

LINCOLNWOOD SCHOOL DISTRICT 74,  
ILLINOIS  
ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
JUNE 30, 2021

# LINCOLNWOOD SCHOOL DISTRICT 74

## TABLE OF CONTENTS

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### PAGE

### FINANCIAL SECTION

<b>INDEPENDENT AUDITORS' REPORT</b>	<a href="#">1</a>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<a href="#">4</a>
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-Wide Financial Statements	
Statement of Net Position	<a href="#">13</a>
Statement of Activities	<a href="#">15</a>
Fund Financial Statements	
Balance Sheet - Governmental Funds	<a href="#">17</a>
Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities	<a href="#">19</a>
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<a href="#">21</a>
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities	<a href="#">23</a>
Notes to Financial Statements	<a href="#">24</a>
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Changes in the Employer's Total OPEB Liability	
Retiree's Health Plan	<a href="#">63</a>
Schedule of Employer Contributions	
Teacher's Health Insurance Security Fund	<a href="#">65</a>
Notes to the Schedule of Employer Contributions	
Teacher's Health Insurance Security Fund	<a href="#">66</a>
Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability	
Teacher's Health Insurance Security Fund	<a href="#">67</a>
Schedule of the Employer's Proportionate Share of the Net Pension Liability and Employer Contributions	
Teachers' Retirement System	<a href="#">69</a>
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	<a href="#">71</a>
Schedule of Changes in the Employer's Net Pension Liability	
Illinois Municipal Retirement Fund	<a href="#">73</a>

TABLE OF CONTENTS

---

---

PAGE

**FINANCIAL SECTION - Continued**

**REQUIRED SUPPLEMENTARY INFORMATION - Continued**

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	<a href="#">75</a>
Operations and Maintenance - Special Revenue Fund	<a href="#">76</a>
Transportation - Special Revenue Fund	<a href="#">77</a>
Municipal Retirement/Social Security - Special Revenue Fund	<a href="#">78</a>

**OTHER SUPPLEMENTARY INFORMATION**

Combining Balance Sheet - General Fund - by Accounts	<a href="#">83</a>
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
General Fund - by Accounts	<a href="#">84</a>
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund by Accounts	
Educational Account - General Fund	<a href="#">85</a>
Tort Immunity and Judgment Account - General Fund	<a href="#">94</a>
Working Cash Account - General Fund	<a href="#">95</a>
Debt Service Fund	<a href="#">96</a>
Capital Projects Fund	<a href="#">97</a>
Fire Prevention and Life Safety - Capital Projects Fund	<a href="#">98</a>
Consolidated Year-End Financial Report	<a href="#">99</a>

**SUPPLEMENTAL SCHEDULES**

Schedule of Assessed Valuations, Tax Rates and Extensions	
Last Five Tax Levy Years	<a href="#">101</a>
Long-Term Debt Requirements	
General Obligation Limited School Bonds of 2015	<a href="#">102</a>
General Obligation Limited School Bonds of 2016	<a href="#">103</a>
General Obligation Limited School Bonds of 2018A	<a href="#">104</a>
General Obligation Limited School Bonds of 2021	<a href="#">105</a>

## **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**

October 28, 2021

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

**Report on the Financial Statements**

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, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

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, 2021, 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.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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.

*Other 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 introductory section, other supplementary information, and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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, the 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 October 28, 2021, on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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

As of and for the Year Ended June 30, 2021

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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, 2021. 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 decreased by \$1,268,041. This represents a 4.8% decrease from 2020 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 and operating grants. Expenses of \$39,185,602 exceeded revenues of \$37,917,561 by \$1,268,041.
- General revenues accounted for \$26,028,862 in revenue or 68.6% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$11,888,699 or 31.4% of total revenues of \$37,917,561.
- The District had \$39,185,602 in expenses related to governmental activities. However, only \$11,888,699 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.

# LINCOLNWOOD SCHOOL DISTRICT 74

## Management's Discussion and Analysis

As of and for the Year Ended June 30, 2021

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### 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

As of and for the Year Ended June 30, 2021

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS

The District's combined net position was lower on June 30, 2021, than it was the year before, decreasing 4.8% to \$25,159,461.

	Net Position	
	2021	2020
Current/Other Assets	\$ 40,113,673	32,248,150
Capital Assets	40,287,799	40,430,936
Total Assets	80,401,472	72,679,086
Deferred Outflows	1,193,997	1,387,463
Total Assets/Deferred Outflows	81,595,469	74,066,549
Long-Term Debt	37,583,605	32,314,244
Other Liabilities	2,718,006	1,882,857
Total Liabilities	40,301,611	34,197,101
Deferred Inflows	16,134,397	13,462,461
Total Liabilities/Deferred Inflows	56,436,008	47,659,562
Net Position		
Net Investment in Capital Assets	22,331,864	24,741,674
Restricted	9,144,245	10,542,819
Unrestricted (Deficit)	(6,316,648)	(8,877,506)
Total Net Position	25,159,461	26,406,987

A large portion of the District's net position, \$22,331,864, 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, \$9,144,245, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining deficit of \$6,316,648, 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

As of and for the Year Ended June 30, 2021

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GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Expenses of \$39,185,602 exceeded revenues of \$37,917,561 by \$1,268,041. This was attributable primarily to the District's decrease in net OPEB liabilities and net pension liabilities, with \$4,310,995 more in instruction expenses and \$2,520,656 more in administration & business expenses in the current year compared to prior year. Property taxes and replacement taxes also increased \$1,371,472 from the prior year.

	Change in Net Position	
	2021	2020
Revenues		
Program Revenues		
Charges for Services	\$ 134,650	322,302
Operating Grants/Contrib.	11,754,049	10,347,502
General Revenues		
Taxes	24,043,173	22,671,701
General State Aid	1,177,400	1,162,898
Other General Revenues	808,289	1,437,541
Total Revenues	<u>37,917,561</u>	<u>35,941,944</u>
Expenses		
Instruction	27,717,533	23,406,538
Pupil & Instructional Staff Services	2,179,813	1,952,063
Administration & Business	5,923,918	3,403,262
Transportation	938,270	1,066,933
Operations & Maintenance	1,029,397	2,890,891
Other	1,396,671	553,939
Total Expenses	<u>39,185,602</u>	<u>33,273,626</u>
Change in Net Position	(1,268,041)	2,668,318
Net Position - Beginning	<u>26,427,502</u>	<u>23,738,669</u>
Net Position - Ending	<u>25,159,461</u>	<u>26,406,987</u>

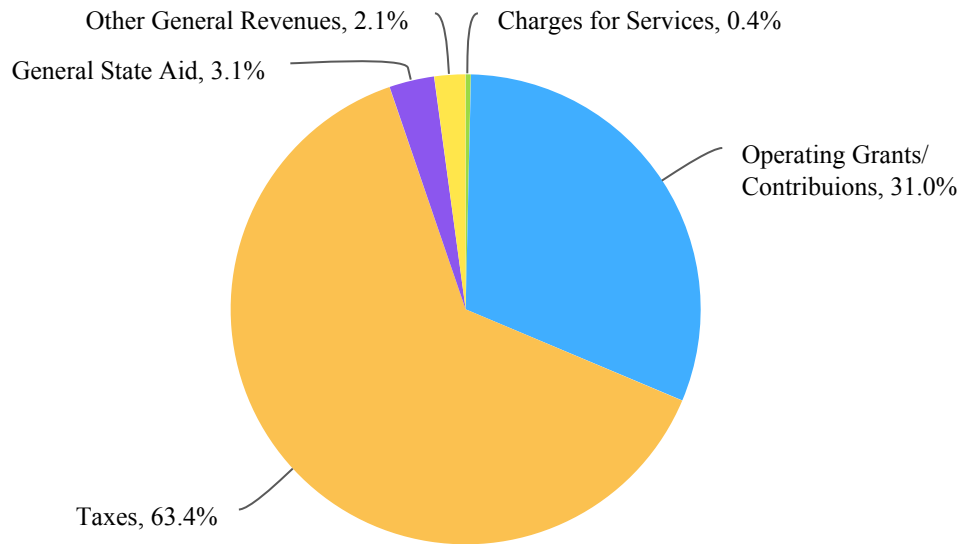
Management's Discussion and Analysis  
As of and for the Year Ended June 30, 2021

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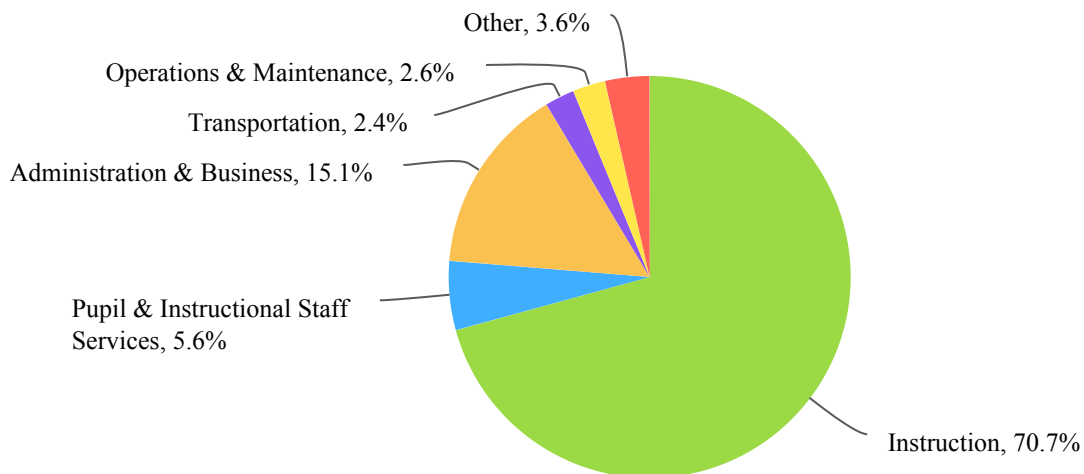
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GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

**District-Wide Revenues by Source**



**District-Wide Expenses by Function**



# LINCOLNWOOD SCHOOL DISTRICT 74

## Management's Discussion and Analysis

As of and for the Year Ended June 30, 2021

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### FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District's Governmental Funds balance increased from \$20,775,606 to \$26,256,962.

The General Fund (Educational Account, Tort Immunity Account and Working Cash Account) had total revenues of \$31,685,382 and total expenditures of \$31,025,536, resulting in a surplus of \$659,846. Fund balance at year-end totaled \$17,073,985.

The Operations and Maintenance Fund had revenues in the amount of \$2,215,800 exceeded the \$1,909,575 of expenditures by \$306,225. Fund balance at year-end totaled \$3,051,009.

### 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 \$703,026 in total, excluding on-behalf payments. Actual expenditures of \$20,600,816 were less than budgeted expenditures of \$20,796,070 by \$195,254, 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 over budget by \$538,270, state sources were over budget by \$3,943, and federal sources were over budget by \$101,346. Total budgeted revenues in the Educational Account was under actual revenues by \$643,559, excluding on-behalf payments. Expenditures in the Educational Account were over budget by \$185,274, excluding on-behalf payments.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital Assets

By the end of 2021, the District had compiled a total investment of \$40,287,799 (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 \$2,540,247. More detailed information about capital assets can be found in Note 3 of the basic financial statements.

