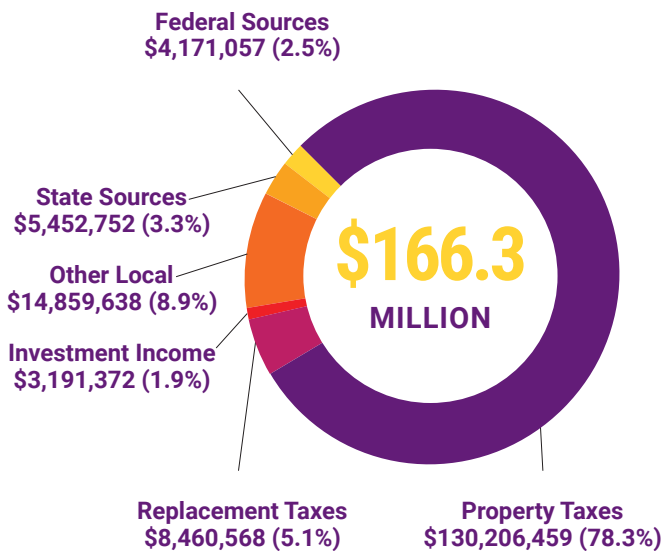
	Operating Funds	Debt Services	Capital Projects	Total
Revenue				
Local sources - taxes	\$138,667,027	\$10,494,274	—	\$149,161,301
Local sources - other	\$18,051,010	\$36,324	\$113,458	\$18,200,792
State sources	\$4,003,030	—	—	\$4,003,030
Federal sources	\$5,620,779	—	—	\$5,620,779
Total revenues	\$166,341,846	\$10,530,598	\$113,458	\$176,985,902
Expenditures				
Instruction	\$84,431,596	—	—	\$85,431,596
Support services	\$65,111,100	—	\$5,851,820	\$70,962,920
Community services	\$866,518	—	—	\$866,518
Payments to other districts and govt units	\$355,476	—	—	\$355,476
Capital outlay	\$1,408,689	—	\$856,417	\$2,265,106
Debt services	—	\$10,823,408	—	\$10,823,408
Total expenditures	\$153,173,379	\$10,823,408	\$6,708,237	\$170,705,024
Excess (Deficiency) of Revenues				
Over (under) expenditures	\$13,168,467	(\$292,810)	(\$6,594,779)	\$6,280,878
Other Financing Sources (Uses)				
Debt issuance	—	—	—	—
Disposal of capital assets	34,836	—	—	\$34,836
Transfers	(\$4,000,000)	—	\$4,000,000	—
Total other financing sources (uses)	(\$3,965,164)	—	\$4,000,000	\$34,836
Net change in fund balance	\$9,203,303	(\$292,810)	(\$2,594,779)	\$6,315,714
Fund balances - beginning	\$100,138,136	\$6,438,067	\$6,412,503	\$112,988,706
Fund balances - ending	\$109,341,439	\$6,145,257	\$3,817,724	\$119,304,420

*General Funds include General and Special Revenue Funds

REVENUE BY SOURCE

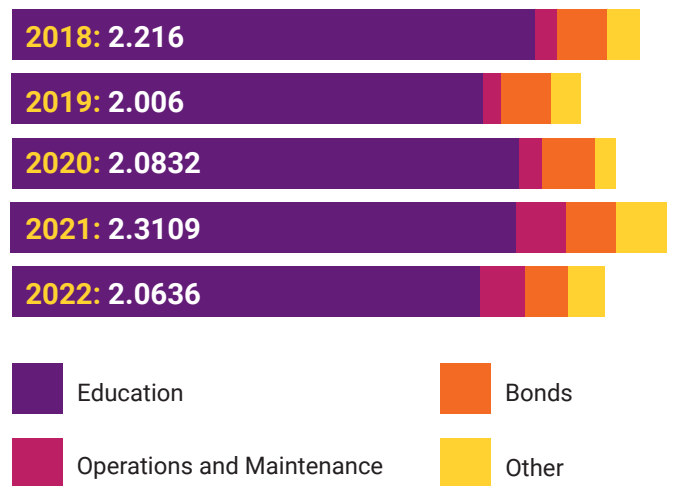
The school district receives the majority of its revenue from local sources, including property tax collections, replacement taxes, investment income, and student fees. Revenue from the state and the federal government has remained relatively constant over recent years.

