

LINCOLNWOOD SCHOOL DISTRICT 74,
ILLINOIS
ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
JUNE 30, 2022

LINCOLNWOOD SCHOOL DISTRICT 74

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FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

November 9, 2022

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

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lincolnwood School District 74, Illinois, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Lincolnwood School District 74, Illinois, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lincolnwood School District 74, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

LINCOLNWOOD SCHOOL DISTRICT 74

Management's Discussion and Analysis

June 30, 2022

The discussion and analysis of Lincolnwood School District 74's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2022. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

FINANCIAL HIGHLIGHTS

- In total, net position increased by \$2,743,491. This represents a 10.9% increase from 2021 net position and is due primarily to a decrease in net OPEB liabilities and net pension liabilities and an increase in property and replacement tax revenues. Revenues of \$36,352,777 exceeded expenses of \$33,609,286 by \$2,743,491.
- General revenues accounted for \$27,003,293 in revenue or 74.3% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$9,349,484 or 25.7% of total revenues of \$36,352,777.
- The District had \$33,609,286 in expenses related to governmental activities. However, only \$9,349,484 of these expenses were offset by program specific charges and grants.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

Government-Wide Financial Statements

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

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

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

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

Management's Discussion and Analysis

June 30, 2022

Fund Financial Statements

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

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

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

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

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

Notes to Basic Financial Statements

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

Other Information

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

LINCOLNWOOD SCHOOL DISTRICT 74

Management's Discussion and Analysis

June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The District's combined net position was higher on June 30, 2022, than it was the year before, increasing 10.9% to \$27,902,952.

	Net Position	
	2022	2021
Current/Other Assets	\$ 40,853,794	40,113,673
Capital Assets	40,048,023	40,287,799
Total Assets	80,901,817	80,401,472
Deferred Outflows	1,080,408	1,193,997
Total Assets/Deferred Outflows	81,982,225	81,595,469
Long-Term Debt	32,853,534	37,583,605
Other Liabilities	2,126,450	2,718,006
Total Liabilities	34,979,984	40,301,611
Deferred Inflows	19,099,289	16,134,397
Total Liabilities/Deferred Inflows	54,079,273	56,436,008
Net Position		
Net Investment in Capital Assets	21,248,293	22,331,864
Restricted	13,050,219	9,144,245
Unrestricted (Deficit)	(6,395,560)	(6,316,648)
Total Net Position	27,902,952	25,159,461

A large portion of the District's net position, \$21,248,293, reflects its investment in capital assets (for example, land, construction in progress, buildings, improvements other than buildings, and equipment and vehicles), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$13,050,219, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining deficit of \$6,395,560, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

LINCOLNWOOD SCHOOL DISTRICT 74

Management's Discussion and Analysis

June 30, 2022

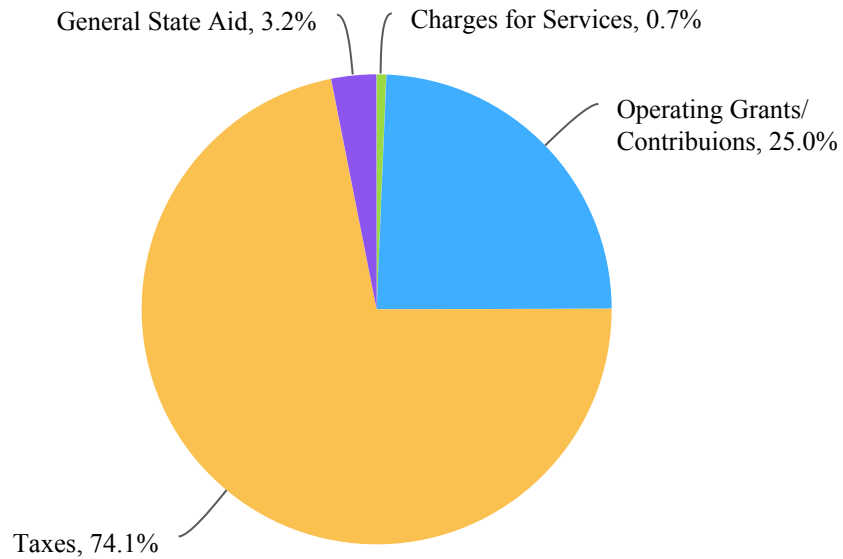
GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Revenues of \$36,352,777 exceeded expenses of \$33,609,286 by \$2,743,491. This was attributable primarily to the District's decrease in net OPEB liabilities and net pension liabilities, with \$382,755 more in transportation expenses and \$1,704,793 more in operations & maintenance expenses in the current year compared to prior year. Property taxes and replacement taxes also increased \$2,882,671 from the prior year.

	Change in Net Position	
	2022	2021
Revenues		
Program Revenues		
Charges for Services	\$ 248,212	134,650
Operating Grants/Contrib.	9,101,272	11,754,049
General Revenues		
Taxes	26,925,844	24,043,173
General State Aid	1,164,227	1,177,400
Other General Revenues	(1,086,778)	808,289
Total Revenues	<u>36,352,777</u>	<u>37,917,561</u>
Expenses		
Instruction	22,568,366	27,717,533
Pupil & Instructional Staff Services	2,202,876	2,179,813
Administration & Business	3,497,128	5,923,918
Transportation	1,321,025	938,270
Operations & Maintenance	2,734,190	1,029,397
Other	1,285,701	1,396,671
Total Expenses	<u>33,609,286</u>	<u>39,185,602</u>
Change in Net Position	2,743,491	(1,268,041)
Net Position - Beginning	<u>25,159,461</u>	<u>26,427,502</u>
Net Position - Ending	<u>27,902,952</u>	<u>25,159,461</u>

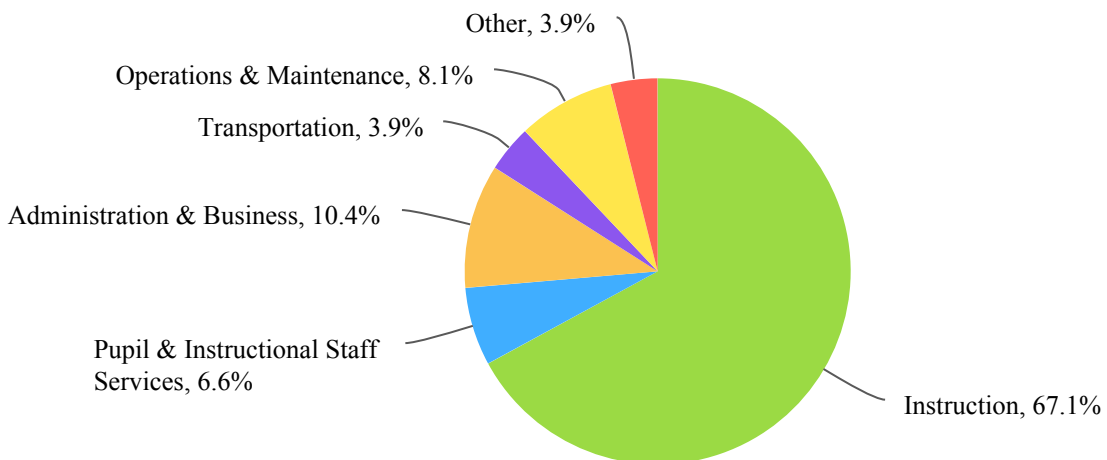
GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

District-Wide Revenues by Source*



*Percents do not total to 100% due to investment losses being reported in the current year.

District-Wide Expenses by Function



LINCOLNWOOD SCHOOL DISTRICT 74

Management's Discussion and Analysis

June 30, 2022

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District's Governmental Funds balance decreased from \$26,256,962 to \$26,201,177.

The General Fund (Educational Account, Tort Immunity and Judgment Account and Working Cash Account) had total revenues of \$30,534,415 and total expenditures of \$28,270,551, resulting in a surplus of \$2,263,864 prior to net transfer out of \$6,000,000. Fund balance at year-end totaled \$13,337,849.

The Operations and Maintenance Fund had revenues in the amount of \$2,073,156 which were less than the \$2,097,507 of expenditures by \$24,351. Fund balance at year-end totaled \$3,026,658.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund is the District's largest budgeted fund and consists of the Educational, Tort Immunity and Judgment, and Working Cash Accounts. The General Fund's actual revenues were greater than the budgeted revenues by \$1,078,187 in total, excluding on-behalf payments. Actual expenditures of \$21,713,720 were less than budgeted expenditures of \$22,936,974 by \$1,223,254, excluding on-behalf payments.

Within these accounts the Educational Account is the most significant budgeted fund. In the Educational Account revenues from local sources were under budget by \$126,797, state sources were over budget by \$10,456, and federal sources were over budget by \$972,511. Total budgeted revenues in the Educational Account were under actual revenues by \$856,170, excluding on-behalf payments. Expenditures in the Educational Account were over budget by \$1,208,528, excluding on-behalf payments.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

By the end of 2022, the District had compiled a total investment of \$40,048,023 (net of accumulated depreciation) in a board range of capital assets including land, construction in progress, buildings, improvements other than buildings and equipment and vehicles). Total depreciation expense for the year was \$2,460,790. More detailed information about capital assets can be found in Note 3 of the basic financial statements.

	Capital Assets - Net of Depreciation	
	2022	2021
Land	\$ 2,337,500	2,337,500
Construction in Progress	884,978	1,669,815
Buildings	33,906,432	33,823,576
Improvements Other than Equipment and Vehicles	995,322	816,688
	1,923,791	1,640,220
Total	<u>40,048,023</u>	<u>40,287,799</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Management's Discussion and Analysis

June 30, 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

Debt Administration

The District did not issue any debt in the current fiscal year. General Obligation Bonds payable had a balance of \$19,085,000 at the end of the current fiscal year. More detailed information on long-term debt can be found in Note 3 of the basic financial statements.

FACTORS BEARING ON THE DISTRICT'S FUTURE

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

The District conducts its operations through the use of a 5-year Strategic Plan. The plan assists in containing costs by focusing District resources relative to those initiatives outlined in the most current 2019-2024 version.

As the COVID-19 pandemic winds down, inflation is driving up the prices on supplies and services. The District is closely monitoring property tax collections, especially during the "sunset" of a struggling local shopping mall and the "dawn" of a major new development on the corner of Lincoln and Touhy Avenues.

Another area of concern is the growing number of unfunded mandates imposed by the State. The District will continue to monitor the actions of the State legislators.

The District's facilities are continually being addressed. Life Safety and capital project upgrades are taking place campus-wide to accommodate the growing needs of the programming and increased security of students and staff. Lingering supply chain issues tend to negatively impact capital and life safety project timelines.