	Capital Assets - Net of Depreciation	
	2021	2020
Land	\$ 2,337,500	2,337,500
Construction in Progress	1,669,815	223,570
Buildings	33,823,576	35,477,176
Improvements Other than Equipment and Vehicles	816,688	587,627
	1,640,220	1,805,063
Total	<u>40,287,799</u>	<u>40,430,936</u>

## LINCOLNWOOD SCHOOL DISTRICT 74

### Management's Discussion and Analysis

As of and for the Year Ended June 30, 2021

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#### CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

##### Debt Administration

The District issue \$6,365,000 in General Obligation Bonds in the current fiscal year. General Obligation Bonds payable had a balance of \$20,205,000 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. This plan assists in containing costs by focusing District resources relative to those initiatives outlined in the strategic plan.

The COVID-19 pandemic continues to present challenges to the organization even 18 months after its arrival. 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 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.

#### 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, 2021**

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**See Following Page**

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Statement of Net Position**

**June 30, 2021**

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	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 27,047,737
Receivables - Net of Allowances	
Property Taxes	12,130,486
Intergovernmental	295,678
Prepays	425,056
Total Current Assets	<u>39,898,957</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	4,007,315
Depreciable	67,868,865
Accumulated Depreciation	(31,588,381)
Total Capital Assets	<u>40,287,799</u>
Other Assets	
Net Pension Asset - IMRF	214,716
Total Noncurrent Assets	<u>40,502,515</u>
Total Assets	<u>80,401,472</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - RHP	269,712
Deferred Items - THIS	592,765
Deferred Items - TRS	185,615
Deferred Items - IMRF	145,905
Total Deferred Outflows of Resources	<u>1,193,997</u>
Total Assets and Deferred Outflows of Resources	<u>81,595,469</u>

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

	Governmental Activities
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	\$ 1,009,443
Accrued Interest Payable	70,689
Salaries and Benefits Payable	502,066
Current Portion of Long-Term Debt	1,135,808
Total Current Liabilities	<u>2,718,006</u>
Noncurrent Liabilities	
Compensated Absences	63,232
Total OPEB Liability - RHP	2,067,486
Total OPEB Liability - THIS	13,595,673
Net Pension Liability - TRS	1,231,407
General Obligation Bonds - Net	20,625,807
Total Noncurrent Liabilities	<u>37,583,605</u>
Total Liabilities	<u>40,301,611</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	12,130,486
Deferred Items - THIS	2,592,337
Deferred Items - TRS	152,753
Deferred Items - IMRF	1,258,821
Total Deferred Inflows of Resources	<u>16,134,397</u>
Total Liabilities and Deferred Inflows of Resources	<u>56,436,008</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	22,331,864
Restricted	
Tort Immunity	17,684
Student Activities	21,452
Operations and Maintenance	3,043,830
Student Transportation	1,239,040
Retirement Benefits	243,699
Debt Service	670,027
Capital Projects	735,065
Fire Prevention and Life Safety	3,173,448
Unrestricted (Deficit)	<u>(6,316,648)</u>
Total Net Position	<u>25,159,461</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, 2021

	Program Revenues		(Expenses)/
	Charges for Services	Operating Grants/ Contributions	Revenues Governmental Activities
Expenses			
<b>Governmental Activities</b>			
Instruction			
Regular Programs	\$ 11,780,704	—	1,769 (11,778,935)
Special Programs	1,358,643	—	615,303 (743,340)
Other Instructional Programs	2,017,152	—	26,726 (1,990,426)
State Retirement Contributions	10,424,720	—	10,424,720 —
Support Services			
Pupils	1,337,122	—	— (1,337,122)
Instructional Staff	842,691	—	3,799 (838,892)
General Administration	941,719	—	— (941,719)
School Administration	997,830	—	— (997,830)
Business	3,984,369	55,872	245,044 (3,683,453)
Transportation	938,270	—	436,688 (501,582)
Operations and Maintenance	1,029,397	78,778	— (950,619)
Central	740,369	—	— (740,369)
Payments to Other Districts/Govts.	2,136,314	—	— (2,136,314)
Interest on Long-Term Debt	656,302	—	— (656,302)
<b>Total Governmental Activities</b>	<b>39,185,602</b>	<b>134,650</b>	<b>11,754,049 (27,296,903)</b>
<b>General Revenues</b>			
Taxes			
Real Estate Taxes, Levied for General Purposes			20,873,654
Real Estate Taxes, Levied for Specific Purposes			733,070
Real Estate Taxes, Levied for Debt Services			1,654,041
Personal Property Replacement Taxes			782,408
State Aid-Formula Grants			1,177,400
Investment Income			252,296
Other General Revenues			555,993
			<u>26,028,862</u>
Change in Net Position			(1,268,041)
Net Position - Beginning as Restated			<u>26,427,502</u>
Net Position - Ending			<u><u>25,159,461</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, 2021**

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**See Following Page**

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Balance Sheet - Governmental Funds**

**June 30, 2021**

	Special Revenue		
	General	Operations and Maintenance	Transportation
<b>ASSETS</b>			
Cash and Investments	\$ 17,129,747	3,072,181	1,197,917
Receivables - Net of Allowances			
Property Taxes	9,420,243	1,095,243	272,153
Intergovernmental	187,084	—	108,594
Prepays	417,877	7,179	—
Total Assets	<u>27,154,951</u>	<u>4,174,603</u>	<u>1,578,664</u>
<b>LIABILITIES</b>			
Accounts Payable	161,586	25,422	67,471
Salaries and Wages Payable	499,137	2,929	—
Total Liabilities	<u>660,723</u>	<u>28,351</u>	<u>67,471</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	9,420,243	1,095,243	272,153
Total Liabilities and Deferred Inflows of Resources	<u>10,080,966</u>	<u>1,123,594</u>	<u>339,624</u>
<b>FUND BALANCES</b>			
Nonspendable	417,877	7,179	—
Restricted	39,136	3,043,830	1,239,040
Unassigned	16,616,972	—	—
Total Fund Balances	<u>17,073,985</u>	<u>3,051,009</u>	<u>1,239,040</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>27,154,951</u>	<u>4,174,603</u>	<u>1,578,664</u>

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

Municipal Retirement/ Social Security	Debt Service	Capital Projects	Capital Fire Prevention Life Safety	Totals
243,699	740,716	738,385	3,925,092	27,047,737
260,396	830,496	—	251,955	12,130,486
—	—	—	—	295,678
—	—	—	—	425,056
504,095	1,571,212	738,385	4,177,047	39,898,957
—	—	3,320	751,644	1,009,443
—	—	—	—	502,066
—	—	3,320	751,644	1,511,509
260,396	830,496	—	251,955	12,130,486
260,396	830,496	3,320	1,003,599	13,641,995
—	—	—	—	425,056
243,699	740,716	735,065	3,173,448	9,214,934
—	—	—	—	16,616,972
243,699	740,716	735,065	3,173,448	26,256,962
504,095	1,571,212	738,385	4,177,047	39,898,957

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, 2021**

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<b>Total Governmental Fund Balances</b>	<b>\$ 26,256,962</b>
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.	40,287,799
Deferred Outflows/Inflows of Resources related to the retirement plans not reported in the funds.	
Deferred Items - RHP	269,712
Deferred Items - THIS	(1,999,572)
Deferred Items - TRS	32,862
Deferred Items - IMRF	(1,112,916)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences	(79,040)
Total OPEB Liability - RHP	(2,067,486)
Total OPEB Liability - THIS	(13,595,673)
Net Pension Liability - TRS	(1,231,407)
Net Pension (Asset) - IMRF	214,716
General Obligation Bonds - Net	(21,745,807)
Accrued Interest Payable	(70,689)
<b>Net Position of Governmental Activities</b>	<b><u>25,159,461</u></b>

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, 2021**

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**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, 2021**

	Special Revenue		
	General	Operations and Maintenance	Transportation
<b>Revenues</b>			
<b>Local Sources</b>			
Property Taxes	\$ 18,047,717	2,097,987	490,163
Corporate Personal Property Replacement Taxes	432,917	—	211,250
Investment Income	167,820	24,533	11,451
Other Revenue from Local Sources	556,669	78,778	6,214
<b>State Sources</b>	1,165,296	—	436,688
<b>Federal Sources</b>	890,243	14,502	—
On-Behalf Payments - State of Illinois	10,424,720	—	—
<b>Total Revenues</b>	<b>31,685,382</b>	<b>2,215,800</b>	<b>1,155,766</b>
<b>Expenditures</b>			
<b>Current</b>			
<b>Instruction</b>			
Regular Programs	9,713,995	—	—
Special Programs	1,283,247	—	—
Other Instructional Programs	1,992,751	—	—
<b>Support Services</b>			
Pupils	1,296,543	—	—
Instructional Staff	713,690	—	—
General Administration	909,928	—	—
School Administration	906,399	—	—
Business	995,340	—	—
Transportation	—	—	938,270
Operations and Maintenance	—	1,909,575	—
Central	652,609	—	—
Payments to Other Districts and Govt. Units	2,136,314	—	—
<b>Debt Service</b>			
Principal Retirement	—	—	—
Interest and Other	—	—	—
On-Behalf Expenditures	10,424,720	—	—
<b>Total Expenditures</b>	<b>31,025,536</b>	<b>1,909,575</b>	<b>938,270</b>
<b>Excess (Deficiency) of Revenues</b>			
Over (Under) Expenditures	659,846	306,225	217,496
<b>Other Financing Sources (Uses)</b>			
Debt Issuance	6,307,477	—	—
Premium on Debt Issuance	872,049	—	—
Transfers In	35,000	—	—
Transfers Out	(1,044,787)	—	—
	6,169,739	—	—
<b>Net Change in Fund Balances</b>	<b>6,829,585</b>	<b>306,225</b>	<b>217,496</b>
Fund Balances - Beginning as Restated	10,244,400	2,744,784	1,021,544
Fund Balances - Ending	<b>17,073,985</b>	<b>3,051,009</b>	<b>1,239,040</b>

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 and Life Safety	
494,464	1,654,041	—	476,393	23,260,765
138,241	—	—	—	782,408
4,204	11,054	3,992	29,242	252,296
—	—	—	50,000	691,661
—	—	—	—	1,601,984
—	—	—	—	904,745
—	—	—	—	10,424,720
636,909	1,665,095	3,992	555,635	37,918,579
109,667	—	—	—	9,823,662
75,396	—	—	—	1,358,643
24,401	—	—	—	2,017,152
40,579	—	—	—	1,337,122
19,772	—	—	—	733,462
8,928	—	—	—	918,856
53,328	—	—	—	959,727
92,307	—	1,688,226	1,689,490	4,465,363
—	—	—	—	938,270
98,887	—	—	—	2,008,462
87,760	—	—	—	740,369
—	—	—	—	2,136,314
—	1,085,000	—	—	1,085,000
—	727,150	—	—	727,150
—	—	—	—	10,424,720
611,025	1,812,150	1,688,226	1,689,490	39,674,272
25,884	(147,055)	(1,684,234)	(1,133,855)	(1,755,693)
—	57,523	—	—	6,365,000
—	—	—	—	872,049
—	—	1,009,787	—	1,044,787
—	—	—	—	(1,044,787)
—	57,523	1,009,787	—	7,237,049
25,884	(89,532)	(674,447)	(1,133,855)	5,481,356
217,815	830,248	1,409,512	4,307,303	20,775,606
243,699	740,716	735,065	3,173,448	26,256,962

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, 2021**

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**Net Change in Fund Balances - Total Governmental Funds** \$ 5,481,356

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	2,398,128
Depreciation Expense	(2,540,247)
Disposals - Cost	(8,134)
Disposals - Accumulated Depreciation	7,116

Deferred Outflows/(Inflows) of Resources related to pensions/OPEB plans are not reported in the funds

Change in Deferred Items - RHP	(22,155)
Change in Deferred Items - THIS	(805,990)
Change in Deferred Items - TRS	(14,434)
Change in Deferred Items - IMRF	(655,676)

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	31,479
Change in Total OPEB Liability - RHP	(443,033)
Change in Total OPEB Liability - THIS	144,173
Change in Net Pension Liability - TRS	(5,756)
Increase to Net Pension Liability/(Asset) - IMRF	1,246,333
Retirement of Long-Term Debt	1,085,000
Amortization of Bond Premium	95,504
Issuance of Debt	(6,365,000)
Issuance of Premium on Debt	(872,049)

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.