OPERATING FUND BY SOURCE: 2022-23

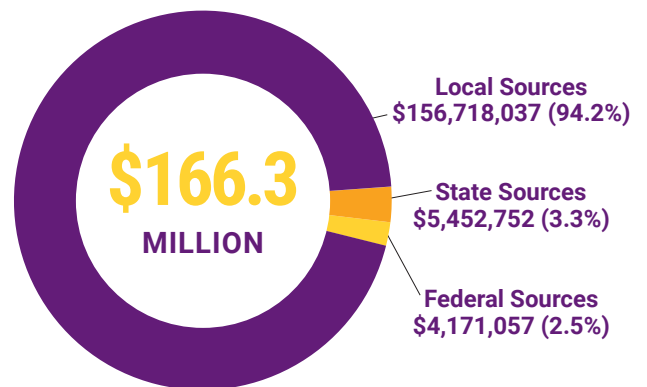
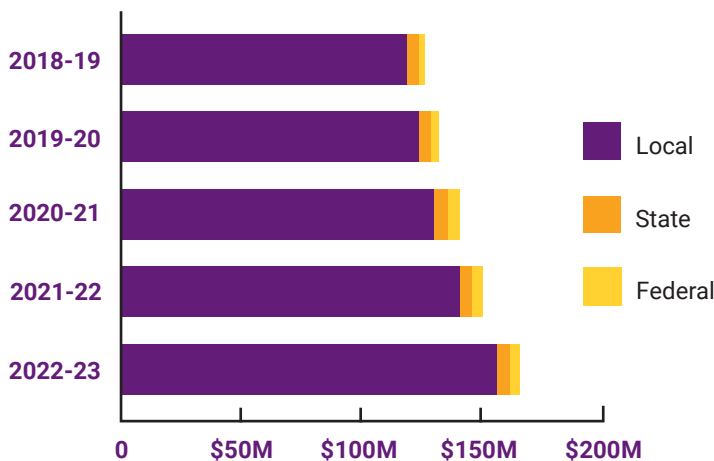


PROPERTY TAX RATE

Below is a summary of the school district's tax rate by fund (with minor funds grouped together for illustrative purposes only).



OPERATING FUND: REVENUE SOURCES BY FISCAL YEAR



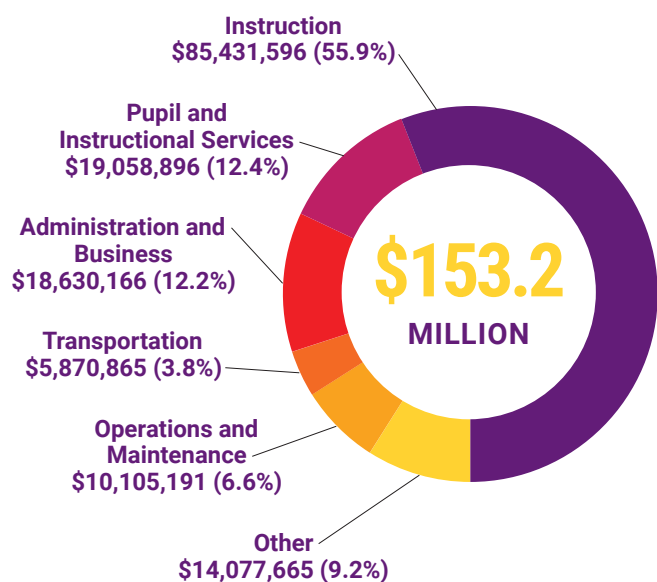
>> **Looking for more?** View page 50 of the Fiscal Year 2023-24 Budget.

Note: The information on pages 9 and 10 excludes the State of Illinois' On-Behalf Payment (for the State's portion of teachers' retirements). The On-Behalf Payment is included in the official financial statements of the school district as an equal revenue and expenditure. This amount is solely reported as a requirement of the State of Illinois.

EXPENSE BY FUNCTION

Through a zero-based budgeting approach, the school district's leadership team annually examines its prior year and projected expenditures. This process begins in October of the prior fiscal year and continues through the end of June. The goal of this budgeting approach is to ensure that all available financial resources are allocated in a manner that is consistent with the school district's mission, short, and long-term goals. As a learning organization, employee salaries and benefits make up the largest portion of the operating budget (75-78%). Through the implementation of interest-based collective bargaining, formula-based resource allocations, and extensive efforts to minimize healthcare increases, the district has consistently provided a comprehensive high school experience full of opportunities in the 4 As (academics, activities, athletics, and the arts) to all of its students.