REQUESTS FOR INFORMATION

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

BASIC FINANCIAL STATEMENTS

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

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

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

LINCOLNWOOD SCHOOL DISTRICT 74

Statement of Net Position

June 30, 2022

See Following Page

LINCOLNWOOD SCHOOL DISTRICT 74

Statement of Net Position

June 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 25,768,503
Receivables - Net of Allowances	
Property Taxes	11,797,224
Intergovernmental	1,258,179
Prepays	415,895
Total Current Assets	<u>39,239,801</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	3,222,478
Depreciable	70,560,464
Accumulated Depreciation	<u>(33,734,919)</u>
Total Capital Assets	40,048,023
Other Assets	
Net Pension Asset - IMRF	1,613,993
Total Noncurrent Assets	<u>41,662,016</u>
Total Assets	<u>80,901,817</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - RHP	364,009
Deferred Items - THIS	435,655
Deferred Items - TRS	119,153
Deferred Items - IMRF	161,591
Total Deferred Outflows of Resources	<u>1,080,408</u>
Total Assets and Deferred Outflows of Resources	<u>81,982,225</u>

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

	Governmental Activities
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 242,917
Retainage Payable	27,960
Accrued Interest Payable	51,041
Salaries and Benefits Payable	612,790
Current Portion of Long-Term Debt	1,191,742
Total Current Liabilities	<u>2,126,450</u>
Noncurrent Liabilities	
Compensated Absences	38,860
Total OPEB Liability - RHP	1,965,709
Total OPEB Liability - THIS	10,463,752
Net Pension Liability - TRS	1,071,217
General Obligation Bonds - Net	19,313,996
Total Noncurrent Liabilities	<u>32,853,534</u>
Total Liabilities	<u>34,979,984</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	11,797,224
Lease	357,733
Deferred Items - RHP	114,011
Deferred Items - THIS	4,566,653
Deferred Items - TRS	210,379
Deferred Items - IMRF	2,053,289
Total Deferred Inflows of Resources	<u>19,099,289</u>
Total Liabilities and Deferred Inflows of Resources	<u>54,079,273</u>
NET POSITION	
Net Investment in Capital Assets	21,248,293
Restricted	
Tort Immunity	223,773
Student Activities	21,953
Operations and Maintenance	3,018,864
Student Transportation	1,297,349
Retirement Benefits	527,296
Debt Service	516,578
Capital Projects	5,175,868
Fire Prevention and Life Safety	2,268,538
Unrestricted (Deficit)	<u>(6,395,560)</u>
Total Net Position	<u>27,902,952</u>

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

LINCOLNWOOD SCHOOL DISTRICT 74

Statement of Activities

For the Fiscal Year Ended June 30, 2022

	Program Revenues		(Expenses)/
	Charges for Services	Operating Grants/ Contributions	Revenues Governmental Activities
Expenses			
Governmental Activities			
Instruction			
Regular Programs	\$ 9,802,997	—	1,206 (9,801,791)
Special Programs	1,444,019	—	852,519 (591,500)
Other Instructional Programs	2,293,314	—	28,128 (2,265,186)
State Retirement Contributions	6,556,831	—	6,556,831 —
Support Services			
Pupils	1,295,275	—	— (1,295,275)
Instructional Staff	907,601	—	1,575 (906,026)
General Administration	966,665	—	— (966,665)
School Administration	952,876	—	— (952,876)
Business	1,577,587	144,637	1,301,297 (131,653)
Transportation	1,321,025	—	309,716 (1,011,309)
Operations and Maintenance	2,734,190	103,575	50,000 (2,580,615)
Central	740,678	—	— (740,678)
Payments to Other Districts/Govts.	2,471,205	—	— (2,471,205)
Interest on Long-Term Debt	545,023	—	— (545,023)
Total Governmental Activities	33,609,286	248,212	9,101,272 (24,259,802)
General Revenues			
Taxes			
Real Estate Taxes, Levied for General Purposes			22,689,885
Real Estate Taxes, Levied for Specific Purposes			818,323
Real Estate Taxes, Levied for Debt Services			1,712,192
Personal Property Replacement Taxes			1,705,444
State Aid-Formula Grants			1,164,227
Investment Income (Loss)			(2,330,104)
Other General Revenues			1,243,326
			<u>27,003,293</u>
Change in Net Position			2,743,491
Net Position - Beginning			<u>25,159,461</u>
Net Position - Ending			<u><u>27,902,952</u></u>

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

LINCOLNWOOD SCHOOL DISTRICT 74

Balance Sheet - Governmental Funds

June 30, 2022

See Following Page

LINCOLNWOOD SCHOOL DISTRICT 74

**Balance Sheet - Governmental Funds
June 30, 2022**

	Special Revenue		
	General	Operations and Maintenance	Transportation
ASSETS			
Cash and Investments	\$ 12,754,954	3,144,244	1,294,520
Receivables - Net of Allowances			
Property Taxes	9,009,249	1,098,533	489,712
Intergovernmental	1,180,417	—	77,762
Prepays	408,101	7,794	—
Total Assets	<u>23,352,721</u>	<u>4,250,571</u>	<u>1,861,994</u>
LIABILITIES			
Accounts Payable	65,282	95,198	74,933
Salaries and Wages Payable	582,608	30,182	—
Retainage Payable	—	—	—
Total Liabilities	<u>647,890</u>	<u>125,380</u>	<u>74,933</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	9,009,249	1,098,533	489,712
Lease	357,733	—	—
Total Deferred Inflows of Resources	<u>9,366,982</u>	<u>1,098,533</u>	<u>489,712</u>
Total Liabilities and Deferred Inflows of Resources	<u>10,014,872</u>	<u>1,223,913</u>	<u>564,645</u>
FUND BALANCES			
Nonspendable	408,101	7,794	—
Restricted	245,726	3,018,864	1,297,349
Unassigned	12,684,022	—	—
Total Fund Balances	<u>13,337,849</u>	<u>3,026,658</u>	<u>1,297,349</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>23,352,721</u>	<u>4,250,571</u>	<u>1,861,994</u>

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

Municipal Retirement/ Social Security	Debt Service	Capital Projects		Totals
		Capital Projects	Fire Prevention Life Safety	
527,296	567,619	5,211,332	2,268,538	25,768,503
305,669	705,765	—	188,296	11,797,224
—	—	—	—	1,258,179
—	—	—	—	415,895
832,965	1,273,384	5,211,332	2,456,834	39,239,801
—	—	7,504	—	242,917
—	—	—	—	612,790
—	—	27,960	—	27,960
—	—	35,464	—	883,667
305,669	705,765	—	188,296	11,797,224
—	—	—	—	357,733
305,669	705,765	—	188,296	12,154,957
305,669	705,765	35,464	188,296	13,038,624
—	—	—	—	415,895
527,296	567,619	5,175,868	2,268,538	13,101,260
—	—	—	—	12,684,022
527,296	567,619	5,175,868	2,268,538	26,201,177
832,965	1,273,384	5,211,332	2,456,834	39,239,801

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

LINCOLNWOOD SCHOOL DISTRICT 74

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

June 30, 2022

Total Governmental Fund Balances	\$ 26,201,177
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	40,048,023
A net pension asset is not considered to represent a financial resource and therefore is not reported in the funds. Net Pension Asset - IMRF	1,613,993
Deferred Outflows/Inflows of Resources related to the retirement plans not reported in the funds.	
Deferred Items - RHP	249,998
Deferred Items - THIS	(4,130,998)
Deferred Items - TRS	(91,226)
Deferred Items - IMRF	(1,891,698)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences	(54,668)
Total OPEB Liability - RHP	(1,965,709)
Total OPEB Liability - THIS	(10,463,752)
Net Pension Liability - TRS	(1,071,217)
General Obligation Bonds - Net	(20,489,930)
Accrued Interest Payable	(51,041)
Net Position of Governmental Activities	<u><u>27,902,952</u></u>

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

LINCOLNWOOD SCHOOL DISTRICT 74

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2022**

See Following Page

LINCOLNWOOD SCHOOL DISTRICT 74

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2022**

	Special Revenue		
	General	Operations and Maintenance	Transportation
Revenues			
Local Sources			
Property Taxes	\$ 19,526,276	2,261,022	662,266
Corporate Personal Property Replacement Taxes	811,525	—	526,240
Investment Income (Loss)	(1,101,877)	(291,441)	(118,888)
Other Revenue from Local Sources	1,392,708	103,575	—
State Sources	1,173,336	—	309,716
Federal Sources	2,175,616	—	—
On-Behalf Payments - State of Illinois	6,556,831	—	—
Total Revenues	30,534,415	2,073,156	1,379,334
Expenditures			
Current			
Instruction			
Regular Programs	9,999,062	—	—
Special Programs	1,381,994	—	—
Other Instructional Programs	2,264,327	—	—
Support Services			
Pupils	1,251,440	—	—
Instructional Staff	782,569	—	—
General Administration	935,422	—	—
School Administration	879,729	—	—
Business	1,083,833	—	—
Transportation	—	—	1,321,025
Operations and Maintenance	—	2,097,507	—
Central	664,139	—	—
Payments to Other Districts and Govt. Units	2,471,205	—	—
Debt Service			
Principal Retirement	—	—	—
Interest and Other	—	—	—
On-Behalf Expenditures	6,556,831	—	—
Total Expenditures	28,270,551	2,097,507	1,321,025
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,263,864	(24,351)	58,309
Other Financing Sources (Uses)			
Transfers In	65,000	—	—
Transfers Out	(6,065,000)	—	—
	(6,000,000)	—	—
Net Change in Fund Balances	(3,736,136)	(24,351)	58,309
Fund Balances - Beginning	17,073,985	3,051,009	1,239,040
Fund Balances - Ending	13,337,849	3,026,658	1,297,349

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

Municipal Retirement/ Social	Debt Service	Capital Projects		Totals
		Capital Projects	Fire Prevention Life Safety	
538,896	1,712,192	—	519,748	25,220,400
367,679	—	—	—	1,705,444
(50,439)	(64,741)	(495,565)	(207,153)	(2,330,104)
—	—	—	—	1,496,283
—	—	—	—	1,483,052
—	—	—	—	2,225,616
—	—	—	—	6,556,831
856,136	1,647,451	(495,565)	312,595	36,357,522
118,597	—	—	—	10,117,659
67,501	—	—	—	1,449,495
28,987	—	—	—	2,293,314
44,286	—	—	—	1,295,726
19,219	—	—	—	801,788
9,095	—	—	—	944,517
36,236	—	—	—	915,965
81,588	—	1,063,632	1,267,505	3,496,558
—	—	—	—	1,321,025
90,491	—	—	—	2,187,998
76,539	—	—	—	740,678
—	—	—	—	2,471,205
—	1,120,000	—	—	1,120,000
—	700,548	—	—	700,548
—	—	—	—	6,556,831
572,539	1,820,548	1,063,632	1,267,505	36,413,307
283,597	(173,097)	(1,559,197)	(954,910)	(55,785)
—	—	6,000,000	—	6,065,000
—	—	—	—	(6,065,000)
—	—	6,000,000	—	—
283,597	(173,097)	4,440,803	(904,910)	(55,785)
243,699	740,716	735,065	3,173,448	26,256,962
527,296	567,619	5,175,868	2,268,538	26,201,177

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

LINCOLNWOOD SCHOOL DISTRICT 74

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended June 30, 2022**

Net Change in Fund Balances - Total Governmental Funds \$ (55,785)

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

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

Capital Outlays	2,225,759
Depreciation Expense	(2,460,790)
Disposals - Cost	(318,997)
Disposals - Accumulated Depreciation	314,252

An addition to a net pension asset is not considered to be an increase in a financial asset in the governmental funds.

Change in Net Pension Asset - IMRF	1,399,277
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Deferred Outflows/(Inflows) of Resources related to pensions/OPEB plans are not reported in the funds

Change in Deferred Items - RHP	(19,714)
Change in Deferred Items - THIS	(2,131,426)
Change in Deferred Items - TRS	(124,088)
Change in Deferred Items - IMRF	(778,782)

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

Change in Compensated Absences	24,372
Change in Total OPEB Liability - RHP	101,777
Change in Total OPEB Liability - THIS	3,131,921
Change in Net Pension Liability - TRS	160,190
Retirement of Long-Term Debt	1,120,000
Amortization of Bond Premium	135,877

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

19,648

Changes in Net Position of Governmental Activities

2,743,491

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lincolnwood School District 74 (the “District”) operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended.

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

REPORTING ENTITY

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 61, “The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34” and includes all component units that have a significant operational or financial relationship with the District. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

The District’s basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District’s major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District’s operating activities are all considered governmental activities, that is, activities normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered business-type activities.

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

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

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

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

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements

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

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

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

Governmental Funds

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

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

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

Debt Service Funds are used to account for the accumulation of resources that are restricted, committed, or assigned for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service. The Debt Service Fund is treated as a major fund.