(24,656)

**Changes in Net Position of Governmental Activities**

(1,268,041)

# LINCOLNWOOD SCHOOL DISTRICT 74

## Notes to the Financial Statements

June 30, 2021

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### 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.

#### 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, 2021

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### 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, 2021

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**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, 2021

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**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, 2021

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**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, 2021 are determined on the basis of current salary rates and include salary related payments.

Notes to the Financial Statements

June 30, 2021

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**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 an acquisition/reduction of net position 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, 2021

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**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:

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 “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, 2021**

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**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 following fund had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Transportation	\$ 206,270
Debt Service	174,500
Fire Prevention and Life Safety	662,490

**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, 2021**

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**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 3.46 years at June 30, 2021. The Treasurer also holds money market type investments, certificates of deposits and other deposits with financial institutions. As of June 30, 2021, the fair value of all investments held by the Treasurer's Office was \$382,392,769 and the fair value of the District's proportionate share of the pool was \$27,011,110.

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	<u>\$ 36,527</u>	<u>36,661</u>

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, 2021, the bank balance of the District's deposits with financial institutions totaled \$36,661; 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 2020 levy resolution was approved during the December 3, 2020 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, 2021

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### 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 2020 property tax levy is recognized as a receivable in the fiscal year 2021, net of estimated uncollectible amounts approximating 1% and less amounts already received. The District considers that the first installment of the 2020 levy is to be used to finance operations in fiscal year 2021. The District has determined that the second installment of the 2020 levy is to be used to finance operations in fiscal year 2021 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 \$35,000 in interest earned in the General Fund (Educational Accounts) to the General Fund (Tort Immunity Accounts) and transferred \$1,009,787 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, 2021**

**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
<b>Nondepreciable Capital Assets</b>				
Land	\$ 2,337,500	—	—	2,337,500
Construction in Progress	223,570	1,632,815	186,570	1,669,815
	<u>2,561,070</u>	<u>1,632,815</u>	<u>186,570</u>	<u>4,007,315</u>
<b>Depreciable Capital Assets</b>				
Buildings	57,292,373	279,709	8,134	57,563,948
Improvements Other than Buildings	2,060,107	299,976	—	2,360,083
Equipment and Vehicles	7,572,636	372,198	—	7,944,834
	<u>66,925,116</u>	<u>951,883</u>	<u>8,134</u>	<u>67,868,865</u>
<b>Less Accumulated Depreciation</b>				
Buildings	21,815,197	1,932,291	7,116	23,740,372
Improvements Other than Buildings	1,472,480	70,915	—	1,543,395
Equipment and Vehicles	5,767,573	537,041	—	6,304,614
	<u>29,055,250</u>	<u>2,540,247</u>	<u>7,116</u>	<u>31,588,381</u>
<b>Total Net Depreciable Capital Assets</b>	<u>37,869,866</u>	<u>(1,588,364)</u>	<u>1,018</u>	<u>36,280,484</u>
<b>Total Net Capital Assets</b>	<u>40,430,936</u>	<u>44,451</u>	<u>187,588</u>	<u>40,287,799</u>

Depreciation expense was charged to governmental activities as follows:

Regular Programs	\$ 1,595,277
Instructional Staff	109,229
General Administration	22,863
School Administration	38,103
Business	106,692
Operations and Maintenance	<u>668,083</u>
	<u>2,540,247</u>

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**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.	\$ 4,810,000	—	740,000	4,070,000
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.	5,910,000	—	345,000	5,565,000
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, 2040.	—	6,365,000	—	6,365,000
	<u>14,925,000</u>	<u>6,365,000</u>	<u>1,085,000</u>	<u>20,205,000</u>



**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

**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	\$ 110,519	31,479	62,958	79,040	15,808
Total OPEB Liability - RHP	2,211,659	—	144,173	2,067,486	—
Total OPEB Liability - THIS	13,152,640	443,033	—	13,595,673	—
Net Pension Liability - TRS	1,225,651	5,756	—	1,231,407	—
Net Pension Liability/(Asset) - IMRF	1,031,617	—	1,246,333	(214,716)	—
General Obligation Bonds	14,925,000	6,365,000	1,085,000	20,205,000	1,120,000
Plus: Unamortized Premium	764,262	872,049	95,504	1,540,807	—
	<u>33,421,348</u>	<u>7,717,317</u>	<u>2,633,968</u>	<u>38,504,697</u>	<u>1,135,808</u>

The compensated absences, the total OPEB liabilities, and the net pension liability - TRS are being repaid from the General Fund. The net pension liability/(asset) - IMRF is being repaid from the Municipal Retirement/Social Security 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>(20,205,000)</u>
Legal Debt Margin	<u>30,712,572</u>

LINCOLNWOOD SCHOOL DISTRICT 74

Notes to the Financial Statements

June 30, 2021

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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
2022	\$ 1,120,000	698,548
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	<u>20,205,000</u>	<u>6,576,973</u>

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

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**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, 2021:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 40,287,799
Plus: Unspent Bond Proceeds	3,789,872
Less: Capital Related Debt	
General Obligation Limited School Bonds of 2015	(4,070,000)
General Obligation Limited School Bonds of 2016	(4,205,000)
General Obligation Limited School Bonds of 2018A	(5,565,000)
General Obligation Limited School Bonds of 2021	(6,365,000)
Unamortized Premium	<u>(1,540,807)</u>
Net Investment in Capital Assets	<u><u>22,331,864</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, 2021**

**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	\$ 417,877	7,179	—	—	—	—	—	425,056
Restricted								
Tort Immunity	17,684	—	—	—	—	—	—	17,684
Student Activities	21,452	—	—	—	—	—	—	21,452
Operations and Maintenance	—	3,043,830	—	—	—	—	—	3,043,830
Transportation	—	—	1,239,040	—	—	—	—	1,239,040
Retirement Benefits	—	—	—	243,699	—	—	—	243,699
Debt Service	—	—	—	—	740,716	—	—	740,716
Fire Prevention and Life Safety	—	—	—	—	—	—	3,173,448	3,173,448
Capital Projects	—	—	—	—	—	735,065	—	735,065
	39,136	3,043,830	1,239,040	243,699	740,716	735,065	3,173,448	9,214,934
Unassigned	16,616,972	—	—	—	—	—	—	16,616,972
Total Fund Balances	17,073,985	3,051,009	1,239,040	243,699	740,716	735,065	3,173,448	26,256,962

**NET POSITION/FUND BALANCE RESTATEMENTS**

Beginning net position/fund balance was restated due to the implementation of GASB Statement No. 84. The following is a summary of net position/fund balance as originally reported and as restated.

Net Position/Fund Balance	As Reported	As Restated	Increase
Governmental Activities	\$ 26,406,987	26,427,502	20,515
General	10,223,885	10,244,400	20,515
Educational Account - General	9,512,490	9,533,005	20,515

Notes to the Financial Statements

June 30, 2021

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**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.

**Financial Impact from COVID-19**

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the District's operations and financial position cannot be determined.

**OTHER POST-EMPLOYMENT BENEFITS**

**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.

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**RETIREE'S HEALTH PLAN - Continued**

**Plan Description - Continued**

*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, 2021, the measurement date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	174
Inactive Employee Entitled to but not yet Receiving Benefits	—
Active Employees	<u>18</u>
Total	<u><u>192</u></u>

**Total OPEB Liability**

The District's total OPEB liability of \$2,067,486 was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2021 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	2.16%
Healthcare Cost Trend Rates	
Initial	HMO - 6.30%, PPO - 2.70%; Dental - 3.00%
Ultimate	HMO - 5.00%, PPO - 5.00%; Dental - 3.00%
Retirees' Share of Benefit-Related Costs	Non-Certificated employees contribute the blended average employee group cost.

The municipal bond index rate used for this valuation was changed from 3.87% as of July 1, 2018 to 2.44%, which is the published rate as of June 30, 2020 for the Fidelity General Obligation 20-year bond index. The discount rate as of June 30, 2021 is 2.16%.

Mortality rates are based on RP-2014 with Blue Collar Adjustment and MP-2016 Improvement, weighted per IMRF Experience Study dated November 8, 2017.

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**RETIREE'S HEALTH PLAN - Continued**

**Change in the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Balance at June 30, 2020	\$ 2,211,659
Changes for the Year:	
Service Cost	102,171
Interest on the Total OPEB Liability	45,602
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	—
Changes of Assumptions or Other Inputs	4,493
Benefit Payments	(296,439)
Other Changes	—
Net Changes	<u>(144,173)</u>
Balance at June 30, 2021	<u>2,067,486</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 2.16%, while the prior valuation used 2.21%. 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 (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB Liability	\$ 2,159,279	2,067,486	1,979,492

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

**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	\$ 1,997,616	2,067,486	2,149,017

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

For the year ended June 30, 2021, the District recognized OPEB expense of \$174,421. At June 30, 2021, 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	\$ 113,410	—	113,410
Change in Assumptions	156,302	—	156,302
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	269,712	—	269,712



**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

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**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
2022	\$ 26,648
2023	26,648
2024	26,648
2025	26,648
2026	26,648
Thereafter	<u>136,472</u>
Total	<u><u>269,712</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, 2021**

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**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 1.24 percent of pay during the year ended June 30, 2021. State of Illinois contributions were \$152,710, 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, 2020 and June 30, 2019 were 1.24 and 1.24 percent of pay, respectively. For these years, state contributions on behalf of District employees were \$149,120 and \$145,913, respectively.

*Employer Contributions to THIS Fund.* The District also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.92 percent during the year ended June 30, 2021. The employers contribution for the years ended June 30, 2020 and 2019 was 0.92 and 0.92, respectively. For the year ended June 30, 2021, 2020, and 2019 the District paid \$113,301, \$110,638, and \$108,258 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, 2019, 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:	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare Cost Trend Rates:	Actual trend used for fiscal year 2020. 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, 2021

**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, 2019 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 the THIS fund 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 3.13 percent as of June 30, 2019, and 2.45 percent as of June 30, 2020.