OPERATING FUND BY FUNCTION: 2022-23



Instruction

Activities directly related to the teaching of students

Pupil and Instructional Services

Activities associated with assisting instructional staff with providing learning experiences for students

Administration and Business

Activities to support fiscal services, purchasing, printing, personnel and technology administration

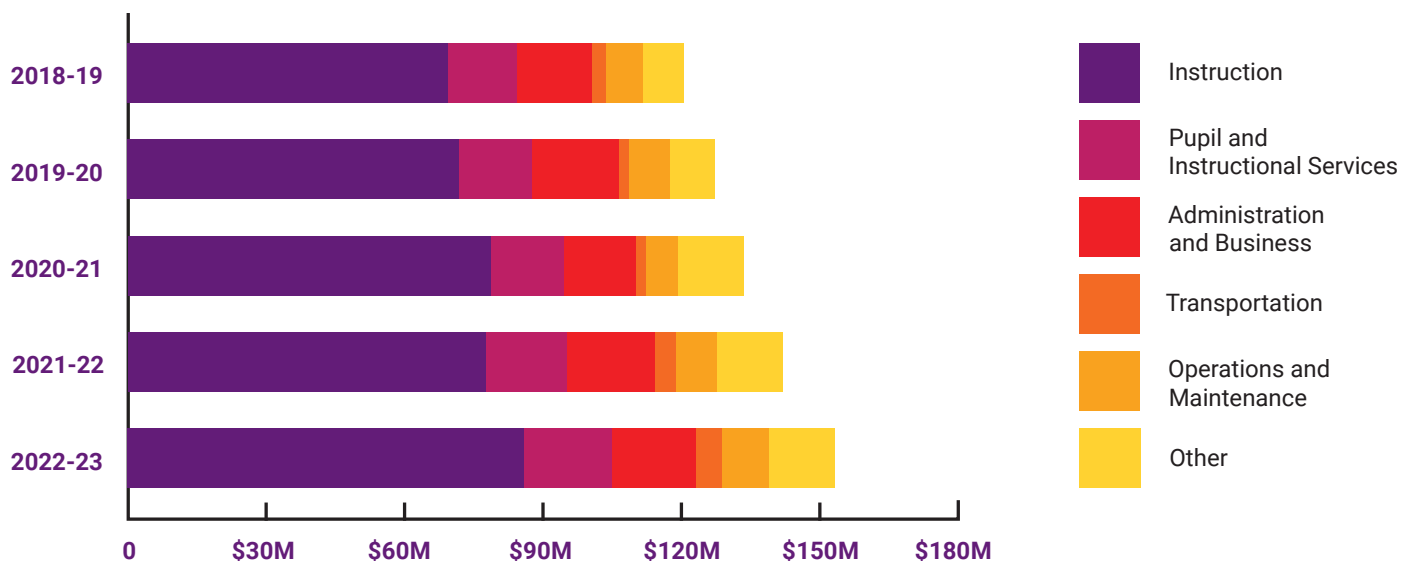
Transportation

Activities to convey individuals to and from school

Operations and Maintenance

Activities concerned with keeping facilities and school grounds open, safe and comfortable