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Governmental Funds - Continued

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

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

Basis of Accounting

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

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

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting- Continued

For this purpose, the District considers all revenues available if they are collected within 60 days after year-end, except for state aid. State aid received after 60 days are being considers as available as historically, state aid collected within 60 days have represented all state aid expected to be collected. The state is currently being on payments to local government agencies, which is a highly unusual circumstance, resulting in current year state aid collections after 60 days of year-end. Expenditures are recorded when the related fund liability is incurred. However, expenditures for unmatured principal and interest on general long-term debt are recognized when due; and certain compensated absences, claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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

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

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

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

Cash and Investments

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

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

Prepays

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

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Interfund Receivables, Payables and Activity

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

Capital Assets

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

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

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

Buildings	20 - 50 Years
Improvements Other than Buildings	20 - 40 Years
Equipment and Vehicles	5 - 20 Years

Compensated Absences

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

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

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2022 are determined on the basis of current salary rates and include salary related payments.

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Compensated Absences - Continued

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

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

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

Deferred Outflows/Inflows of Resources

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

Long-Term Obligations

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

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

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Net Position

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

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Except for the exclusion of on-behalf payments from other governments, discussed below, the budgeted amounts for the governmental funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

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

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.
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.

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

BUDGETARY INFORMATION - Continued

The Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (GAAP Basis) includes "on-behalf" payments received and made for the amounts contributed by the State of Illinois for the employer's share of the Teachers Retirement System pension. The District does not budget for these amounts.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUND

The Transportation Fund had an excess of actual expenditures, over budget of \$36,025 as of the date of this report.

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS UNDER THE CUSTODY OF THE TOWNSHIP TREASURER

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

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

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

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

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

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

The weighted average maturity of all marketable pooled investments held by the Treasurer was 6.64 years at June 30, 2022. The Treasurer also holds money market type investments, certificates of deposits and other deposits with financial institutions. As of June 30, 2022, the fair value of all investments held by the Treasurer's Office was \$387,734,364 and the fair value of the District's proportionate share of the pool was \$25,731,376.

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

DEPOSITS AND INVESTMENTS IN THE CUSTODY OF THE DISTRICT

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

	Carrying Value	Bank Balance
Deposits with Financial Institutions	\$ 37,027	36,717

The District maintains \$100 in petty cash.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District's Investment Officer to meet the District's ongoing need for safety, liquidity, and rate of return.

Custodial Credit Risk - Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2022, the bank balance of the District's deposits with financial institutions totaled \$36,717; this entire amount was insured through FDIC insurance.

PROPERTY TAXES

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2021 levy resolution was approved during the December 2, 2021 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner to real property on January 1 in any year is liable for taxes of that year.

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

PROPERTY TAXES - 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 lesser of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is “new growth” in the District’s tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation.

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

The 2021 property tax levy is recognized as a receivable in the fiscal year 2022, net of estimated uncollectible amounts approximating 1% and less amounts already received. The District considers that the first installment of the 2021 levy is to be used to finance operations in fiscal year 2022. The District has determined that the second installment of the 2021 levy is to be used to finance operations in fiscal year 2022 and has included the corresponding receivable as a deferred inflow of resources.

PERSONAL PROPERTY REPLACEMENT TAXES

Personal property replacement taxes are first allocated to the Operations and Maintenance Fund, and the balance is allocated to the remaining funds at the discretion of the District.

INTERFUND TRANSFERS

During the year, the Board of Education transferred \$65,000 in interest earned in the General Fund (Educational Accounts) to the General Fund (Tort Immunity and Judgement Accounts) and transferred \$6,000,000 from the General Fund (Working Cash Accounts) to the Capital Projects Fund.

State law allows for the above transfers.

JOINT AGREEMENTS

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

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 2,337,500	—	—	2,337,500
Construction in Progress	1,669,815	884,978	1,669,815	884,978
	<u>4,007,315</u>	<u>884,978</u>	<u>1,669,815</u>	<u>3,222,478</u>
Depreciable Capital Assets				
Buildings	57,563,948	2,038,691	—	59,602,639
Improvements Other than Buildings	2,360,083	251,640	—	2,611,723
Equipment and Vehicles	7,944,834	720,265	318,997	8,346,102
	<u>67,868,865</u>	<u>3,010,596</u>	<u>318,997</u>	<u>70,560,464</u>
Less Accumulated Depreciation				
Buildings	23,740,372	1,955,835	—	25,696,207
Improvements Other than Buildings	1,543,395	73,006	—	1,616,401
Equipment and Vehicles	6,304,614	431,949	314,252	6,422,311
	<u>31,588,381</u>	<u>2,460,790</u>	<u>314,252</u>	<u>33,734,919</u>
Total Net Depreciable Capital Assets	<u>36,280,484</u>	<u>549,806</u>	<u>4,745</u>	<u>36,825,545</u>
Total Net Capital Assets	<u>40,287,799</u>	<u>1,434,784</u>	<u>1,674,560</u>	<u>40,048,023</u>

Depreciation expense was charged to governmental activities as follows:

Regular Programs	\$ 1,545,377
Instructional Staff	105,813
General Administration	22,148
School Administration	36,911
Business	103,355
Operations and Maintenance	<u>647,186</u>
	<u>2,460,790</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LEASES RECEIVABLE

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

Lease	Term Length	Start Date	Payments	Interest Rate
Children's Care and Development Center	5 Years	July 1, 2021	\$83,017 - \$93,437 per year	0.0%

During the fiscal year, the District has recognized \$83,017 of lease revenue.

LONG-TERM DEBT

General Obligation Bonds

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

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Limited School Bonds of 2015 - Due in annual installments of \$685,000 to \$1,590,000 plus semi-annual interest at 2.50% to 4.00% through December 1, 2025.	\$ 4,070,000	—	760,000	3,310,000
General Obligation Limited School Bonds of 2016 - Due in annual installments of \$30,000 to \$1,005,000 plus semi-annual interest at 2.50% to 4.00% through December 1, 2030.	4,205,000	—	—	4,205,000
General Obligation Limited School Bonds of 2018A - Due in annual installments of \$345,000 to \$815,000 plus semi-annual interest at 4.00% through December 1, 2035.	5,565,000	—	360,000	5,205,000
General Obligation Limited School Bonds of 2021 - Due in annual installments of \$295,000 to \$1,320,000 plus semi-annual interest at 2.00% to 3.00% through December 1, 2039.	6,365,000	—	—	6,365,000
	<u>20,205,000</u>	<u>—</u>	<u>1,120,000</u>	<u>19,085,000</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liabilities Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 79,040	24,372	48,744	54,668	15,808
Total OPEB Liability - RHP	2,067,486	—	101,777	1,965,709	—
Total OPEB Liability - THIS	13,595,673	—	3,131,921	10,463,752	—
Net Pension Liability - TRS	1,231,407	—	160,190	1,071,217	—
General Obligation Bonds	20,205,000	—	1,120,000	19,085,000	1,165,000
Plus: Unamortized Premium	1,540,807	—	135,877	1,404,930	10,934
	<u>38,719,413</u>	<u>24,372</u>	<u>4,698,509</u>	<u>34,045,276</u>	<u>1,191,742</u>

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

Legal Debt Margin

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. At year-end the legal debt margin is as follows:

Assessed Valuation - 2020*	<u>\$ 737,935,823</u>
Legal Debt Limit - 6.9% of Assessed Value	50,917,572
Amount of Debt Applicable to Limit	<u>(19,085,000)</u>
Legal Debt Margin	<u>31,832,572</u>

*As of the date of the report, the 2021 tax levy assessed valuation is not available.

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

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

Fiscal Year	Governmental Activities	
	General Obligation	
	Bonds	
	Principal	Interest
2023	\$ 1,165,000	640,100
2024	1,205,000	600,725
2025	1,150,000	565,000
2026	865,000	536,325
2027	895,000	505,450
2028	930,000	468,950
2029	965,000	431,050
2030	1,005,000	391,650
2031	1,080,000	352,000
2032	990,000	314,125
2033	1,085,000	275,900
2034	1,120,000	235,450
2035	1,165,000	193,500
2036	1,210,000	149,875
2037	1,245,000	108,975
2038	1,280,000	71,100
2039	1,320,000	32,100
2040	410,000	6,150
Totals	19,085,000	5,878,425

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATION

Net investment in capital assets was comprised of the following as of June 30, 2022:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 40,048,023
Plus: Unspent Bond Proceeds	1,690,200
Less: Capital Related Debt	
General Obligation Limited School Bonds of 2015	(3,310,000)
General Obligation Limited School Bonds of 2016	(4,205,000)
General Obligation Limited School Bonds of 2018A	(5,205,000)
General Obligation Limited School Bonds of 2021	(6,365,000)
Unamortized Premium	<u>(1,404,930)</u>
Net Investment in Capital Assets	<u><u>21,248,293</u></u>

FUND BALANCE CLASSIFICATIONS

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

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

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

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

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

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

Minimum Fund Balance Policy. The District's fund balance policy states that the fund balance of the operating funds should maintain a minimum fund balance greater than or equal to 50% of the budgeted expenditures.

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

	Special Revenue					Capital Projects		Totals
	General	Operations and Maintenance	Transportation	Municipal Retirement/Social Security	Debt Service	Capital Projects	Fire Prevention and Life Safety	
Fund Balances								
Nonspendable								
Prepays	\$ 408,101	7,794	—	—	—	—	—	415,895
Restricted								
Tort Immunity	223,773	—	—	—	—	—	—	223,773
Student Activities	21,953	—	—	—	—	—	—	21,953
Operations and Maintenance	—	3,018,864	—	—	—	—	—	3,018,864
Transportation	—	—	1,297,349	—	—	—	—	1,297,349
Retirement Benefits	—	—	—	527,296	—	—	—	527,296
Debt Service	—	—	—	—	567,619	—	—	567,619
Fire Prevention and Life Safety	—	—	—	—	—	—	2,268,538	2,268,538
Capital Projects	—	—	—	—	—	5,175,868	—	5,175,868
	245,726	3,018,864	1,297,349	527,296	567,619	5,175,868	2,268,538	13,101,260
Unassigned	12,684,022	—	—	—	—	—	—	12,684,022
Total Fund Balances	13,337,849	3,026,658	1,297,349	527,296	567,619	5,175,868	2,268,538	26,201,177

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

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

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

CONTINGENT LIABILITIES

Litigation

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 attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

State and Federal Aid Contingencies

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

OTHER POST-EMPLOYMENT BENEFITS

The aggregate amounts recognized for the two plans are:

	OPEB Expense/ (Revenue)	OPEB Liability	Deferred Outflows	Deferred (Inflows)
OPEB - RHP	\$ 152,406	1,965,709	364,009	(114,011)
OPEB - THIS	(913,158)	10,463,752	435,655	(4,566,653)
	(760,752)	12,429,461	799,664	(4,680,664)

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retiree's Health Plan

Plan Description

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

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

Plan Membership. As of June 30, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	175
Inactive Employee Entitled to but not yet Receiving Benefits	—
Active Employees	<u>14</u>
Total	<u><u>189</u></u>

Total OPEB Liability

The District's total OPEB liability of \$1,965,709 was measured as of June 30, 2022, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total 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	2.50%
Discount Rate	3.69%
Healthcare Cost Trend Rates	
Initial	6.25%
Ultimate	5.00%
Retirees' Share of Benefit-Related Costs	Non-Certificated employees contribute the blended average employee group cost.

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retiree's Health Plan - Continued

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

Mortality rates are based on IMFR-PUBG, TRS-PubT and MP2021FG Improvemnet.