**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 (1.45%)	Current Discount Rate (2.45%)	1% Increase (3.45%)
Employer's Proportionate Share of the OPEB Liability	\$ 15,275,282	12,709,607	10,677,146

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

**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 presents the District's proportionate share of the collective net OPEB liability, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower. The key trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Employer's Proportionate Share of the OPEB Liability	\$ 10,222,485	12,709,607	16,071,989

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

At June 30, 2021, 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, 2020, 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, 2020, the District's proportion was 0.047538 percent, which was an increase of 0.000017 from its proportion measured as of June 30, 43646 (0.047521 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	\$ 12,709,607
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>17,218,085</u>
Total	<u><u>29,927,692</u></u>

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

**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, 2021, the District recognized OPEB revenue and expense of \$152,710 for support provided by the State. For the year ending June 30, 2021, the District recognized OPEB expense of \$476,258. At June 30, 2021, 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	\$ —	(337,681)	(337,681)
Net Difference Between Projected and Actual Earnings on Pension Investments	4,304	(2,096,434)	(2,092,130)
Changes of Assumptions	—	(362)	(362)
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	475,160	(157,860)	317,300
Total Pension Expense to be Recognized in Future Periods	479,464	(2,592,337)	(2,112,873)
Employer Contributions Subsequent to the Measurement Date	113,301	—	113,301
Totals	592,765	(2,592,337)	(1,999,572)

For the fiscal year ended, \$113,301 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, 2022. 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
2022	\$ (426,681)
2023	(426,652)
2024	(426,590)
2025	(329,984)
2026	(184,420)
Thereafter	(318,546)
Total	(2,112,873)

Notes to the Financial Statements

June 30, 2021

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**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.

**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/cafrs/fy2020>; 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.

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 last four. Disability provisions for Tier 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different from Tier 1.

Essentially all Tier 1 retirees receive an annual 3 percent increase in the current retirement beginning January 1 following the attainment of age 61 or on January 1 following the members' first anniversary in retirement, whichever is later. Tier 2 annual increases will be the lesser of 3 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 members' first anniversary in retirement, whichever is later.

Notes to the Financial Statements

June 30, 2021

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**NOTE 4 - OTHER INFORMATION - Continued**

**RETIREMENT SYSTEMS - Continued**

**Teachers' Retirement System (TRS) - Continued**

**Benefits Provided - Continued**

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, 2021. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs will begin in 2019 and will be funded by bonds issued by the State of Illinois.

**Contributions**

The State of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90 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 contributions rates are specified by the pension code. The active member contribution rate for the year ended June 30, 2020, 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, 2021, 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 \$10,272,010 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, 2021 were \$71,429 and are deferred because they were paid after the June 30, 2019 measurement date.

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

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

For the fiscal year ended June 30, 2021, the employer pension contribution was 9.41 percent of salaries paid from federal and special trust funds. For the fiscal year ended June 30, 2020, the employer pension contribution was 10.66 percent of salaries paid from those funds. For the fiscal year ended June 30, 2021, salaries totaling \$103,048 were paid from federal and special trust funds that required employer contributions of \$10,727. These contributions are deferred because they were paid after the June 30, 2019 measurement date.

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

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**NOTE 4 - OTHER INFORMATION - Continued**

**RETIREMENT SYSTEMS - Continued**

**Teachers' Retirement System (TRS) - Continued**

**Contributions - Continued**

*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, 2021, the employer paid \$1,467 to TRS for employer contributions due on salary increases in excess of 6 percent, \$8,981 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, 2019, the District paid \$5,994 to TRS for employer contributions due on salary increase in excess of 3 percent, \$6,405 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, 2020, 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	\$ 1,231,407
State's Proportionate Share of the Net Pension Liability Associated with the Employer	<u>96,450,211</u>
Total	<u><u>97,681,618</u></u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, and rolled forward to June 30, 2020. 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, 2020, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2020, the employer's proportion was 0.0014 percent, which was a decrease of 0.0001 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the employer recognized pension expense of \$10,272,010 and revenue of \$10,272,010 for support provided by the state.



**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

**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**

At June 30, 2021, the employer reported deferred outflows of resources and deterred 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	\$ 11,934	(329)	11,605
Net Difference Between Projected and Actual Earnings on Pension Investments	36,768	—	36,768
Changes of Assumptions	5,046	(12,920)	(7,874)
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	51,208	(139,504)	(88,296)
Total Pension Expense to be Recognized in Future Periods	104,956	(152,753)	(47,797)
Employer Contributions Subsequent to the Measurement Date	80,659	—	80,659
Totals	185,615	(152,753)	32,862

\$80,659 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2022	\$ 1,052
2023	(21,474)
2024	(16,045)
2025	(6,203)
2026	(5,127)
Thereafter	—
Total	(47,797)

Notes to the Financial Statements

June 30, 2021

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**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**

**Actuarial Assumptions**

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

Inflation: 2.50 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, 2020 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2017. In the June 30, 2019 actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2014.

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:

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

**NOTE 4 - OTHER INFORMATION - Continued**

**RETIREMENT SYSTEMS - Continued**

**Teachers' Retirement System (TRS) - Continued**

**Actuarial Assumptions - Continued**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large Cap	16.5%	6.1%
U.S. Small/Mid Cap	2.3%	7.2%
International Equities Developed	12.2%	7.0%
Emerging Market Equities	3.0%	9.4%
U.S. Bonds Core	7.0%	2.2%
U.S. Bonds High Yield	2.5%	4.1%
International Debt Developed	3.1%	1.5%
Emerging International Debt	3.2%	4.5%
Real Estate	16.0%	5.7%
Real Return	5.2%	6.3%
Absolute Return	10.0%	4.3%
Private Equity	15.0%	10.5%
Infrastructure	4.0%	6.2%
<b>Total</b>	<b>100.0%</b>	

**Discount Rate**

At June 30, 2020, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2019 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2020 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.

Notes to the Financial Statements

June 30, 2021

**NOTE 4 - OTHER INFORMATION - Continued**

**RETIREMENT SYSTEMS - Continued**

**Teachers' Retirement System (TRS) - Continued**

**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	\$ 1,494,704	1,231,407	1,014,638

**TRS Fiduciary Net Position**

Detailed information about the TRS's fiduciary net position as of June 30, 2020 is available in the separately issued TRS *Comprehensive Annual 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](http://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.

*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.

Notes to the Financial Statements

June 30, 2021

**NOTE 4 - OTHER INFORMATION - Continued**

**RETIREMENT SYSTEMS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*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, 2020, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	138
Inactive Plan Members Entitled to but not yet Receiving Benefits	161
Active Plan Members	<u>47</u>
Total	<u><u>346</u></u>

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

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**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, 2021, the District's contribution was 13.74% of covered payroll.

*Net Pension Liability/(Asset).* The District's net pension liability/(asset) was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The following are the methods and assumptions used to determine total pension liability at December 31, 2020:

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	2.25%
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.

Notes to the Financial Statements

June 30, 2021

**NOTE 4 - OTHER INFORMATION - Continued**

**RETIREMENT SYSTEMS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - 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	28.00%	1.30%
Domestic Equities	37.00%	5.00%
International Equities	18.00%	6.00%
Real Estate	9.00%	6.20%
Blended	7.00%	2.85% - 6.95%
Cash and Cash Equivalents	1.00%	0.70%

**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, 2021**

**NOTE 4 - OTHER INFORMATION - Continued**

**RETIREMENT SYSTEMS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Discount Rate Sensitivity - Continued**

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 1,340,778	(214,716)	(1,481,411)

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

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2019	\$ 14,959,411	13,927,794	1,031,617
Changes for the Year:			
Service Cost	211,783	—	211,783
Interest on the Total Pension Liability	1,058,346	—	1,058,346
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	(66,934)	—	(66,934)
Changes of Assumptions	(132,888)	—	(132,888)
Contributions - Employer	—	295,099	(295,099)
Contributions - Employees	—	92,241	(92,241)
Net Investment Income	—	2,006,552	(2,006,552)
Benefit Payments, Including Refunds of Employee Contributions	(934,862)	(934,862)	—
Other (Net Transfer)	—	(77,252)	77,252
Net Changes	135,445	1,381,778	(1,246,333)
Balances at December 31, 2020	15,094,856	15,309,572	(214,716)



**LINCOLNWOOD SCHOOL DISTRICT 74**

**Notes to the Financial Statements**

**June 30, 2021**

**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, 2021, the District recognized pension revenue of \$303,526. At June 30, 2021, 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	\$ —	(12,503)	(12,503)
Changes of Assumptions	—	(24,823)	(24,823)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	(1,221,495)	(1,221,495)
Total Pension Expense to be Recognized in Future Periods	—	(1,258,821)	(1,258,821)
Pension Contributions Made Subsequent to the Measurement Date	145,905	—	145,905
Total Deferred Amounts Related to IMRF	<u>145,905</u>	<u>(1,258,821)</u>	<u>(1,112,916)</u>

\$145,905 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, 2022. 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
2022	\$ (429,299)
2023	(136,384)
2024	(489,251)
2025	(203,887)
2026	—
Thereafter	—
Total	<u>(1,258,821)</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  
Transportation - 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, 2021**

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**See Following Page**

LINCOLNWOOD SCHOOL DISTRICT 74

Retiree's Health Plan

Schedule of Changes in the Employer's Total OPEB Liability

June 30, 2021

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	<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, 2019, 2020, and 2021.

6/30/2019	6/30/2020	6/30/2021
233,946	217,888	102,171
183,489	173,718	45,602
—	(3,169,801)	—
—	133,068	—
141,198	56,249	4,493
(347,558)	(325,643)	(296,439)
—	—	—
211,075	(2,914,521)	(144,173)
4,915,105	5,126,180	2,211,659
5,126,180	2,211,659	2,067,486
14,076,363	14,373,723	13,522,519
36.42%	15.39%	15.29%

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Teacher's Health Insurance Security Fund  
Schedule of Employer Contributions  
June 30, 2021**

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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%

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, 2021**

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**Notes to the Schedule of Employer Contributions**

<b>Valuation Date</b>	June 30, 2019
<b>Measurement Date</b>	June 30, 2020
<b>Sponsor's Fiscal Year End</b>	June 30, 2021

**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, 2020, 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	Market Value
Investment Rate of Return	0%, 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	Actual trend used for fiscal year 2020. 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.
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, 2021**

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	<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
0.048192%	0.047521%	0.047554%
12,696,479	13,152,640	12,709,607
17,048,632	16,663,057	17,218,085
29,745,111	29,815,697	29,927,692
11,328,576	11,767,192	12,315,343
112.07%	111.77%	103.20%
(0.07%)	0.25%	0.70%

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Teachers' Retirement System**

**Schedule of the Employer's Proportionate Share of the Net Pension Liability and Employer Contributions  
June 30, 2021**

	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
<b>Total</b>	<b>64,448,515</b>	<b>67,991,123</b>
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 2020 - 2016 measurement years, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit and were consistent in 2019 and 2020. These actuarial assumptions were based on an experience study dated September 18, 2018.