OPERATING FUND: EXPENSE BY FUNCTION BY FISCAL YEAR

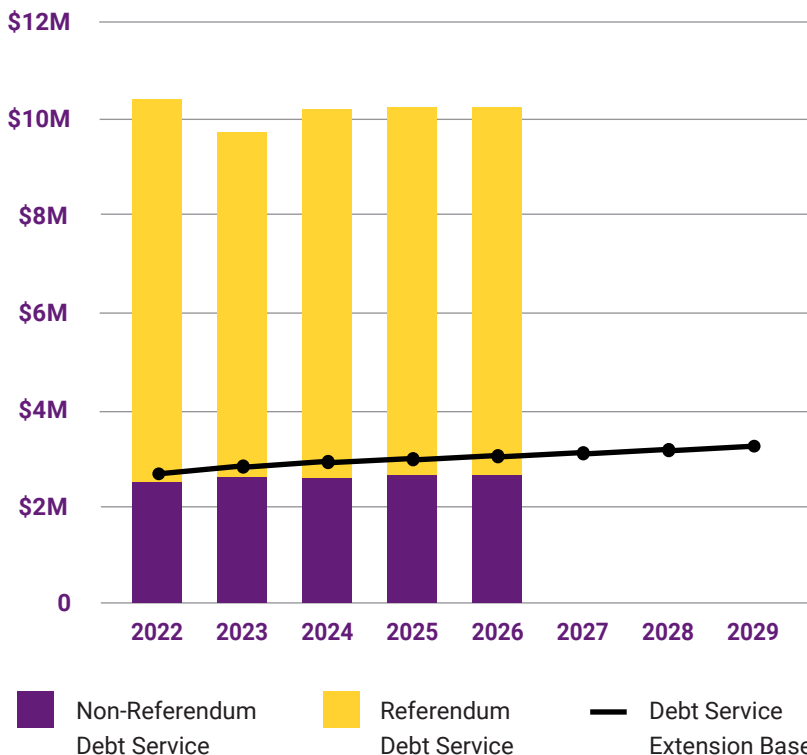


LONG-TERM LIABILITIES

	Governmental Activities Fiscal Year 2022	Governmental Activities Fiscal Year 2023
General Obligation Bonds	\$53,670,000	\$45,020,000
Unamortized Bond Premium Net of Discount	\$5,415,030	\$3,935,709
Compensated Absences	\$1,368,186	\$1,135,138
TRS Net Pension Liability	\$5,264,077	\$5,347,722
IMRF Net Pension Liabilities	(\$12,708,677)	\$7,435,557
Other Postemployment Benefits	\$77,903,784	\$39,656,029
Total	\$130,912,400	\$102,530,155

In January 2018 and May 2020, the Board of Education approved the refunding of existing debt from the 2006 referendum (Series 2008 bonds), to maximize low interest rates. Additionally, the school district was able to save approximately \$4.5 million through a uniform debt restructure. The savings of this debt issue was wholly passed on to the school district's tax payers, through slightly lower debt service rates for tax years 2025, 2026 and 2027. The school district remains on track to retire all existing debt on December 1, 2027.

OUTSTANDING DEBT SERVICE



LOOKING TO THE FUTURE

Glenview/Northbrook Economic & Residential Growth: The Villages of Glenview and Northbrook continue to support the development of underutilized properties for commercial, industrial, and residential purposes. The school district monitors these new developments to ensure capacity within our schools, and the financial resources necessary to provide a comprehensive high school education to new students enrolling as a result of the new developments.

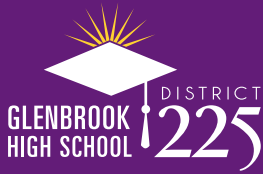
Property Tax Appeals: District 225 budgets the loss of \$1-1.5 million in property tax revenue each fiscal year to property tax refunds. However, with the passage of Public Act 102-0519 (recapture levy), school districts are now able to recapture lost property tax revenue arising from a PTAB appeal, tax objection suit, or certificate of error that reduced a property's assessed value. This new law impacted the school district's revenues for the first time during the 2022-23 fiscal year. As the impact of the recapture level is experienced, the school district will continue to work with the Cook County Assessors office, the Board of Review, the Property Tax Appeals Board, and local taxpayers to reduce overall losses through tax appeals.

Collective Bargaining: The school district has successfully negotiated multi-year contracts with our three collective bargaining units.

Healthcare Reform: The second-largest expense in the school district's budget is employee health benefits. The school district has implemented a self-insured model to provide maximum flexibility in plan design and vendor selection. The school district continues to review health care benefits to identify and implement plan changes that save taxpayers dollars without compromising the quality of benefits.

Student Enrollment: Recent enrollment and census data indicate a decline of enrollment at Glenbrook South and a projected increase at Glenbrook North. The annual budget-building process includes provisions for future enrollment variances.

LET'S STAY IN TOUCH!



GLENBROOK HIGH SCHOOL DISTRICT

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GLENBROOK NORTH HIGH SCHOOL

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#D225NOW AS SEEN ON INSTAGRAM



LEARN MORE ABOUT THE DISTRICT

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