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2021	\$ 2,067,486
Changes for the Year:	
Service Cost	83,065
Interest on the Total OPEB Liability	42,125
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	130,845
Changes of Assumptions or Other Inputs	(123,343)
Benefit Payments	(234,469)
Other Changes	—
Net Changes	<u>(101,777)</u>
Balance at June 30, 2022	<u>1,965,709</u>

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

The following presents the total OPEB liability, calculated using a single discount rate of 3.69%, while the prior valuation used 2.16%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (2.69%)	Current Discount Rate (3.69%)	1% Increase (4.69%)
Total OPEB Liability	\$ 2,064,444	1,965,709	1,871,582

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retiree's Health Plan - Continued

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

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

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 1,904,669	1,965,709	2,030,006

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

For the year ended June 30, 2022, the District recognized OPEB expense of \$152,406. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 224,526	—	224,526
Change in Assumptions	139,483	(114,011)	25,472
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	364,009	(114,011)	249,998

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retiree's Health Plan - Continued

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

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

Fiscal Year	Net Deferred Outflows of Resources
2023	\$ 27,216
2024	27,216
2025	27,216
2026	27,216
2027	27,216
Thereafter	<u>113,918</u>
Total	<u><u>249,998</u></u>

Teachers' Health Insurance Security Fund

Plan Description

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the City of Chicago. THIS health coverage includes provisions for medical, prescription drug, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Beginning February 1, 2015, annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage Plans.

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

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

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund - Continued

Plan Description - Continued

On Behalf Contributions to THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.90 percent of pay during the year ended June 30, 2022. State of Illinois contributions were \$117,318, and the District recognized revenues and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2021 and June 30, 2020 were 1.24 and 1.24 percent of pay, respectively. For these years, state contributions on behalf of District employees were \$152,710 and \$149,120, respectively.

Employer Contributions to THIS Fund. The District also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2022. The employers contribution for the years ended June 30, 2021 and 2020 was 0.92 and 0.92, respectively. For the year ended June 30, 2022, 2021, and 2020 the District paid \$87,337, \$113,301, and \$110,638 to the THIS Fund, respectively, which was 100 percent of the required contribution.

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

Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Inflation:	2.50%
Salary Increases:	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment Rate of Return:	2.75%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare Cost Trend Rates:	For fiscal years on and after 2021, trend starts at 8.25% for non-Medicare cost and Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate adjustment due to the repeal of the Excise Tax.

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund - Continued

Plan Description - Continued

Actuarial Assumptions - Continued. Mortality rates for retirement and beneficiary annuitants were based on the RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. For disabled annuitant, mortality rates were based on the RP-2014 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, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

Single Discount Rate

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

Since TRIP is financed on a pay-as-you-go basis, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index described above. The discount rates are 2.45 percent as of June 30, 2020, and 1.92 percent as of June 30, 2021.

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

The following presents the District's proportionate share of the collective net OPEB liability, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (0.92%)	Current Discount Rate (1.92%)	1% Increase (2.92%)
Employer's Proportionate Share of the OPEB Liability	\$ 12,570,023	10,463,752	8,794,209

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund - Continued

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

The following table shows the plan's net OPEB liability as of June 30, 2021, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower. The current claims trend rates are 8.00% in plan year end 2023, decreasing to an ultimate trend rate of 4.25% in plan year end 2038.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Employer's Proportionate Share of the OPEB Liability	\$ 8,376,744	10,463,752	13,298,751

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

At June 30, 2022, the District reported a liability for its proportionate share of the net OPEB liability that reflected a reduction for State OPEB support provided to the District. The collective net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of the District, actuarially determined. At June 30, 2021, the District's proportion was 0.047443 percent, which was a decrease of 0.000095 from its proportion measured as of June 30, 2020 (0.047538 percent).

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

Employer's Proportionate Share of the Net OPEB Liability	\$ 10,463,752
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>14,149,598</u>
Total	<u><u>24,613,350</u></u>

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund - Continued

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

For the year ending June 30, 2022, the District recognized OPEB revenue and expense of \$117,318 for support provided by the State. For the year ending June 30, 2022, the District recognized OPEB revenue of \$913,158. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ —	(489,481)	(489,481)
Net Difference Between Projected and Actual Earnings on Pension Investments	3,612	(3,918,204)	(3,914,592)
Changes of Assumptions	165	(201)	(36)
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	344,541	(158,767)	185,774
Total Pension Expense to be Recognized in Future Periods	348,318	(4,566,653)	(4,218,335)
Employer Contributions Subsequent to the Measurement Date	87,337	—	87,337
Totals	435,655	(4,566,653)	(4,130,998)

For the fiscal year ended, \$87,337 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2023	\$ (791,639)
2024	(791,572)
2025	(685,357)
2026	(525,314)
2027	(483,176)
Thereafter	(941,277)
Total	(4,218,335)

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS

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

The aggregate amounts recognized for the two pension plans are:

	Pension (Revenue)	Net Pension Liability/ (Asset)	Deferred Outflows	Deferred Inflows
TRS	\$ (36,102)	1,071,217	119,153	(210,379)
IMRF	(388,444)	(1,613,993)	161,591	(2,053,289)
	<u>(424,546)</u>	<u>(542,776)</u>	<u>280,744</u>	<u>(2,263,668)</u>

Teachers' Retirement System (TRS)

Plan Descriptions, Provisions and Funding Policies

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can only be made by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for TRS's administration. TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/acfrs>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling 888-678-3675, option 2.

Benefits Provided

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

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

Benefits Provided - Continued

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. One program allows retiring Tier 1 members to receive a partial lumpsum 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, 2021, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2022, State of Illinois contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$6,439,513 in pension contributions from the State.

2.2 Formula Contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2022 were \$75,605 and are deferred because they were paid after the June 30, 2021 measurement date.

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

Contributions - Continued

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

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

For the fiscal year ended June 30, 2022, the employer pension contribution was 10.31 percent of salaries paid from federal and special trust funds. For the fiscal year ended June 30, 2021, the employer pension contribution was 9.41 percent of salaries paid from those funds. For the fiscal year ended June 30, 2022, salaries totaling \$359,513 were paid from federal and special trust funds that required employer contributions of \$37,066. These contributions are deferred because they were paid after the June 30, 2021 measurement date.

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2022, the employer paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent, \$11,173 for salary increases in excess of 3 percent and \$0 for sick leave days granted in excess of the normal annual allotment. For the year ended June 30, 2021, the District paid \$1,467 to TRS for employer contributions due on salary increase in excess of 3 percent, \$8,981 for contributions on salaries in excess of the Governor's statutory salary and paid \$0 for sick leave days granted in excess of the normal annual allotment.

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

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

Employer's Proportionate Share of the Net Pension Liability	\$ 1,071,217
State's Proportionate Share of the Net Pension Liability Associated with the Employer	<u>89,779,366</u>
Total	<u><u>90,850,583</u></u>

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

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

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2021 relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2021, the employer's proportion was 0.0014 percent, which was a decrease of 0.0001 percent from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the employer recognized pension expense of \$6,439,513 and revenue of \$6,439,513 for support provided by the state.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ 6,145	(4,417)	1,728
Net Difference Between Projected and Actual Earnings on Pension Investments	—	(71,854)	(71,854)
Changes of Assumptions	475	(5,293)	(4,818)
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	6,289	(128,815)	(122,526)
Total Pension Expense to be Recognized in Future Periods	12,909	(210,379)	(197,470)
Employer Contributions Subsequent to the Measurement Date	106,244	—	106,244
Totals	119,153	(210,379)	(91,226)

\$106,244 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

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

Fiscal Year	Net Deferred (Inflows) of Resources
2023	\$ (57,403)
2024	(52,050)
2025	(42,057)
2026	(40,593)
2027	(5,367)
Thereafter	<u>—</u>
Total	<u><u>(197,470)</u></u>

Actuarial Assumptions

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

Inflation: 2.25 Percent

Salary Increases: Varies by Amount of Service Credit

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

In the June 30, 2021 actuarial valuation, mortality rates were based on the PubT -2010 Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2020. In the June 30, 2020 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2017.

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

Actuarial Assumptions - Continued

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large Cap	16.7%	6.2%
U.S. Small/Mid Cap	2.2%	7.4%
International Equities Developed	10.6%	6.9%
Emerging Market Equities	4.5%	9.2%
U.S. Bonds Core	3.0%	1.6%
Cash Equivalents	2.0%	0.1%
TIPS	1.0%	0.8%
International Debt Developed	1.0%	0.4%
Emerging International Debt	4.0%	4.4%
Real Estate	16.0%	5.8%
Private Debt	10.0%	6.5%
Hedge Funds	10.0%	3.9%
Private Equity	15.0%	10.4%
Infrastructure	4.0%	6.3%
Total	100.0%	

Discount Rate

At June 30, 2021, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2020 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions and state contributions will be made at the current statutorily-required rates.

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

Discount Rate - Continued

Based on those assumptions, TRS's fiduciary net position at June 30, 2021 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier 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.

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

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's Proportionate Share of the OPEB Liability	\$ 1,326,680	1,071,217	859,021

TRS Fiduciary Net Position

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

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

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

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

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

Plan Membership. As of December 31, 2021, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	144
Inactive Plan Members Entitled to but not yet Receiving Benefits	159
Active Plan Members	<u>50</u>
Total	<u><u>353</u></u>

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Contributions. As set by statute, the District's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the fiscal year ended June 30, 2022, the District's contribution was 11.00% of covered payroll.

Net Pension (Asset). The District's net pension (asset) was measured as of December 31, 2021. The total pension liability used to calculate the net pension (asset) was determined by an actuarial valuation as of that date.

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	3.25%
Inflation	2.25%

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

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.00%	(0.60%)
Domestic Equities	39.00%	1.90%
International Equities	15.00%	3.15%
Real Estate	10.00%	3.30%
Blended	10.00%	1.70% - 5.50%
Cash and Cash Equivalents	1.00%	(0.90%)

Discount Rate

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

Discount Rate Sensitivity

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

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate Sensitivity - Continued

		Current	
	1% Decrease	Discount Rate	1% Increase
	(6.25%)	(7.25%)	(8.25%)
Net Pension Liability/(Asset)	\$ 1,097	(1,613,993)	(2,926,455)

Changes in the Net Pension (Asset)

	Total		
	Pension	Plan Fiduciary	Net Pension
	Liability	Net Position	(Asset)
	(A)	(B)	(A) - (B)
Balances at December 31, 2020	\$ 15,094,856	15,309,572	(214,716)
Changes for the Year:			
Service Cost	184,388	—	184,388
Interest on the Total Pension Liability	1,066,781	—	1,066,781
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual			
Experience of the Total Pension Liability	381,523	—	381,523
Changes of Assumptions	—	—	—
Contributions - Employer	—	264,622	(264,622)
Contributions - Employees	—	102,574	(102,574)
Net Investment Income	—	2,620,296	(2,620,296)
Benefit Payments, Including Refunds			
of Employee Contributions	(945,655)	(945,655)	—
Other (Net Transfer)	—	44,477	(44,477)
Net Changes	687,037	2,086,314	(1,399,277)
Balances at December 31, 2021	15,781,893	17,395,886	(1,613,993)

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended June 30, 2022, the District recognized pension revenue of \$388,444. At June 30, 2022, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ 48,257	—	48,257
Changes of Assumptions	—	—	—
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	(2,053,289)	(2,053,289)
Total Pension Expense to be Recognized in Future Periods	48,257	(2,053,289)	(2,005,032)
Pension Contributions Made Subsequent to the Measurement Date	113,334	—	113,334
Total Deferred Amounts Related to IMRF	<u>161,591</u>	<u>(2,053,289)</u>	<u>(1,891,698)</u>

\$113,334 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2023	\$ (394,069)
2024	(795,193)
2025	(509,829)
2026	(305,941)
2027	—
Thereafter	—
Total	<u>(2,005,032)</u>

REQUIRED SUPPLEMENTARY INFORMATION

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

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

Notes to the Required Supplementary Information

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

LINCOLNWOOD SCHOOL DISTRICT 74

Retiree's Health Plan

Schedule of Changes in the Employer's Total OPEB Liability

June 30, 2022

See Following Page

LINCOLNWOOD SCHOOL DISTRICT 74

Retiree's Health Plan

Schedule of Changes in the Employer's Total OPEB Liability

June 30, 2022

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

Notes:

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2018 - 2022.