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
0.0014%	0.0017%	0.0016%	0.0015%	0.0014%
1,091,688	1,310,767	1,231,558	1,225,651	1,231,407
73,297,917	90,235,898	84,366,887	87,228,212	96,450,211
74,389,605	91,546,665	85,598,445	88,453,863	97,681,618
10,996,376	11,328,576	11,767,192	12,025,829	12,315,343
9.93%	11.57%	10.47%	10.19%	10.00%
36.44%	39.26%	40.00%	40.00%	37.80%
63,778	65,706	87,524	79,827	82,156
63,739	65,649	109,912	79,830	80,659
39	57	(22,388)	(3)	1,497
10,996,376	11,328,576	11,767,192	12,025,829	12,315,343
0.58%	0.58%	0.93%	0.66%	0.65%

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Illinois Municipal Retirement Fund  
Schedule of Employer Contributions  
June 30, 2021**

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%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	23 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  
June 30, 2021**

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**See Following Page**

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Illinois Municipal Retirement Fund**

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

**June 30, 2021**

	<u>12/31/14</u>
Total Pension Liability	
Service Cost	\$ 217,309
Interest	856,046
Differences Between Expected and Actual Experience	96,917
Change of Assumptions	534,248
Benefit Payments, Including Refunds of Member Contributions	(661,513)
Net Change in Total Pension Liability	<u>1,043,007</u>
Total Pension Liability - Beginning	<u>11,636,048</u>
 Total Pension Liability - Ending	 <u><u>12,679,055</u></u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 210,462
Contributions - Members	80,170
Net Investment Income	671,496
Benefit Payments, Including Refunds of Member Contributions	(661,513)
Other (Net Transfer)	(30,061)
Net Change in Plan Fiduciary Net Position	<u>270,554</u>
Plan Net Position - Beginning	<u>11,193,577</u>
 Plan Net Position - Ending	 <u><u>11,464,131</u></u>
 Employer's Net Pension Liability/(Asset)	 <u><u>\$ 1,214,924</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	  90.42%
 Covered Payroll	 \$ 1,634,760
 Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	  74.32%

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

12/31/15	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20
195,240	204,493	188,711	187,972	220,484	211,783
929,311	970,705	1,002,894	1,021,965	1,048,767	1,058,346
152,652	32,813	342,512	99,900	(231,025)	(66,934)
—	(28,764)	(454,888)	371,277	—	(132,888)
(705,468)	(751,382)	(802,170)	(846,999)	(868,644)	(934,862)
571,735	427,865	277,059	834,115	169,582	135,445
12,679,055	13,250,790	13,678,655	13,955,714	14,789,829	14,959,411
13,250,790	13,678,655	13,955,714	14,789,829	14,959,411	15,094,856
570,680	244,955	214,131	264,508	210,872	295,099
88,503	91,764	84,117	102,795	96,766	92,241
57,205	802,273	2,165,052	(769,616)	2,288,429	2,006,552
(705,468)	(751,382)	(802,170)	(846,999)	(868,644)	(934,862)
190,122	141,625	(228,569)	(248,508)	71,222	(77,252)
201,042	529,235	1,432,561	(1,497,820)	1,798,645	1,381,778
11,464,131	11,665,173	12,194,408	13,626,969	12,129,149	13,927,794
11,665,173	12,194,408	13,626,969	12,129,149	13,927,794	15,309,572
1,585,617	1,484,247	328,745	2,660,680	1,031,617	(214,716)
88.03%	89.15%	97.64%	82.01%	93.10%	101.42%
1,884,175	1,721,391	1,808,200	2,115,393	2,003,560	2,016,475
84.15%	86.22%	18.18%	125.78%	51.49%	(10.65%)

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, 2021

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

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
<b>Revenues</b>					
Local Sources					
Property Taxes	\$ 16,797,350	17,596,288	18,047,717	451,429	17,280,307
Replacement Taxes	325,000	432,916	432,917	1	388,614
Other	582,805	453,182	556,669	103,487	831,679
State Sources	1,160,000	1,161,353	1,165,296	3,943	1,162,898
Federal Sources	769,764	788,897	890,243	101,346	384,696
Investment Income	285,500	125,000	167,820	42,820	393,616
Total Direct Revenues	19,920,419	20,557,636	21,260,662	703,026	20,441,810
On-Behalf Payments	—	—	10,424,720	10,424,720	9,619,929
Total Revenues	19,920,419	20,557,636	31,685,382	11,127,746	30,061,739
<b>Expenditures</b>					
Current					
Instruction	13,264,532	12,961,276	12,989,993	(28,717)	12,754,215
Support Services	5,725,455	5,758,969	5,474,509	284,460	4,987,911
Community Services	2,000	2,000	—	2,000	—
Payments to Other Districts and Governmental Units	1,937,984	2,073,825	2,136,314	(62,489)	1,925,288
Total Direct Expenditures	20,929,971	20,796,070	20,600,816	195,254	19,667,414
On-Behalf Payments	—	—	10,424,720	(10,424,720)	9,619,929
Total Expenditures	20,929,971	20,796,070	31,025,536	(10,229,466)	29,287,343
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,009,552)	(238,434)	659,846	898,280	774,396
<b>Other Financing Sources/(Uses)</b>					
Debt Issuance	—	—	6,307,477	6,307,477	—
Premium on Debt Issuance	—	—	872,049	872,049	—
Transfers In	—	—	35,000	35,000	75,000
Transfers Out	—	—	(1,044,787)	(1,044,787)	(75,000)
	—	—	6,169,739	6,169,739	—
Net Change in Fund Balance	(1,009,552)	(238,434)	6,829,585	7,068,019	774,396
Fund Balances - Beginning as Restated			10,244,400		9,449,489
Fund Balance - Ending			17,073,985		10,223,885



**LINCOLNWOOD SCHOOL DISTRICT 74**

**Operations and Maintenance Account - Special Revenue Fund**

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

**For the Fiscal Year Ended June 30, 2021**

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

	2021			Variance with Final Budget	2020 Actual
	Original Budget	Final Budget	Actual		
<b>Revenues</b>					
<b>Local Sources</b>					
General Levy	\$ 1,950,376	2,034,984	2,097,987	63,003	1,999,371
Investment Income	60,000	26,000	24,533	(1,467)	102,463
Rentals	98,706	85,300	78,778	(6,522)	123,353
Total Local Sources	<u>2,109,082</u>	<u>2,146,284</u>	<u>2,201,298</u>	<u>55,014</u>	<u>2,225,187</u>
<b>Federal Sources</b>					
Other Restricted Revenue from Federal Sources	15,000	14,502	14,502	—	—
Total Revenues	<u>2,124,082</u>	<u>2,160,786</u>	<u>2,215,800</u>	<u>55,014</u>	<u>2,225,187</u>
<b>Expenditures</b>					
<b>Support Services</b>					
<b>Business</b>					
<b>Operation and Maintenance of Plant Services</b>					
Salaries	506,000	501,000	472,023	28,977	465,448
Employee Benefits	74,085	74,363	74,382	(19)	61,675
Purchased Services	916,000	949,528	888,720	60,808	748,525
Supplies and Materials	482,616	494,670	424,821	69,849	370,903
Capital Outlay	173,500	163,500	13,996	149,504	76,311
Other Objects	300	900	1,710	(810)	180
Non-Capitalized Equipment	21,000	21,000	33,923	(12,923)	87,009
Total Expenditures	<u>2,173,501</u>	<u>2,204,961</u>	<u>1,909,575</u>	<u>295,386</u>	<u>1,810,051</u>
Net Change in Fund Balance	<u>(49,419)</u>	<u>(44,175)</u>	306,225	<u>350,400</u>	415,136
Fund Balance - Beginning			<u>2,744,784</u>		<u>2,329,648</u>
Fund Balance - Ending			<u>3,051,009</u>		<u>2,744,784</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, 2021  
 (with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2020)**

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
<b>Revenues</b>					
<b>Local Sources</b>					
General Levy	\$ 419,363	430,288	490,163	59,875	418,549
Corporate Personal Property					
Replacement Taxes	163,000	211,250	211,250	—	166,549
Investment Income	24,000	12,000	11,451	(549)	40,816
Other Revenue from Local Sources	—	6,214	6,214	—	—
<b>Total Local Sources</b>	<b>606,363</b>	<b>659,752</b>	<b>719,078</b>	<b>59,326</b>	<b>625,914</b>
<b>State Sources</b>					
Transportation - Regular/Vocational	90,000	145,688	162,234	16,546	94,555
Transportation - Special Education	250,000	267,915	274,454	6,539	248,322
<b>Total State Sources</b>	<b>340,000</b>	<b>413,603</b>	<b>436,688</b>	<b>23,085</b>	<b>342,877</b>
<b>Total Revenues</b>	<b>946,363</b>	<b>1,073,355</b>	<b>1,155,766</b>	<b>82,411</b>	<b>968,791</b>
<b>Expenditures</b>					
<b>Support Services</b>					
<b>Business</b>					
Pupil Transport Services					
Purchased Services	1,208,000	732,000	938,270	(206,270)	1,066,933
<b>Net Change in Fund Balance</b>	<b>(261,637)</b>	<b>341,355</b>	<b>217,496</b>	<b>(123,859)</b>	<b>(98,142)</b>
Fund Balance - Beginning			<u>1,021,544</u>		<u>1,119,686</u>
Fund Balance - Ending			<u>1,239,040</u>		<u>1,021,544</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, 2021**

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

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
<b>Revenues</b>					
<b>Local Sources</b>					
General Levy	\$ 168,900	177,013	178,185	1,172	175,243
Social Security/Medicare Only Levy	305,594	295,074	316,279	21,205	271,266
Corporate Personal Property					
Replacement Taxes	120,000	138,240	138,241	1	61,685
Investment Income	10,040	4,020	4,204	184	13,859
<b>Total Revenues</b>	<b>604,534</b>	<b>614,347</b>	<b>636,909</b>	<b>22,562</b>	<b>522,053</b>
<b>Expenditures</b>					
<b>Instruction</b>					
Regular Programs	107,865	108,760	109,667	(907)	102,497
Pre-K Programs	10,663	10,700	11,072	(372)	10,207
Special Education Programs	85,595	70,675	68,554	2,121	61,459
Remedial and Supplemental Programs K-12	6,725	6,725	6,842	(117)	6,339
Interscholastic Programs	6,825	4,800	987	3,813	3,478
Summer School Programs	—	—	—	—	461
Gifted Programs	5,275	3,675	3,204	471	4,978
Bilingual Programs	9,305	9,305	9,138	167	8,865
<b>Total Instruction</b>	<b>232,253</b>	<b>214,640</b>	<b>209,464</b>	<b>5,176</b>	<b>198,284</b>
<b>Support Services</b>					
<b>Pupils</b>					
Attendance and Social Work Services	4,225	5,725	5,466	259	3,960
Health Services	32,135	27,750	25,547	2,203	30,899
Psychological Services	2,500	2,500	2,382	118	2,326
Speech Pathology and Audiology Services	3,825	3,825	3,720	105	3,589
Other Support Services - Pupils	3,965	3,865	3,464	401	3,650
<b>Total Pupils</b>	<b>46,650</b>	<b>43,665</b>	<b>40,579</b>	<b>3,086</b>	<b>44,424</b>
<b>Instructional Staff</b>					
Improvement of Instruction Services	15,835	16,400	16,343	57	14,312
Educational Media Services	3,600	3,600	3,429	171	3,393
<b>Total Instructional Staff</b>	<b>19,435</b>	<b>20,000</b>	<b>19,772</b>	<b>228</b>	<b>17,705</b>

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, 2021**

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

	2021			Variance with Final Budget	2020 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Support Services - Continued					
General Administration					
Executive Administration Services	\$ 4,000	4,000	3,857	143	3,726
Service Area Administration Services	4,880	5,250	5,071	179	4,681
Total General Administration	8,880	9,250	8,928	322	8,407
School Administration					
Office of the Principal Services	44,650	54,650	53,328	1,322	44,397
Business					
Direction of Business Support Services	2,525	2,550	2,568	(18)	2,388
Fiscal Services	44,250	42,750	43,131	(381)	38,611
Operations and Maintenance of					
Plant Services	108,108	103,550	98,887	4,663	91,026
Food Services	45,669	45,669	46,608	(939)	42,450
Total Business	200,552	194,519	191,194	3,325	174,475
Central					
Information Services	16,675	16,675	16,590	85	15,129
Data Processing Services	68,121	70,681	71,170	(489)	64,839
Total Central	84,796	87,356	87,760	(404)	79,968
Total Support Services	404,963	409,440	401,561	7,879	369,376
Total Expenditures	637,216	624,080	611,025	13,055	567,660
Net Change in Fund Balance	<u>(32,682)</u>	<u>(9,733)</u>	25,884	<u>35,617</u>	(45,607)
Fund Balance - Beginning			<u>217,815</u>		<u>263,422</u>
Fund Balance - Ending			<u>243,699</u>		<u>217,815</u>

## **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**

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### **GENERAL FUND**

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

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### **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.

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### **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.

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## INDIVIDUAL FUND DESCRIPTIONS

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### **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.

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**LINCOLNWOOD SCHOOL DISTRICT 74**

**General Fund - by Accounts  
Combining Balance Sheet  
June 30, 2021**

	Educational Accounts	Tort Immunity and Judgment Accounts	Working Cash Accounts	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 10,413,101	17,684	6,698,962	17,129,747
Receivables - Net of Allowances				
Property Taxes	9,362,473	57,388	382	9,420,243
Intergovernmental	187,084	—	—	187,084
Prepays	233,603	184,274	—	417,877
<b>Total Assets</b>	<b>20,196,261</b>	<b>259,346</b>	<b>6,699,344</b>	<b>27,154,951</b>
<b>LIABILITIES</b>				
Accounts Payable	161,586	—	—	161,586
Salaries and Wages Payable	499,137	—	—	499,137
<b>Total Liabilities</b>	<b>660,723</b>	<b>—</b>	<b>—</b>	<b>660,723</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	9,362,473	57,388	382	9,420,243
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>10,023,196</b>	<b>57,388</b>	<b>382</b>	<b>10,080,966</b>
<b>FUND BALANCES</b>				
Nonspendable	233,603	184,274	—	417,877
Restricted	21,452	17,684	—	39,136
Unassigned	9,918,010	—	6,698,962	16,616,972
<b>Total Fund Balances</b>	<b>10,173,065</b>	<b>201,958</b>	<b>6,698,962</b>	<b>17,073,985</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>20,196,261</b>	<b>259,346</b>	<b>6,699,344</b>	<b>27,154,951</b>



**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, 2021**

	Educational Accounts	Tort Immunity and Judgment Accounts	Working Cash Accounts	Totals
<b>Revenues</b>				
Local Sources				
Property Taxes	\$ 17,949,419	97,613	685	18,047,717
Corporate Personal Property				
Replacement Taxes	432,917	—	—	432,917
Investment Income	122,312	1,645	43,863	167,820
Other	556,669	—	—	556,669
State Sources	1,165,296	—	—	1,165,296
Federal Sources	890,243	—	—	890,243
On-Behalf Payments	10,424,720	—	—	10,424,720
<b>Total Revenues</b>	<b>31,541,576</b>	<b>99,258</b>	<b>44,548</b>	<b>31,685,382</b>
<b>Expenditures</b>				
Current				
Instruction				
Regular Programs	9,713,995	—	—	9,713,995
Special Programs	1,892,046	—	—	1,892,046
Other Instructional Programs	1,383,952	—	—	1,383,952
Support Services				
Pupils	1,296,543	—	—	1,296,543
Instructional Staff	713,690	—	—	713,690
General Administration	750,908	159,020	—	909,928
School Administration	906,399	—	—	906,399
Business	995,340	—	—	995,340
Central	652,609	—	—	652,609
Payments to Other Districts and Government Units	2,136,314	—	—	2,136,314
On-Behalf Expenditures	10,424,720	—	—	10,424,720
<b>Total Expenditures</b>	<b>30,866,516</b>	<b>159,020</b>	<b>—</b>	<b>31,025,536</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	675,060	(59,762)	44,548	659,846
<b>Other Financing Sources (Uses)</b>				
Debt Issuance	—	—	6,307,477	6,307,477
Premium on Debt Issuance	—	—	872,049	872,049
Transfers In	—	35,000	—	35,000
Transfers Out	(35,000)	—	(1,009,787)	(1,044,787)
	<b>(35,000)</b>	<b>35,000</b>	<b>6,169,739</b>	<b>6,169,739</b>
Net Change in Fund Balance	640,060	(24,762)	6,214,287	6,829,585
Fund Balances - Beginning as Restated	9,533,005	226,720	484,675	10,244,400
Fund Balances - Ending	<b>10,173,065</b>	<b>201,958</b>	<b>6,698,962</b>	<b>17,073,985</b>

**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, 2021**

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

	2021			Variance with Final Budget	2020 Actual
	Original Budget	Final Budget	Actual		
<b>Revenues</b>					
<b>Local Sources</b>					
General Levy	\$ 16,388,159	17,211,242	17,630,241	418,999	16,938,160
Special Education Levy	292,020	305,707	319,178	13,471	301,244
Corporate Purpose Property Replacement Taxes	325,000	432,916	432,917	1	388,614
Regular - Tuition from Other Districts	153,400	135,967	140,902	4,935	121,242
Summer School - Tuition from Pupils or Parents (in State)	20,000	30,000	29,430	(570)	1,280
Investment Income	240,000	120,000	122,312	2,312	375,267
Sales to Pupils - Lunch	220,000	55,000	55,872	872	198,949
Fees	56,600	55,500	74,500	19,000	71,647
Book Store Sales	4,200	—	(1,993)	(1,993)	4,634
Other Pupil Activity Revenue	22,000	27,000	35,973	8,973	25,685
Rentals - Regular Textbook	39,000	48,000	62,648	14,648	44,928
Rentals - Summer School Textbook	33,000	41,000	53,702	12,702	38,526
Rentals - Adult/Continuing Education Textbook	8,500	600	800	200	9,275
Sales - Adult/Continuing Education Textbook	—	—	—	—	513
Refund of Prior Years' Expenditures	17,538	29,279	56,592	27,313	306,499
Student Activity Fund	—	—	1,579	1,579	—
Other	8,567	30,836	46,664	15,828	8,501
<b>Total Local Sources</b>	<b>17,827,984</b>	<b>18,523,047</b>	<b>19,061,317</b>	<b>538,270</b>	<b>18,834,964</b>
<b>State Sources</b>					
General State Aid	1,160,000	1,160,000	1,162,898	2,898	1,162,898
Private Facility Tuition	—	471	629	158	—
Technology - Technology for Success	—	882	1,769	887	—
<b>Total State Sources</b>	<b>1,160,000</b>	<b>1,161,353</b>	<b>1,165,296</b>	<b>3,943</b>	<b>1,162,898</b>
<b>Federal Sources</b>					
Special Milk Program	11,000	4,000	4,133	133	13,470
Title I - Low Income	240,020	240,000	182,993	(57,007)	274,518
Federal - Special Education IDEA Flow-Through	294,569	299,913	299,345	(568)	5,000
IDEA Room and Board	—	28,311	132,336	104,025	4,336
Title III - English Language Acquisition	25,000	25,000	26,726	1,726	19,846
Title II - Teacher Quality	18,000	10,000	3,799	(6,201)	—

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, 2021

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

	2021			Variance with Final Budget	2020
	Original Budget	Final Budget	Actual		Actual
Revenues - Continued					
Federal Sources - Continued					
Medicaid Matching Funds					
Administrative Outreach	\$ —	—	11,439	11,439	43,084
Fee-For-Service Program	—	—	17,329	17,329	16,683
Other Federal Sources	181,175	181,673	212,143	30,470	7,759
Total Federal Sources	769,764	788,897	890,243	101,346	384,696
Total Direct Revenues	19,757,748	20,473,297	21,116,856	643,559	20,382,558
On-Behalf Payments	—	—	10,424,720	10,424,720	9,619,929
Total Revenues	19,757,748	20,473,297	31,541,576	11,068,279	30,002,487
Expenditures					
Instruction					
Regular Programs					
Salaries	7,167,048	7,302,798	7,543,532	(240,734)	7,249,853
Employee Benefits	1,200,016	1,120,675	1,108,906	11,769	906,030
Purchased Services	193,700	195,486	167,016	28,470	123,999
Supplies and Materials	409,143	280,200	207,003	73,197	252,536
Capital Outlay	102,884	173,534	163,777	9,757	238,293
Other Objects	—	600	598	2	—
Non-Capitalized Equipment	67,000	68,300	67,842	458	113,664
Termination Benefits	469,295	469,500	455,321	14,179	452,599
	9,609,086	9,611,093	9,713,995	(102,902)	9,336,974
Pre-K Programs					
Salaries	232,068	232,969	237,193	(4,224)	226,679
Employee Benefits	83,399	84,159	79,268	4,891	78,377
Purchased Services	200	200	—	200	—
Supplies and Materials	2,995	2,500	1,463	1,037	1,105
Capital Outlay	1,000	500	—	500	—
Non-Capitalized Equipment	500	250	—	250	647
	320,162	320,578	317,924	2,654	306,808