6/30/2019	6/30/2020	6/30/2021	6/30/2022
233,946	217,888	102,171	83,065
183,489	173,718	45,602	42,125
—	(3,169,801)	—	—
—	133,068	—	130,845
141,198	56,249	4,493	(123,343)
(347,558)	(325,643)	(296,439)	(234,469)
—	—	—	—
211,075	(2,914,521)	(144,173)	(101,777)
4,915,105	5,126,180	2,211,659	2,067,486
5,126,180	2,211,659	2,067,486	1,965,709
14,076,363	14,373,723	14,733,066	14,293,229
36.42%	15.39%	14.03%	13.75%

LINCOLNWOOD SCHOOL DISTRICT 74

**Teacher's Health Insurance Security Fund
Schedule of Employer Contributions
June 30, 2022**

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

Note:

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

LINCOLNWOOD SCHOOL DISTRICT 74

**Teacher's Health Insurance Security Fund
Schedule of Employer Contributions - Continued
June 30, 2022**

Notes to the Schedule of Employer Contributions

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Sponsor's Fiscal Year End	June 30, 2022

Methods and Assumptions Used to Determine Actuarial Liability and Contributions:

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you-go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2021, contribution rates are 1.24% of pay for active members, 0.92% of pay for school districts, and 1.24% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Fair Value
Investment Rate of Return	2.75%, net of OPEB plan investment expense, including inflation, for all plan years.
Inflation	2.50%
Salary Increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2018 actuarial valuation.
Mortality	Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. Disabled Annuitants: RP-2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017.
Healthcare Cost Trend Rates	Trend for fiscal year ending 2022 bases on expected increases used to develop average costs. For fiscal years on and after 2023, trend starts at 8.00% gradually decreases to an ultimate trend of 4.25%.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

LINCOLNWOOD SCHOOL DISTRICT 74

Teacher's Health Insurance Security Fund

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

June 30, 2022

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

Notes:

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

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

6/30/19	6/30/20	6/30/21	6/30/22
0.048192%	0.047521%	0.047538%	0.047443%
12,696,479	13,152,640	12,709,607	10,463,752
17,048,632	16,663,057	17,218,085	14,149,598
29,745,111	29,815,697	29,927,692	24,613,350
11,328,576	11,767,192	12,025,829	12,315,343
112.07%	111.77%	105.69%	84.97%
(0.07%)	0.25%	0.70%	1.40%

LINCOLNWOOD SCHOOL DISTRICT 74

Teachers' Retirement System

**Schedule of the Employer's Proportionate Share of the Net Pension Liability and Employer Contributions
June 30, 2022**

	6/30/15	6/30/16
Employer's Proportion of the Net Pension Liability	0.0017%	0.0017%
Employer's Proportionate Share of the Net Pension Liability	\$ 1,017,164	1,119,875
State's Proportionate Share of the Net Pension Liability Associated with the Employer	63,431,351	66,871,248
Total	64,448,515	67,991,123
Employer's Covered Payroll	\$ 10,321,300	10,426,039
Employer's Proportionate Share of the Net Pension Liability as a % of its Covered-Employee Payroll	9.85%	10.74%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	43.00%	41.50%
Contractually-Required Contribution	\$ 59,633	59,900
Contributions in Relation to the Contractually Required Contribution	58,002	59,633
Contribution Deficiency (Excess)	1,631	267
Employer's Covered Payroll	\$ 10,321,300	10,426,039
Contributions as a % of Covered Payroll	0.56%	0.57%

Notes:

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

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

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

For the 2020-2016 measurement years, the assumed investment rate of return was 7.0, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively.

For the 2015 measurement year, the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three year period ending June 30, 2014.

For the 2014 measurement year, the assumed investment rate of return was also 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. However, salary increases were assumed to vary by age.

6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22
0.0014%	0.0017%	0.0016%	0.0015%	0.0014%	0.0014%
1,091,688	1,310,767	1,231,558	1,225,651	1,231,407	1,071,217
73,297,917	90,235,898	84,366,887	87,228,212	96,450,211	89,779,366
74,389,605	91,546,665	85,598,445	88,453,863	97,681,618	90,850,583
10,996,376	11,328,576	11,767,192	12,025,829	12,315,343	13,065,370
9.93%	11.57%	10.47%	10.19%	10.00%	8.20%
36.44%	39.26%	40.00%	40.00%	37.80%	45.10%
63,778	65,706	87,524	79,827	82,156	112,671
63,739	65,649	109,912	79,830	80,659	106,244
39	57	(22,388)	(3)	1,497	6,427
10,996,376	11,328,576	11,767,192	12,025,829	12,315,343	13,065,370
0.58%	0.58%	0.93%	0.66%	0.65%	0.81%

LINCOLNWOOD SCHOOL DISTRICT 74

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
June 30, 2022**

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

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Note:

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

LINCOLNWOOD SCHOOL DISTRICT 74

Illinois Municipal Retirement Fund

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

June 30, 2022

See Following Page

LINCOLNWOOD SCHOOL DISTRICT 74

Illinois Municipal Retirement Fund

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

June 30, 2022

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

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

12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21
204,493	188,711	187,972	220,484	211,783	184,388
970,705	1,002,894	1,021,965	1,048,767	1,058,346	1,066,781
32,813	342,512	99,900	(231,025)	(66,934)	381,523
(28,764)	(454,888)	371,277	—	(132,888)	—
(751,382)	(802,170)	(846,999)	(868,644)	(934,862)	(945,655)
427,865	277,059	834,115	169,582	135,445	687,037
13,250,790	13,678,655	13,955,714	14,789,829	14,959,411	15,094,856
13,678,655	13,955,714	14,789,829	14,959,411	15,094,856	15,781,893
244,955	214,131	264,508	210,872	295,099	264,622
91,764	84,117	102,795	96,766	92,241	102,574
802,273	2,165,052	(769,616)	2,288,429	2,006,552	2,620,296
(751,382)	(802,170)	(846,999)	(868,644)	(934,862)	(945,655)
141,625	(228,569)	(248,508)	71,222	(77,252)	44,477
529,235	1,432,561	(1,497,820)	1,798,645	1,381,778	2,086,314
11,665,173	12,194,408	13,626,969	12,129,149	13,927,794	15,309,572
12,194,408	13,626,969	12,129,149	13,927,794	15,309,572	17,395,886
1,484,247	328,745	2,660,680	1,031,617	(214,716)	(1,613,993)
89.15%	97.64%	82.01%	93.10%	101.42%	110.23%
1,721,391	1,808,200	2,115,393	2,003,560	2,016,475	2,169,035
86.22%	18.18%	125.78%	51.49%	(10.65%)	(74.41%)

LINCOLNWOOD SCHOOL DISTRICT 74

General Fund

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

For the Fiscal Year Ended June 30, 2022

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

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local Sources					
Property Taxes	\$ 19,027,820	19,027,820	19,526,276	498,456	18,047,717
Replacement Taxes	315,000	315,000	811,525	496,525	432,917
Other	1,080,592	1,080,592	1,392,708	312,116	556,669
State Sources	1,162,880	1,162,880	1,173,336	10,456	1,165,296
Federal Sources	1,203,105	1,203,105	2,175,616	972,511	890,243
Investment Income (Loss)	110,000	110,000	(1,101,877)	(1,211,877)	167,820
Total Direct Revenues	22,899,397	22,899,397	23,977,584	1,078,187	21,260,662
On-Behalf Payments	—	—	6,556,831	6,556,831	10,424,720
Total Revenues	22,899,397	22,899,397	30,534,415	7,635,018	31,685,382
Expenditures					
Current					
Instruction	14,442,455	14,442,455	13,645,383	797,072	12,989,993
Support Services	5,975,019	5,975,019	5,597,132	377,887	5,474,509
Community Services	2,000	2,000	—	2,000	—
Payments to Other Districts and Governmental Units	2,517,500	2,517,500	2,471,205	46,295	2,136,314
Total Direct Expenditures	22,936,974	22,936,974	21,713,720	1,223,254	20,600,816
On-Behalf Payments	—	—	6,556,831	(6,556,831)	10,424,720
Total Expenditures	22,936,974	22,936,974	28,270,551	(5,333,577)	31,025,536
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,577)	(37,577)	2,263,864	2,301,441	659,846
Other Financing Sources (Uses)					
Debt Issuance	—	—	—	—	6,307,477
Premium on Debt Issuance	—	—	—	—	872,049
Transfers In	65,000	65,000	65,000	—	35,000
Transfers Out	(6,065,000)	(6,065,000)	(6,065,000)	—	(1,044,787)
	(6,000,000)	(6,000,000)	(6,000,000)	—	6,169,739
Net Change in Fund Balance	(6,037,577)	(6,037,577)	(3,736,136)	2,301,441	6,829,585
Fund Balances - Beginning			17,073,985		10,244,400
Fund Balance - Ending			13,337,849		17,073,985

LINCOLNWOOD SCHOOL DISTRICT 74

Operations and Maintenance - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local Sources					
General Levy	\$ 2,201,502	2,201,502	2,261,022	59,520	2,097,987
Investment Income (Loss)	25,000	25,000	(291,441)	(316,441)	24,533
Rentals	124,558	124,558	103,575	(20,983)	78,778
Total Local Sources	<u>2,351,060</u>	<u>2,351,060</u>	<u>2,073,156</u>	<u>(277,904)</u>	<u>2,201,298</u>
Federal Sources					
Other Restricted Revenue from Federal Sources	205,475	205,475	—	(205,475)	14,502
Total Revenues	<u>2,556,535</u>	<u>2,556,535</u>	<u>2,073,156</u>	<u>(483,379)</u>	<u>2,215,800</u>
Expenditures					
Support Services					
Business					
Operation and Maintenance of Plant Services					
Salaries	509,517	509,517	509,451	66	472,023
Employee Benefits	72,183	72,183	72,394	(211)	74,382
Purchased Services	957,675	957,675	952,504	5,171	888,720
Supplies and Materials	498,650	498,650	457,608	41,042	424,821
Capital Outlay	254,000	254,000	100,994	153,006	13,996
Other Objects	1,750	1,750	—	1,750	1,710
Non-Capitalized Equipment	18,000	18,000	4,556	13,444	33,923
Total Expenditures	<u>2,311,775</u>	<u>2,311,775</u>	<u>2,097,507</u>	<u>214,268</u>	<u>1,909,575</u>
Net Change in Fund Balance	<u>244,760</u>	<u>244,760</u>	(24,351)	<u>(269,111)</u>	306,225
Fund Balance - Beginning			<u>3,051,009</u>		<u>2,744,784</u>
Fund Balance - Ending			<u>3,026,658</u>		<u>3,051,009</u>

LINCOLNWOOD SCHOOL DISTRICT 74

**Transportation - Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2022
 (with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)**

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local Sources					
General Levy	\$ 589,808	589,808	662,266	72,458	490,163
Corporate Personal Property					
Replacement Taxes	170,000	170,000	526,240	356,240	211,250
Investment Income (Loss)	10,000	10,000	(118,888)	(128,888)	11,451
Other Revenue from Local Sources	—	—	—	—	6,214
Total Local Sources	769,808	769,808	1,069,618	299,810	719,078
State Sources					
Transportation - Regular/Vocational	130,000	130,000	82,995	(47,005)	162,234
Transportation - Special Education	230,000	230,000	226,721	(3,279)	274,454
Total State Sources	360,000	360,000	309,716	(50,284)	436,688
Total Revenues	1,129,808	1,129,808	1,379,334	249,526	1,155,766
Expenditures					
Support Services					
Business					
Pupil Transport Services					
Purchased Services	1,285,000	1,285,000	1,321,025	(36,025)	938,270
Net Change in Fund Balance	(155,192)	(155,192)	58,309	213,501	217,496
Fund Balance - Beginning			<u>1,239,040</u>		<u>1,021,544</u>
Fund Balance - Ending			<u>1,297,349</u>		<u>1,239,040</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Municipal Retirement/Social Security - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2022

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

	2022				2021 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Revenues					
Local Sources					
General Levy	\$ 176,309	176,309	187,593	11,284	178,185
Social Security/Medicare Only Levy	355,215	355,215	351,303	(3,912)	316,279
Corporate Personal Property					
Replacement Taxes	135,000	135,000	367,679	232,679	138,241
Investment Income (Loss)	3,405	3,405	(50,439)	(53,844)	4,204
Total Revenues	669,929	669,929	856,136	186,207	636,909
Expenditures					
Instruction					
Regular Programs	122,203	122,203	118,597	3,606	109,667
Pre-K Programs	11,741	11,741	9,684	2,057	11,072
Special Education Programs	88,740	88,740	59,666	29,074	68,554
Remedial and Supplemental Programs K-12	8,262	8,262	7,835	427	6,842
Interscholastic Programs	3,035	3,035	3,431	(396)	987
Summer School Programs	607	607	1,811	(1,204)	—
Gifted Programs	4,561	4,561	4,466	95	3,204
Bilingual Programs	9,707	9,707	9,595	112	9,138
Total Instruction	248,856	248,856	215,085	33,771	209,464
Support Services					
Pupils					
Attendance and Social Work Services	5,693	5,693	5,313	380	5,466
Health Services	35,827	35,827	27,475	8,352	25,547
Psychological Services	2,270	2,270	2,347	(77)	2,382
Speech Pathology and Audiology Services	4,081	4,081	3,582	499	3,720
Other Support Services - Pupils	9,504	9,504	5,569	3,935	3,464
Total Pupils	57,375	57,375	44,286	13,089	40,579
Instructional Staff					
Improvement of Instruction Services	16,515	16,515	15,528	987	16,343
Educational Media Services	3,822	3,822	3,691	131	3,429
Total Instructional Staff	20,337	20,337	19,219	1,118	19,772

LINCOLNWOOD SCHOOL DISTRICT 74

Municipal Retirement/Social Security - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2020)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Support Services - Continued					
General Administration					
Executive Administration Services	\$ 3,914	3,914	4,085	(171)	3,857
Special Area Administration Services	5,137	5,137	5,010	127	5,071
Total General Administration	9,051	9,051	9,095	(44)	8,928
School Administration					
Office of the Principal Services	37,093	37,093	36,236	857	53,328
Business					
Direction of Business Support Services	2,654	2,654	2,630	24	2,568
Fiscal Services	41,257	41,257	38,494	2,763	43,131
Operations and Maintenance of					
Plant Services	95,539	95,539	90,491	5,048	98,887
Food Services	43,287	43,287	40,464	2,823	46,608
Total Business	182,737	182,737	172,079	10,658	191,194
Central					
Information Services	17,671	17,671	15,539	2,132	16,590
Data Processing Services	66,264	66,264	61,000	5,264	71,170
Total Central	83,935	83,935	76,539	7,396	87,760
Total Support Services	390,528	390,528	357,454	33,074	401,561
Total Expenditures	639,384	639,384	572,539	66,845	611,025
Net Change in Fund Balance	30,545	30,545	283,597	253,052	25,884
Fund Balance - Beginning			243,699		217,815
Fund Balance - Ending			527,296		243,699

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

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

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Operations and Maintenance Fund

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

Transportation Fund

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

Municipal Retirement/Social Security Fund

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

DEBT SERVICE FUND

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

INDIVIDUAL FUND DESCRIPTIONS

CAPITAL PROJECTS FUND

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

Capital Projects Fund

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

Fire Prevention and Life Safety Fund

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

LINCOLNWOOD SCHOOL DISTRICT 74

**General Fund - by Accounts
Combining Balance Sheet
June 30, 2022**

	Educational Account	Tort Immunity and Judgment Account	Working Cash Account	Totals
ASSETS				
Cash and Investments	\$ 11,759,714	223,773	771,467	12,754,954
Receivables - Net of Allowances				
Property Taxes	8,852,432	156,442	375	9,009,249
Intergovernmental	1,180,417	—	—	1,180,417
Prepays	253,628	154,473	—	408,101
Total Assets	22,046,191	534,688	771,842	23,352,721
LIABILITIES				
Accounts Payable	65,282	—	—	65,282
Salaries and Wages Payable	582,608	—	—	582,608
Total Liabilities	647,890	—	—	647,890
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	8,852,432	156,442	375	9,009,249
Lease	357,733	—	—	357,733
Total Deferred Inflows of Resources	9,210,165	156,442	375	9,366,982
Total Liabilities and Deferred Inflows of Resources	9,858,055	156,442	375	10,014,872
FUND BALANCES				
Nonspendable	253,628	154,473	—	408,101
Restricted	21,953	223,773	—	245,726
Unassigned	11,912,555	—	771,467	12,684,022
Total Fund Balances	12,188,136	378,246	771,467	13,337,849
Total Liabilities, Deferred Inflows of Resources and Fund Balances	22,046,191	534,688	771,842	23,352,721

LINCOLNWOOD SCHOOL DISTRICT 74

General Fund - by Accounts

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2022

	Educational Account	Tort Immunity and Judgment Account	Working Cash Account	Totals
Revenues				
Local Sources				
Property Taxes	\$ 19,321,913	118,804	85,559	19,526,276
Corporate Personal Property				
Replacement Taxes	611,525	200,000	—	811,525
Investment Income (Loss)	(1,065,581)	(23,242)	(13,054)	(1,101,877)
Other	1,392,708	—	—	1,392,708
State Sources	1,173,336	—	—	1,173,336
Federal Sources	2,175,616	—	—	2,175,616
On-Behalf Payments	6,556,831	—	—	6,556,831
Total Revenues	30,166,348	295,562	72,505	30,534,415
Expenditures				
Current				
Instruction				
Regular Programs	9,999,062	—	—	9,999,062
Special Programs	2,084,567	—	—	2,084,567
Other Instructional Programs	1,561,754	—	—	1,561,754
Support Services				
Pupils	1,251,440	—	—	1,251,440
Instructional Staff	782,569	—	—	782,569
General Administration	751,148	184,274	—	935,422
School Administration	879,729	—	—	879,729
Business	1,083,833	—	—	1,083,833
Central	664,139	—	—	664,139
Payments to Other Districts and Government Units	2,471,205	—	—	2,471,205
On-Behalf Expenditures	6,556,831	—	—	6,556,831
Total Expenditures	28,086,277	184,274	—	28,270,551
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,080,071	111,288	72,505	2,263,864
Other Financing Sources (Uses)				
Transfers In	—	65,000	—	65,000
Transfers Out	(65,000)	—	(6,000,000)	(6,065,000)
	(65,000)	65,000	(6,000,000)	(6,000,000)
Net Change in Fund Balance	2,015,071	176,288	(5,927,495)	(3,736,136)
Fund Balances - Beginning	10,173,065	201,958	6,698,962	17,073,985
Fund Balances - Ending	12,188,136	378,246	771,467	13,337,849

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local Sources					
General Levy	\$ 18,547,147	18,547,147	18,973,697	426,550	17,630,241
Special Education Levy	344,623	344,623	348,216	3,593	319,178
Corporate Personal Property Replacement Taxes	315,000	315,000	611,525	296,525	432,917
Regular - Tuition from Other Districts	161,000	161,000	192,215	31,215	140,902
Summer School - Tuition from Pupils or Parents (in State)	15,000	15,000	35,800	20,800	29,430
Investment Income (Loss)	100,000	100,000	(1,065,581)	(1,165,581)	122,312
Sales to Pupils - Lunch	110,000	110,000	144,637	34,637	55,872
Fees	58,400	58,400	86,129	27,729	74,500
Book Store Sales	1,500	1,500	1,795	295	(1,993)
Other Pupil Activity Revenue	30,000	30,000	32,165	2,165	35,973
Rentals - Regular Textbook	45,000	45,000	56,160	11,160	62,648
Rentals - Summer School Textbook	40,000	40,000	48,188	8,188	53,702
Rentals - Adult/Continuing Education Textbook	5,000	5,000	4,050	(950)	800
Refund of Prior Years' Expenditures	22,942	22,942	55,000	32,058	56,592
Student Activity Fund	—	—	1,114	1,114	1,579
Other	591,750	591,750	735,455	143,705	46,664
Total Local Sources	20,387,362	20,387,362	20,260,565	(126,797)	19,061,317
State Sources					
General State Aid	1,160,000	1,160,000	1,164,227	4,227	1,162,898
Private Facility Tuition	2,000	2,000	7,903	5,903	629
Technology - Technology for Success	880	880	1,206	326	1,769
Total State Sources	1,162,880	1,162,880	1,173,336	10,456	1,165,296
Federal Sources					
Special Milk Program	6,000	6,000	11,067	5,067	4,133
Title I - Low Income	267,728	267,728	393,430	125,702	182,993
Federal - Special Education					
IDEA Flow-Through	299,600	299,600	310,328	10,728	299,345
IDEA Room and Board	131,968	131,968	140,858	8,890	132,336
Title III - English Language Acquisition	40,000	40,000	28,128	(11,872)	26,726
Title II - Teacher Quality	25,000	25,000	1,575	(23,425)	3,799

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Revenues - Continued					
Federal Sources - Continued					
Medicaid Matching Funds					
Administrative Outreach	\$ —	—	26,183	26,183	11,439
Fee-For-Service Program	—	—	31,789	31,789	17,329
Other Federal Sources	432,809	432,809	1,232,258	799,449	212,143
Total Federal Sources	1,203,105	1,203,105	2,175,616	972,511	890,243
Total Direct Revenues	22,753,347	22,753,347	23,609,517	856,170	21,116,856
On-Behalf Payments	—	—	6,556,831	6,556,831	10,424,720
Total Revenues	22,753,347	22,753,347	30,166,348	7,413,001	31,541,576
Expenditures					
Instruction					
Regular Programs					
Salaries	7,769,901	7,769,901	7,543,401	226,500	7,543,532
Employee Benefits	1,188,398	1,188,398	976,044	212,354	1,108,906
Purchased Services	241,500	241,500	241,387	113	167,016
Supplies and Materials	655,345	655,345	555,133	100,212	207,003
Capital Outlay	192,500	192,500	96,512	95,988	163,777
Other Objects	1,200	1,200	—	1,200	598
Non-Capitalized Equipment	97,000	97,000	178,364	(81,364)	67,842
Termination Benefits	405,933	405,933	408,221	(2,288)	455,321
Total Instruction	10,551,777	10,551,777	9,999,062	552,715	9,713,995
Pre-K Programs					
Salaries	218,560	218,560	218,249	311	237,193
Employee Benefits	66,354	66,354	54,930	11,424	79,268
Supplies and Materials	3,800	3,800	3,191	609	1,463
Non-Capitalized Equipment	1,000	1,000	916	84	—
Total Pre-K Programs	289,714	289,714	277,286	12,428	317,924