**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, 2021**

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

	2021			Variance with Final Budget	2020 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Instruction - Continued					
Special Education Programs					
Salaries	\$ 1,180,669	1,050,450	1,039,790	10,660	1,030,667
Employee Benefits	301,185	230,964	233,240	(2,276)	208,820
Purchased Services	500	1,400	1,327	73	642
Supplies and Materials	5,000	4,910	1,808	3,102	2,117
Capital Outlay	2,000	4,800	—	4,800	—
Other Objects	500	500	180	320	35
Non-Capitalized Equipment	1,000	2,103	6,902	(4,799)	7,360
	<u>1,490,854</u>	<u>1,295,127</u>	<u>1,283,247</u>	<u>11,880</u>	<u>1,249,641</u>
Remedial and Supplemental Programs K-12					
Salaries	480,490	498,046	497,470	576	460,784
Employee Benefits	71,624	74,187	72,005	2,182	67,171
Purchased Services	35,000	44,000	34,584	9,416	32,442
Supplies and Materials	6,542	6,542	4,740	1,802	976
	<u>593,656</u>	<u>622,775</u>	<u>608,799</u>	<u>13,976</u>	<u>561,373</u>
Interscholastic Programs					
Salaries	25,060	20,000	23,903	(3,903)	88,445
Employee Benefits	1,400	500	306	194	1,096
Supplies and Materials	1,500	1,000	991	9	4,959
Capital Outlay	1,000	1,000	—	1,000	—
Other Objects	—	3,500	3,500	—	—
Non-Capitalized Equipment	—	—	—	—	5,676
	<u>28,960</u>	<u>26,000</u>	<u>28,700</u>	<u>(2,700)</u>	<u>100,176</u>
Summer School Programs					
Salaries	—	3,000	—	3,000	30,425
Employee Benefits	—	—	—	—	731
Supplies and Materials	—	3,000	151	2,849	563
	<u>—</u>	<u>6,000</u>	<u>151</u>	<u>5,849</u>	<u>31,719</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, 2021

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

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Instruction - Continued					
Gifted Programs					
Salaries	\$ 380,816	237,650	235,728	1,922	369,074
Employee Benefits	77,486	52,914	26,161	26,753	71,622
Supplies and Materials	3,000	3,000	903	2,097	2,583
	<u>461,302</u>	<u>293,564</u>	<u>262,792</u>	<u>30,772</u>	<u>443,279</u>
Bilingual Programs					
Salaries	657,562	673,570	666,844	6,726	639,042
Employee Benefits	94,300	94,278	91,687	2,591	78,109
Purchased Services	2,150	2,050	227	1,823	1,650
Supplies and Materials	6,500	16,241	14,985	1,256	5,444
	<u>760,512</u>	<u>786,139</u>	<u>773,743</u>	<u>12,396</u>	<u>724,245</u>
Student Activity Fund					
Other Objects	—	—	642	(642)	—
	<u>—</u>	<u>—</u>	<u>642</u>	<u>(642)</u>	<u>—</u>
Total Instruction	<u>13,264,532</u>	<u>12,961,276</u>	<u>12,989,993</u>	<u>(28,717)</u>	<u>12,754,215</u>
Support Services					
Pupils					
Attendance and Social Work Services					
Salaries	360,288	387,452	387,452	—	278,044
Employee Benefits	18,072	34,160	31,915	2,245	15,962
Purchased Services	500	250	—	250	—
Supplies and Materials	1,000	1,000	432	568	1,507
	<u>379,860</u>	<u>422,862</u>	<u>419,799</u>	<u>3,063</u>	<u>295,513</u>
Health Services					
Salaries	164,250	127,400	130,820	(3,420)	161,245
Employee Benefits	48,488	25,579	29,469	(3,890)	46,586
Purchased Services	1,500	55,634	54,779	855	30
Supplies and Materials	33,600	35,207	77,404	(42,197)	3,483
Capital Outlay	1,500	1,500	—	1,500	—
Other Objects	600	641	418	223	—
Non-Capitalized Equipment	1,500	1,500	—	1,500	2,950
	<u>251,438</u>	<u>247,461</u>	<u>292,890</u>	<u>(45,429)</u>	<u>214,294</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, 2021

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

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Support Services - Continued					
Pupils - Continued					
Psychological Services					
Salaries	\$ 173,997	175,397	175,397	—	166,987
Employee Benefits	31,144	30,897	30,771	126	19,585
Purchased Services	1,000	1,577	2,477	(900)	124
Supplies and Materials	1,050	1,050	—	1,050	843
	<u>207,191</u>	<u>208,921</u>	<u>208,645</u>	<u>276</u>	<u>187,539</u>
Speech Pathology and Audiology Services					
Salaries	277,900	276,730	276,485	245	266,857
Employee Benefits	33,437	33,215	32,954	261	31,616
Supplies and Materials	1,250	1,250	299	951	349
	<u>312,587</u>	<u>311,195</u>	<u>309,738</u>	<u>1,457</u>	<u>298,822</u>
Other Support Services - Pupils					
Salaries	59,000	65,500	65,108	392	58,430
Employee Benefits	285	545	363	182	281
	<u>59,285</u>	<u>66,045</u>	<u>65,471</u>	<u>574</u>	<u>58,711</u>
Total Pupils	<u>1,210,361</u>	<u>1,256,484</u>	<u>1,296,543</u>	<u>(40,059)</u>	<u>1,054,879</u>
Instructional Staff					
Improvement of Instructional Services					
Salaries	351,694	360,194	361,375	(1,181)	322,329
Employee Benefits	39,392	40,806	40,972	(166)	37,771
Purchased Services	90,500	72,500	14,897	57,603	67,006
Supplies and Materials	2,600	2,600	626	1,974	2,588
Other Objects	1,500	1,500	1,728	(228)	288
	<u>485,686</u>	<u>477,600</u>	<u>419,598</u>	<u>58,002</u>	<u>429,982</u>
Educational Media Services					
Salaries	254,622	254,622	246,143	8,479	244,750
Employee Benefits	27,259	27,259	26,749	510	26,228
Supplies and Materials	6,850	7,635	6,675	960	23,070
	<u>288,731</u>	<u>289,516</u>	<u>279,567</u>	<u>9,949</u>	<u>294,048</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, 2021

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

	2021			Variance with Final Budget	2020 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Support Services - Continued					
Instructional Staff - Continued					
Assessment and Testing					
Purchased Services	\$ 14,525	14,525	14,525	—	—
Total Instructional Staff	788,942	781,641	713,690	67,951	724,030
General Administration					
Board of Education Services					
Employee Benefits	58,000	58,000	57,269	731	54,206
Purchased Services	236,900	236,900	203,068	33,832	167,229
Supplies and Materials	2,500	2,500	42	2,458	82
Other Objects	20,000	20,000	14,847	5,153	21,422
Non-Capitalized Equipment	1,000	1,000	—	1,000	—
	318,400	318,400	275,226	43,174	242,939
Executive Administration Services					
Salaries	262,056	262,056	262,639	(583)	254,423
Employee Benefits	32,369	32,335	32,374	(39)	31,574
Purchased Services	3,400	3,828	1,128	2,700	1,097
Supplies and Materials	2,000	2,000	307	1,693	369
Capital Outlay	500	500	—	500	—
Other Objects	2,500	2,500	2,254	246	2,129
Non-Capitalized Equipment	1,000	1,000	—	1,000	—
	303,825	304,219	298,702	5,517	289,592
Special Area Administration Services					
Salaries	137,451	137,451	138,462	(1,011)	133,830
Employee Benefits	46,064	38,922	38,518	404	44,756
	183,515	176,373	176,980	(607)	178,586
Total General Administration	805,740	798,992	750,908	48,084	711,117

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, 2021

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

	2021			Variance with Final Budget	2020 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Support Services - Continued					
School Administration					
Office of the Principal Services					
Salaries	\$ 704,565	704,565	714,664	(10,099)	700,751
Employee Benefits	181,780	186,753	187,497	(744)	143,748
Purchased Services	6,500	6,000	2,055	3,945	3,309
Supplies and Materials	5,200	5,330	1,646	3,684	2,311
Capital Outlay	1,500	1,500	—	1,500	—
Other Objects	2,000	2,040	537	1,503	798
Total School Administration	901,545	906,188	906,399	(211)	850,917
Business					
Direction of Business Support					
Services					
Salaries	175,825	175,825	177,324	(1,499)	164,835
Employee Benefits	29,088	25,700	29,145	(3,445)	28,192
Other Objects	1,500	1,500	1,271	229	1,170
Non-Capitalized Equipment	1,000	500	—	500	—
	207,413	203,525	207,740	(4,215)	194,197
Fiscal Services					
Salaries	214,500	214,500	217,213	(2,713)	202,211
Employee Benefits	45,739	45,774	43,532	2,242	36,722
Purchased Services	118,675	118,675	102,392	16,283	115,347
Supplies and Materials	5,000	5,000	3,720	1,280	4,579
Capital Outlay	—	—	—	—	—
Other Objects	20,000	20,000	19,254	746	22,951
Non-Capitalized Equipment	2,500	2,500	—	2,500	—
	406,414	406,449	386,111	20,338	381,810



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, 2021

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

	2021			Variance with Final Budget	2020 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Support Services - Continued					
Business - Continued					
Food Services					
Salaries	\$ 232,100	232,100	240,566	(8,466)	218,750
Employee Benefits	53,628	56,942	57,834	(892)	45,579
Purchased Services	3,000	3,000	697	2,303	2,495
Supplies and Materials	259,200	259,200	73,733	185,467	155,340
Capital Outlay	5,000	5,000	—	5,000	—
Other Objects	1,500	1,500	348	1,152	850
Non-Capitalized Equipment	4,500	4,500	—	4,500	—
	558,928	562,242	373,178	189,064	423,014
Internal Services					
Purchased Services	20,500	26,500	28,311	(1,811)	23,994
Supplies and Materials	1,500	1,500	—	1,500	—
	22,000	28,000	28,311	(311)	23,994
Total Business	1,194,755	1,200,216	995,340	204,876	1,023,015
Central					
Information Services					
Salaries	80,000	80,000	81,500	(1,500)	77,441
Employee Benefits	6,221	6,227	6,219	8	5,877
Purchased Services	37,000	29,450	28,080	1,370	13,914
Supplies and Materials	6,000	6,000	(250)	6,250	1,128
Other Objects	1,500	2,500	1,747	753	135
	130,721	124,177	117,296	6,881	98,495
Data Processing Services					
Salaries	439,390	444,330	455,726	(11,396)	309,630
Employee Benefits	82,701	76,641	79,540	(2,899)	69,735
Purchased Services	1,000	1,000	22	978	225
Other Objects	300	300	25	275	—
	523,391	522,271	535,313	(13,042)	379,590
Total Central	654,112	646,448	652,609	(6,161)	478,085

**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, 2021**

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

	2021			Variance with Final Budget	2020 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Support Services - Continued					
Total Support Services	\$ 5,555,455	5,589,969	5,315,489	274,480	4,842,043
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	34,900	34,900	28,856	6,044	33,502
Other Objects	1,903,084	2,038,925	2,107,458	(68,533)	1,891,786
Total Payments to Other Districts and Governmental Units	1,937,984	2,073,825	2,136,314	(62,489)	1,925,288
Total Direct Expenditures	20,759,971	20,627,070	20,441,796	185,274	19,521,546
On Behalf Payments	—	—	10,424,720	(10,424,720)	9,619,929
Total Expenditures	20,759,971	20,627,070	30,866,516	(10,239,446)	29,141,475
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,002,223)	(153,773)	675,060	828,833	861,012
Other Financing (Uses)					
Transfers Out	—	—	(35,000)	(35,000)	(75,000)
Net Change in Fund Balance	<u>(1,002,223)</u>	<u>(153,773)</u>	640,060	<u>793,833</u>	786,012
Fund Balance - Beginning as Restated			<u>9,533,005</u>		<u>8,726,478</u>
Fund Balance - Ending			<u>10,173,065</u>		<u>9,512,490</u>