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Instruction - Continued					
Special Education Programs					
Salaries	\$ 1,276,974	1,276,974	1,145,174	131,800	1,039,790
Employee Benefits	295,770	295,770	220,590	75,180	233,240
Purchased Services	500	500	1,910	(1,410)	1,327
Supplies and Materials	4,200	4,200	2,950	1,250	1,808
Capital Outlay	8,000	8,000	5,476	2,524	—
Other Objects	300	300	355	(55)	180
Non-Capitalized Equipment	3,000	3,000	5,539	(2,539)	6,902
	<u>1,588,744</u>	<u>1,588,744</u>	<u>1,381,994</u>	<u>206,750</u>	<u>1,283,247</u>
Remedial and Supplemental Programs K-12					
Salaries	569,777	569,777	568,574	1,203	497,470
Employee Benefits	81,656	81,656	80,952	704	72,005
Purchased Services	45,303	45,303	45,277	26	34,584
Supplies and Materials	8,900	8,900	7,770	1,130	4,740
	<u>705,636</u>	<u>705,636</u>	<u>702,573</u>	<u>3,063</u>	<u>608,799</u>
Interscholastic Programs					
Salaries	90,000	90,000	79,474	10,526	23,903
Employee Benefits	1,240	1,240	793	447	306
Supplies and Materials	1,500	1,500	2,859	(1,359)	991
Capital Outlay	1,000	1,000	—	1,000	—
Other Objects	3,700	3,700	3,500	200	3,500
	<u>97,440</u>	<u>97,440</u>	<u>86,626</u>	<u>10,814</u>	<u>28,700</u>
Summer School Programs					
Salaries	41,819	41,819	61,136	(19,317)	—
Employee Benefits	1,022	1,022	2,661	(1,639)	—
Supplies and Materials	4,500	4,500	2,054	2,446	151
	<u>47,341</u>	<u>47,341</u>	<u>65,851</u>	<u>(18,510)</u>	<u>151</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022				2021 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Instruction - Continued					
Gifted Programs					
Salaries	\$ 314,460	314,460	323,604	(9,144)	235,728
Employee Benefits	64,606	64,606	41,375	23,231	26,161
Supplies and Materials	3,500	3,500	3,716	(216)	903
	<u>382,566</u>	<u>382,566</u>	<u>368,695</u>	<u>13,871</u>	<u>262,792</u>
Bilingual Programs					
Salaries	670,884	670,884	666,485	4,399	666,844
Employee Benefits	87,803	87,803	84,348	3,455	91,687
Purchased Services	1,950	1,950	1,800	150	227
Supplies and Materials	18,600	18,600	10,050	8,550	14,985
	<u>779,237</u>	<u>779,237</u>	<u>762,683</u>	<u>16,554</u>	<u>773,743</u>
Student Activity Fund					
Other Objects	—	—	613	(613)	642
	<u>14,442,455</u>	<u>14,442,455</u>	<u>13,645,383</u>	<u>797,072</u>	<u>12,989,993</u>
Support Services					
Pupils					
Attendance and Social Work Services					
Salaries	392,546	392,546	375,341	17,205	387,452
Employee Benefits	25,044	25,044	26,220	(1,176)	31,915
Supplies and Materials	1,400	1,400	277	1,123	432
	<u>418,990</u>	<u>418,990</u>	<u>401,838</u>	<u>17,152</u>	<u>419,799</u>
Health Services					
Salaries	191,053	191,053	155,767	35,286	130,820
Employee Benefits	45,132	45,132	34,545	10,587	29,469
Purchased Services	1,500	1,500	37,239	(35,739)	54,779
Supplies and Materials	20,940	20,940	16,140	4,800	77,404
Capital Outlay	2,250	2,250	451	1,799	—
Other Objects	750	750	—	750	418
Non-Capitalized Equipment	1,600	1,600	—	1,600	—
	<u>263,225</u>	<u>263,225</u>	<u>244,142</u>	<u>19,083</u>	<u>292,890</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Support Services - Continued					
Pupils - Continued					
Psychological Services					
Salaries	\$ 156,500	156,500	174,217	(17,717)	175,397
Employee Benefits	34,871	34,871	33,242	1,629	30,771
Purchased Services	2,500	2,500	—	2,500	2,477
Supplies and Materials	800	800	106	694	—
	<u>194,671</u>	<u>194,671</u>	<u>207,565</u>	<u>(12,894)</u>	<u>208,645</u>
Speech Pathology and Audiology Services					
Salaries	281,336	281,336	264,844	16,492	276,485
Employee Benefits	32,858	32,858	35,049	(2,191)	32,954
Purchased Services	—	—	147	(147)	—
Supplies and Materials	900	900	1,845	(945)	299
	<u>315,094</u>	<u>315,094</u>	<u>301,885</u>	<u>13,209</u>	<u>309,738</u>
Other Support Services - Pupils					
Salaries	125,979	125,979	95,585	30,394	65,108
Employee Benefits	987	987	425	562	363
	<u>126,966</u>	<u>126,966</u>	<u>96,010</u>	<u>30,956</u>	<u>65,471</u>
Total Pupils	<u>1,318,946</u>	<u>1,318,946</u>	<u>1,251,440</u>	<u>67,506</u>	<u>1,296,543</u>
Instructional Staff					
Improvement of Instructional Services					
Salaries	432,388	432,388	372,154	60,234	361,375
Employee Benefits	45,017	45,017	39,879	5,138	40,972
Purchased Services	63,793	63,793	28,952	34,841	14,897
Supplies and Materials	3,500	3,500	1,985	1,515	626
Other Objects	1,800	1,800	10,048	(8,248)	1,728
	<u>546,498</u>	<u>546,498</u>	<u>453,018</u>	<u>93,480</u>	<u>419,598</u>
Educational Media Services					
Salaries	263,415	263,415	263,415	—	246,143
Employee Benefits	26,965	26,965	26,192	773	26,749
Purchased Services	1,000	1,000	—	1,000	—
Supplies and Materials	9,800	9,800	9,381	419	6,675
	<u>301,180</u>	<u>301,180</u>	<u>298,988</u>	<u>2,192</u>	<u>279,567</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Support Services - Continued					
Instructional Staff - Continued					
Assessment and Testing					
Purchased Services	\$ 14,525	14,525	30,212	(15,687)	14,525
Supplies and Materials	—	—	351	(351)	—
	<u>14,525</u>	<u>14,525</u>	<u>30,563</u>	<u>(16,038)</u>	<u>14,525</u>
Total Instructional Staff	862,203	862,203	782,569	79,634	713,690
General Administration					
Board of Education Services					
Employee Benefits	70,000	70,000	68,604	1,396	57,269
Purchased Services	218,900	218,900	183,782	35,118	203,068
Supplies and Materials	2,500	2,500	750	1,750	42
Other Objects	15,000	15,000	6,445	8,555	14,847
Non-Capitalized Equipment	500	500	—	500	—
	<u>306,900</u>	<u>306,900</u>	<u>259,581</u>	<u>47,319</u>	<u>275,226</u>
Executive Administration Services					
Salaries	269,918	269,918	278,267	(8,349)	262,639
Employee Benefits	31,936	31,936	30,733	1,203	32,374
Purchased Services	3,900	3,900	338	3,562	1,128
Supplies and Materials	2,000	2,000	265	1,735	307
Capital Outlay	500	500	—	500	—
Other Objects	2,500	2,500	3,073	(573)	2,254
Non-Capitalized Equipment	500	500	129	371	—
	<u>311,254</u>	<u>311,254</u>	<u>312,805</u>	<u>(1,551)</u>	<u>298,702</u>
Special Area Administration Services					
Salaries	141,962	141,962	141,960	2	138,462
Employee Benefits	37,266	37,266	36,802	464	38,518
	<u>179,228</u>	<u>179,228</u>	<u>178,762</u>	<u>466</u>	<u>176,980</u>
Total General Administration	797,382	797,382	751,148	46,234	750,908

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Support Services - Continued					
School Administration					
Office of the Principal Services					
Salaries	\$ 689,545	689,545	695,189	(5,644)	714,664
Employee Benefits	164,753	164,753	166,442	(1,689)	187,497
Purchased Services	5,100	5,100	3,239	1,861	2,055
Supplies and Materials	4,200	4,200	4,350	(150)	1,646
Capital Outlay	1,500	1,500	—	1,500	—
Other Objects	2,400	2,400	548	1,852	537
Termination Benefits	9,961	9,961	9,961	—	—
Total School Administration	877,459	877,459	879,729	(2,270)	906,399
Business					
Direction of Business Support					
Services					
Salaries	182,968	182,968	182,967	1	177,324
Employee Benefits	28,511	28,511	27,757	754	29,145
Other Objects	1,400	1,400	1,298	102	1,271
Non-Capitalized Equipment	500	500	—	500	—
	213,379	213,379	212,022	1,357	207,740
Fiscal Services					
Salaries	220,030	220,030	212,877	7,153	217,213
Employee Benefits	49,622	49,622	39,588	10,034	43,532
Purchased Services	105,500	105,500	116,226	(10,726)	102,392
Supplies and Materials	5,000	5,000	5,461	(461)	3,720
Capital Outlay	—	—	750	(750)	—
Other Objects	20,000	20,000	24,090	(4,090)	19,254
Non-Capitalized Equipment	1,000	1,000	238	762	—
	401,152	401,152	399,230	1,922	386,111

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Support Services - Continued					
Business - Continued					
Food Services					
Salaries	\$ 235,394	235,394	231,338	4,056	240,566
Employee Benefits	58,080	58,080	58,052	28	57,834
Purchased Services	1,500	1,500	—	1,500	697
Supplies and Materials	272,500	272,500	154,384	118,116	73,733
Capital Outlay	8,000	8,000	1,062	6,938	—
Other Objects	1,500	1,500	453	1,047	348
Non-Capitalized Equipment	4,500	4,500	—	4,500	—
	581,474	581,474	445,289	136,185	373,178
Internal Services					
Purchased Services	30,600	30,600	26,219	4,381	28,311
Supplies and Materials	1,500	1,500	1,073	427	—
	32,100	32,100	27,292	4,808	28,311
Total Business	1,228,105	1,228,105	1,083,833	144,272	995,340
Central					
Information Services					
Salaries	94,241	94,241	82,243	11,998	81,500
Employee Benefits	8,478	8,478	10,045	(1,567)	6,219
Purchased Services	37,000	37,000	19,555	17,445	28,080
Supplies and Materials	6,000	6,000	1,279	4,721	(250)
Other Objects	2,500	2,500	1,018	1,482	1,747
	148,219	148,219	114,140	34,079	117,296
Data Processing Services					
Salaries	457,319	457,319	461,276	(3,957)	455,726
Employee Benefits	85,386	85,386	88,723	(3,337)	79,540
Purchased Services	500	500	—	500	22
Other Objects	500	500	—	500	25
	543,705	543,705	549,999	(6,294)	535,313
Total Central	691,924	691,924	664,139	27,785	652,609