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Tort Immunity - General Fund**

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

**For the Fiscal Year Ended June 30, 2021**

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

	2021			Variance with Final Budget	2020 Actual
	Original Budget	Final Budget	Actual		
<b>Revenues</b>					
Local Sources					
Tort Immunity Levy	\$ 116,519	78,670	97,613	18,943	40,255
Investment Income	36,500	1,000	1,645	645	3,360
Total Revenues	<u>153,019</u>	<u>79,670</u>	<u>99,258</u>	<u>19,588</u>	<u>43,615</u>
<b>Expenditures</b>					
Support Services					
General Administration					
Workers' Compensation or Workers' Occupational Disease Act Payments					
Purchased Services	90,000	89,000	79,119	9,881	3,128
Unemployment Insurance Payments					
Purchased Services	—	—	—	—	1,347
Insurance Payments (Regular or Self Insurance)					
Purchased Services	—	—	—	—	74,809
Judgment and Settlements					
Other Objects	5,000	5,000	—	5,000	—
Property Insurance (Buildings and Grounds)					
Purchased Services	75,000	75,000	79,901	(4,901)	66,584
Total Expenditures	<u>170,000</u>	<u>169,000</u>	<u>159,020</u>	<u>9,980</u>	<u>145,868</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,981)	(89,330)	(59,762)	29,568	(102,253)
<b>Other Financing Sources</b>					
Transfers In	—	—	35,000	35,000	75,000
Net Change in Fund Balance	<u>(16,981)</u>	<u>(89,330)</u>	<u>(24,762)</u>	<u>64,568</u>	<u>(27,253)</u>
Fund Balance - Beginning			<u>226,720</u>		<u>253,973</u>
Fund Balance - Ending			<u><u>201,958</u></u>		<u><u>226,720</u></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, 2021**

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

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Revenues					
Local Sources					
General Levy	\$ 652	669	685	16	648
Investment Income	9,000	4,000	43,863	39,863	14,989
Total Revenues	<u>9,652</u>	<u>4,669</u>	<u>44,548</u>	<u>39,879</u>	<u>15,637</u>
Expenditures	—	—	—	—	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>9,652</u>	<u>4,669</u>	<u>44,548</u>	<u>39,879</u>	<u>15,637</u>
Other Financing Sources (Uses)					
Debt Issuance	—	—	6,307,477	6,307,477	—
Premium on Debt Issuance	—	—	872,049	872,049	—
Transfers Out	—	—	(1,009,787)	(1,009,787)	—
	<u>—</u>	<u>—</u>	<u>6,169,739</u>	<u>6,169,739</u>	<u>—</u>
Net Change in Fund Balance	<u>9,652</u>	<u>4,669</u>	<u>6,214,287</u>	<u>6,209,618</u>	<u>15,637</u>
Fund Balance - Beginning			<u>484,675</u>		<u>469,038</u>
Fund Balance - Ending			<u>6,698,962</u>		<u>484,675</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, 2021

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

	2021			Variance with Final Budget	2020 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local Sources					
General Levy	\$ 1,808,452	1,770,787	1,654,041	(116,746)	1,461,122
Investment Income	17,500	9,000	11,054	2,054	30,168
Total Revenues	<u>1,825,952</u>	<u>1,779,787</u>	<u>1,665,095</u>	<u>(114,692)</u>	<u>1,491,290</u>
Expenditures					
Debt Service					
Payments on Long Term Debt					
Principal Payments on Long Term Debt	1,085,000	1,085,000	1,085,000	—	720,000
Interest and Fiscal Charges	536,900	552,650	727,150	(174,500)	563,200
Total Expenditures	<u>1,621,900</u>	<u>1,637,650</u>	<u>1,812,150</u>	<u>(174,500)</u>	<u>1,283,200</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	204,052	142,137	(147,055)	(289,192)	208,090
Other Financing Sources					
Debt Issuance	—	—	57,523	57,523	—
Net Change in Fund Balance	<u>204,052</u>	<u>142,137</u>	<u>(89,532)</u>	<u>(231,669)</u>	<u>208,090</u>
Fund Balance - Beginning			<u>830,248</u>		<u>622,158</u>
Fund Balance - Ending			<u><u>740,716</u></u>		<u><u>830,248</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, 2021**

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

	2021			Variance with Final Budget	2020 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local Sources					
Investment Income	\$ 37,000	12,000	3,992	(8,008)	66,535
Expenditures					
Support Services					
Business					
Facilities Acquisition and Construction Services					
Purchased Services	66,471	82,471	88,354	(5,883)	239,533
Capital Outlay	707,500	731,800	587,686	144,114	312,505
Non-Capitalized Equipment	—	—	2,399	(2,399)	—
	<u>773,971</u>	<u>814,271</u>	<u>678,439</u>	<u>135,832</u>	<u>552,038</u>
Operations and Maintenance of Plant Services					
Capital Outlay	11,000	1,020,787	1,009,787	11,000	—
	<u>784,971</u>	<u>1,835,058</u>	<u>1,688,226</u>	<u>146,832</u>	<u>552,038</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(747,971)	(1,823,058)	(1,684,234)	138,824	(485,503)
Other Financing Sources					
Transfers In	—	—	1,009,787	1,009,787	—
Net Change in Fund Balance	<u>(747,971)</u>	<u>(1,823,058)</u>	<u>(674,447)</u>	<u>1,148,611</u>	<u>(485,503)</u>
Fund Balance - Beginning			<u>1,409,512</u>		<u>1,895,015</u>
Fund Balance - Ending			<u>735,065</u>		<u>1,409,512</u>

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, 2021

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

	2021			Variance with Final Budget	2020 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local Sources					
General Levy	\$ 436,363	454,666	476,393	21,727	448,995
Investment Income	92,000	33,000	29,242	(3,758)	157,354
Other Revenue from Local Sources	50,000	50,000	50,000	—	—
Total Revenues	<u>578,363</u>	<u>537,666</u>	<u>555,635</u>	<u>17,969</u>	<u>606,349</u>
Expenditures					
Support Services					
Business					
Facilities and Acquisition and Construction Services					
Purchased Services	58,750	70,000	80,329	(10,329)	1,819
Operations and Maintenance of Plant Services					
Capital Outlay	957,000	957,000	1,642,461	(685,461)	33,300
Non-Capitalized Equipment	—	—	(33,300)	33,300	33,300
Total Expenditures	<u>1,015,750</u>	<u>1,027,000</u>	<u>1,689,490</u>	<u>(662,490)</u>	<u>68,419</u>
Net Change in Fund Balance	<u>(437,387)</u>	<u>(489,334)</u>	(1,133,855)	<u>(644,521)</u>	537,930
Fund Balance - Beginning			<u>4,307,303</u>		<u>3,769,373</u>
Fund Balance - Ending			<u><u>3,173,448</u></u>		<u><u>4,307,303</u></u>

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Consolidated Year-End Financial Report  
June 30, 2021**

CSFA #	Program Name	State	Federal	Other	Totals
478-00-0251	Medical Assistance Program	\$ —	11,916	—	11,916
586-00-1723	School Maintenance Project	50,000	—	—	50,000
586-18-0408	Special Milk Program	—	4,133	—	4,133
586-18-0428	English Language Acquisition State Grants	—	26,726	—	26,726
586-44-0414	Title I - Low Income	—	182,993	—	182,993
586-43-0430	Title II - Teacher Quality	—	3,799	—	3,799
586-57-0420	Federal - Special Education - Pre School Flow Through	—	9,756	—	9,756
586-64-0417	Federal - Special Education - IDEA Flow Through	—	289,589	—	289,589
586-82-1466	Federal - Special Education - IDEA Room and Board	—	132,336	—	132,336
586-62-2402	Federal Programs - Emergency Relief	—	226,645	—	226,645
	Other Grant Programs and Activities	—	—	—	—
	All Other Costs Not Allocated	—	—	38,247,709	38,247,709
	Totals	50,000	887,893	38,247,709	39,185,602



## **SUPPLEMENTAL SCHEDULES**

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Schedule of Assessed Valuations, Tax Rates, and Extensions - Last Five Tax Levy Years  
June 30, 2021**

	2016	2017	2018	2019	2020
Assessed Valuation	\$ 658,065,848	670,106,010	657,318,534	690,242,851	737,935,823
<b>Tax Rates</b>					
Educational	2.5920	2.5637	2.6634	2.5663	2.5780
Tort Immunity	0.0001	0.0001	0.0001	0.0115	0.0161
Special Education	0.0460	0.0455	0.0473	0.0457	0.0473
Operations and Maintenance	0.2914	0.2882	0.3120	0.3047	0.3072
Bond and Interest	0.1867	0.1653	0.1972	0.2490	0.2328
Transportation	0.0767	0.0759	0.0637	0.0656	0.0763
Municipal Retirement	0.0268	0.0265	0.0275	0.0266	0.0255
Social Security	0.0230	0.0228	0.0389	0.0440	0.0477
Working Cash	0.0001	0.0001	0.0001	0.0001	0.0001
Fire Prevention and Life Safety	0.0192	0.0677	0.0704	0.0682	0.0706
<b>Total Tax Rates</b>	<b>3.2620</b>	<b>3.2558</b>	<b>3.4206</b>	<b>3.3817</b>	<b>3.4016</b>
<b>Tax Extensions</b>					
Educational	\$ 17,057,066	17,179,507	17,507,021	17,713,702	19,024,100
Tort Immunity	658	670	657	79,377	118,780
Special Education	302,710	304,898	310,911	315,440	349,230
Operations and Maintenance	1,917,603	1,931,245	2,050,833	2,103,169	2,266,659
Bond and Interest	1,110,086	1,107,855	1,296,645	1,719,270	1,718,220
Transportation	504,736	508,610	418,711	452,799	563,103
Municipal Retirement	176,361	177,578	180,762	183,604	187,822
Social Security	151,355	152,784	255,696	303,706	351,688
Working Cash	658	670	657	690	764
Fire Prevention and Life Safety	126,348	453,661	462,752	470,745	521,172
<b>Total Tax Extensions</b>	<b>21,347,581</b>	<b>21,817,478</b>	<b>22,484,645</b>	<b>23,342,502</b>	<b>25,101,538</b>

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Schedule of Long-Term Debt Requirements  
General Obligation Limited School Bonds of 2015  
June 30, 2021**

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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
2022	\$ 760,000	114,500	874,500
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>4,070,000</u>	<u>316,850</u>	<u>4,386,850</u>

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Schedule of Long-Term Debt Requirements  
General Obligation Limited School Bonds of 2016  
June 30, 2021**

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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
2022	\$ —	164,100	164,100
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>1,186,750</u>	<u>5,391,750</u>

**LINCOLNWOOD SCHOOL DISTRICT 74**

**Schedule of Long-Term Debt Requirements  
General Obligation Limited School Bonds of 2018A  
June 30, 2021**

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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
2022	\$ 360,000	215,400	575,400
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
	5,565,000	2,220,300	7,785,300

**LINCOLNWOOD SCHOOL DISTRICT 74**

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

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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
2022	\$ —	204,548	204,548
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
	<u>6,365,000</u>	<u>2,853,073</u>	<u>9,218,073</u>