LINCOLNWOOD SCHOOL DISTRICT 74

Educational Account - General Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Support Services - Continued					
Total Support Services	\$ 5,776,019	5,776,019	5,412,858	363,161	5,315,489
Community Services					
Purchased Services	1,000	1,000	—	1,000	—
Supplies and Materials	1,000	1,000	—	1,000	—
Total Community Services	2,000	2,000	—	2,000	—
Payments to Other Districts and Governmental Units					
Payments for Special Education Programs					
Purchased Services	44,500	44,500	43,924	576	28,856
Other Objects	2,473,000	2,473,000	2,427,281	45,719	2,107,458
Total Payments to Other Districts and Governmental Units	2,517,500	2,517,500	2,471,205	46,295	2,136,314
Total Direct Expenditures	22,737,974	22,737,974	21,529,446	1,208,528	20,441,796
On Behalf Payments	—	—	6,556,831	(6,556,831)	10,424,720
Total Expenditures	22,737,974	22,737,974	28,086,277	(5,348,303)	30,866,516
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,373	15,373	2,080,071	2,064,698	675,060
Other Financing (Uses)					
Transfers Out	(65,000)	(65,000)	(65,000)	—	(35,000)
Net Change in Fund Balance	<u>(49,627)</u>	<u>(49,627)</u>	2,015,071	<u>2,064,698</u>	640,060
Fund Balance - Beginning			<u>10,173,065</u>		<u>9,533,005</u>
Fund Balance - Ending			<u>12,188,136</u>		<u>10,173,065</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Tort Immunity and Judgement Account- General Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local Sources					
Tort Immunity Levy	\$ 135,297	135,297	118,804	(16,493)	97,613
Corporate Personal Property Replacement Taxes	—	—	200,000	200,000	—
Investment Income (Loss)	—	—	(23,242)	(23,242)	1,645
Total Revenues	<u>135,297</u>	<u>135,297</u>	<u>295,562</u>	<u>160,265</u>	<u>99,258</u>
Expenditures					
Support Services					
General Administration					
Workers' Compensation or Workers' Occupational Disease Act Payments					
Purchased Services	94,000	94,000	88,790	5,210	79,119
Judgment and Settlements					
Other Objects	5,000	5,000	—	5,000	—
Property Insurance (Buildings and Grounds)					
Purchased Services	100,000	100,000	95,484	4,516	79,901
Total Expenditures	<u>199,000</u>	<u>199,000</u>	<u>184,274</u>	<u>14,726</u>	<u>159,020</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(63,703)	(63,703)	111,288	174,991	(59,762)
Other Financing Sources					
Transfers In	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	—	<u>35,000</u>
Net Change in Fund Balance	<u>1,297</u>	<u>1,297</u>	<u>176,288</u>	<u>174,991</u>	<u>(24,762)</u>
Fund Balance - Beginning			<u>201,958</u>		<u>226,720</u>
Fund Balance - Ending			<u>378,246</u>		<u>201,958</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Working Cash Account - General Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local Sources					
General Levy	\$ 753	753	85,559	84,806	685
Investment Income (Loss)	10,000	10,000	(13,054)	(23,054)	43,863
Total Revenues	10,753	10,753	72,505	61,752	44,548
Expenditures	—	—	—	—	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,753	10,753	72,505	61,752	44,548
Other Financing Sources (Uses)					
Debt Issuance	—	—	—	—	6,307,477
Premium on Debt Issuance	—	—	—	—	872,049
Transfers Out	(6,000,000)	(6,000,000)	(6,000,000)	—	(1,009,787)
	(6,000,000)	(6,000,000)	(6,000,000)	—	6,169,739
Net Change in Fund Balance	<u>(5,989,247)</u>	<u>(5,989,247)</u>	<u>(5,927,495)</u>	<u>61,752</u>	6,214,287
Fund Balance - Beginning			<u>6,698,962</u>		<u>484,675</u>
Fund Balance - Ending			<u>771,467</u>		<u>6,698,962</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Debt Service Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local Sources					
General Levy	\$ 1,606,492	1,606,492	1,712,192	105,700	1,654,041
Investment Income (Loss)	8,600	8,600	(64,741)	(73,341)	11,054
Total Revenues	<u>1,615,092</u>	<u>1,615,092</u>	<u>1,647,451</u>	<u>32,359</u>	<u>1,665,095</u>
Expenditures					
Debt Service					
Payments on Long Term Debt					
Principal Payments on Long Term Debt	1,120,000	1,120,000	1,120,000	—	1,085,000
Interest and Fiscal Charges	701,048	701,048	700,548	500	727,150
Total Expenditures	<u>1,821,048</u>	<u>1,821,048</u>	<u>1,820,548</u>	<u>500</u>	<u>1,812,150</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(205,956)	(205,956)	(173,097)	32,859	(147,055)
Other Financing Sources					
Debt Issuance	—	—	—	—	57,523
Net Change in Fund Balance	<u>(205,956)</u>	<u>(205,956)</u>	<u>(173,097)</u>	<u>32,859</u>	<u>(89,532)</u>
Fund Balance - Beginning			<u>740,716</u>		<u>830,248</u>
Fund Balance - Ending			<u><u>567,619</u></u>		<u><u>740,716</u></u>

LINCOLNWOOD SCHOOL DISTRICT 74

Capital Projects Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local Sources					
Investment Income (Loss)	\$ 9,000	9,000	(495,565)	(504,565)	3,992
Federal Sources					
Other Restricted Revenue from from Federal Sources	129,878	129,878	—	(129,878)	—
Total Revenues	138,878	138,878	(495,565)	(634,443)	3,992
Expenditures					
Support Services					
Business					
Facilities Acquisition and Construction Services					
Purchased Services	123,076	123,076	242,014	(118,938)	88,354
Capital Outlay	866,640	866,640	321,051	545,589	587,686
Non-Capitalized Equipment	—	—	—	—	2,399
	989,716	989,716	563,065	426,651	678,439
Operations and Maintenance of Plant Services					
Capital Outlay	298,718	298,718	500,567	(201,849)	1,009,787
Total Expenditures	1,288,434	1,288,434	1,063,632	224,802	1,688,226
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,149,556)	(1,149,556)	(1,559,197)	(409,641)	(1,684,234)
Other Financing Sources					
Transfers In	6,000,000	6,000,000	6,000,000	—	1,009,787
Net Change in Fund Balance	4,850,444	4,850,444	4,440,803	(409,641)	(674,447)
Fund Balance - Beginning			735,065		1,409,512
Fund Balance - Ending			5,175,868		735,065

LINCOLNWOOD SCHOOL DISTRICT 74

Fire Prevention and Life Safety - Capital Projects Fund

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

For the Fiscal Year Ended June 30, 2022

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2021)

	2022			Variance with Final Budget	2021 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local Sources					
General Levy	\$ 513,982	513,982	519,748	5,766	476,393
Investment Income (Loss)	30,000	30,000	(207,153)	(237,153)	29,242
Other Revenue from Local Sources	—	—	—	—	50,000
Total Local Sources	543,982	543,982	312,595	(231,387)	555,635
Federal Sources					
School Infrastructure - Maintenance Projects	—	—	50,000	50,000	—
Total Revenues	543,982	543,982	362,595	(181,387)	555,635
Expenditures					
Support Services					
Business					
Facilities and Acquisition and Construction Services					
Purchased Services	51,610	51,610	67,859	(16,249)	80,329
Operations and Maintenance of Plant Services					
Capital Outlay	2,137,023	2,137,023	1,199,646	937,377	1,642,461
Non-Capitalized Equipment	—	—	—	—	(33,300)
Total Expenditures	2,188,633	2,188,633	1,267,505	921,128	1,689,490
Net Change in Fund Balance	(1,644,651)	(1,644,651)	(904,910)	739,741	(1,133,855)
Fund Balance - Beginning			3,173,448		4,307,303
Fund Balance - Ending			2,268,538		3,173,448

LINCOLNWOOD SCHOOL DISTRICT 74

**Consolidated Year-End Financial Report
June 30, 2022**

CSFA #	Program Name	State	Federal	Other	Totals
478-00-0251	Medical Assistance Program	\$ —	33,113	—	33,113
586-00-1723	School Maintenance Project	50,000	—	—	50,000
586-18-0408	Special Milk Program	—	11,068	—	11,068
586-44-0414	Title I - Low Income	—	393,430	—	393,430
586-43-0430	Title II - Teacher Quality	—	1,575	—	1,575
586-18-0428	Title III - Lang Inst Prog	—	28,128	—	28,128
586-57-0420	Federal - Special Education - Pre School Flow Through	—	9,847	—	9,847
586-64-0417	Federal - Special Education - IDEA Flow Through	—	300,481	—	300,481
586-82-1466	Federal - Special Education - IDEA Room and Board	—	140,857	—	140,857
586-62-2402	Federal Programs - Emergency Relief	—	1,232,258	—	1,232,258
	All Other Costs Not Allocated	—	—	31,408,529	31,408,529
	Totals	50,000	2,150,757	31,408,529	33,609,286

SUPPLEMENTAL SCHEDULES

LINCOLNWOOD SCHOOL DISTRICT 74

**Schedule of Assessed Valuations, Tax Rates, and Extensions - Last Five Tax Levy Years
June 30, 2022**

	2017	2018	2019	2020	2021
Assessed Valuation	\$ 670,106,010	657,318,534	690,242,851	737,935,823	*
Tax Rates					
Educational	2.5637	2.6634	2.5663	2.5780	*
Tort Immunity	0.0001	0.0001	0.0115	0.0161	*
Special Education	0.0455	0.0473	0.0457	0.0473	*
Operations and Maintenance	0.2882	0.3120	0.3047	0.3072	*
Bond and Interest	0.1653	0.1972	0.2490	0.2328	*
Transportation	0.0759	0.0637	0.0656	0.0763	*
Municipal Retirement	0.0265	0.0275	0.0266	0.0255	*
Social Security	0.0228	0.0389	0.0440	0.0477	*
Working Cash	0.0001	0.0001	0.0001	0.0001	*
Fire Prevention and Life Safety	0.0677	0.0704	0.0682	0.0706	*
Total Tax Rates	3.2558	3.4206	3.3817	3.4016	*
Tax Extensions					
Educational	\$ 17,179,507	17,507,021	17,713,702	19,024,100	*
Tort Immunity	670	657	79,377	118,780	*
Special Education	304,898	310,911	315,440	349,230	*
Operations and Maintenance	1,931,245	2,050,833	2,103,169	2,266,659	*
Bond and Interest	1,107,855	1,296,645	1,719,270	1,718,220	*
Transportation	508,610	418,711	452,799	563,103	*
Municipal Retirement	177,578	180,762	183,604	187,822	*
Social Security	152,784	255,696	303,706	351,688	*
Working Cash	670	657	690	764	*
Fire Prevention and Life Safety	453,661	462,752	470,745	521,172	*
Total Tax Extensions	21,817,478	22,484,645	23,342,502	25,101,538	*

* As of the date of the report, the 2021 tax levy assessed valuation is not available.

LINCOLNWOOD SCHOOL DISTRICT 74

Schedule of Long-Term Debt Requirements
General Obligation Limited School Bonds of 2015
June 30, 2022

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2023	\$ 790,000	87,450	877,450
2024	815,000	63,375	878,375
2025	840,000	38,550	878,550
2026	865,000	12,975	877,975
	<u>3,310,000</u>	<u>202,350</u>	<u>3,512,350</u>

LINCOLNWOOD SCHOOL DISTRICT 74

**Schedule of Long-Term Debt Requirements
General Obligation Limited School Bonds of 2016
June 30, 2022**

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2023	\$ —	164,100	164,100
2024	—	164,100	164,100
2025	—	164,100	164,100
2026	—	164,100	164,100
2027	895,000	146,200	1,041,200
2028	930,000	109,700	1,039,700
2029	965,000	71,800	1,036,800
2030	1,005,000	32,400	1,037,400
2031	410,000	6,150	416,150
	<u>4,205,000</u>	<u>1,022,650</u>	<u>5,227,650</u>

LINCOLNWOOD SCHOOL DISTRICT 74

**Schedule of Long-Term Debt Requirements
General Obligation Limited School Bonds of 2018A
June 30, 2022**

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2023	\$ 375,000	200,700	575,700
2024	390,000	185,400	575,400
2025	—	177,600	177,600
2026	—	177,600	177,600
2027	—	177,600	177,600
2028	—	177,600	177,600
2029	—	177,600	177,600
2030	—	177,600	177,600
2031	670,000	164,200	834,200
2032	695,000	136,900	831,900
2033	725,000	108,500	833,500
2034	750,000	79,000	829,000
2035	785,000	48,300	833,300
2036	815,000	16,300	831,300
	5,205,000	2,004,900	7,209,900

LINCOLNWOOD SCHOOL DISTRICT 74

**Schedule of Long-Term Debt Requirements
General Obligation Limited School Bonds of 2021
June 30, 2022**

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2023	\$ —	187,850	187,850
2024	—	187,850	187,850
2025	310,000	184,750	494,750
2026	—	181,650	181,650
2027	—	181,650	181,650
2028	—	181,650	181,650
2029	—	181,650	181,650
2030	—	181,650	181,650
2031	—	181,650	181,650
2032	295,000	177,225	472,225
2033	360,000	167,400	527,400
2034	370,000	156,450	526,450
2035	380,000	145,200	525,200
2036	395,000	133,575	528,575
2037	1,245,000	108,975	1,353,975
2038	1,280,000	71,100	1,351,100
2039	1,320,000	32,100	1,352,100
2040	410,000	6,150	416,150
	6,365,000	2,648,525	9,013,525