

**COAL CITY COMMUNITY
UNIT SCHOOL DISTRICT NO. 1
COAL CITY, ILLINOIS
ANNUAL FINANCIAL REPORT
JUNE 30, 2023**

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

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INDEPENDENT AUDITORS' REPORT



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Independent Auditors' Report

To the Board of Education
Coal City Community Unit School District No. 1
Coal City, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Coal City Community Unit School District No. 1, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Coal City Community Unit School District No. 1 as of June 30, 2023, and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Coal City Community Unit School District No. 1, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The governmental activities, each major fund, and the aggregate remaining fund information are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditors' Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

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

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

Other and Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Coal City Community Unit School District No. 1's basic financial statements. The combining and individual fund financial statements and notes to other information, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Coal City Community Unit School District No. 1's financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly presented in all material respects in relation to the basic financial statements as a whole.

Supplemental Information

Management is responsible for the supplemental information included in the annual report. The supplemental information is comprised of the custodial funds, the pension schedules and the assessed valuations, tax rates, tax extensions and tax collections schedule, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the supplemental information, and we do not express an opinion or any form of assurance thereon.

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

Report on Summarized Comparative Information

We previously audited Coal City Community Unit School District No. 1's June 30, 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 7, 2022. The summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 6, 2023, on our consideration of the Coal City Community Unit School District No. 1's internal control over financial reporting and our tests of its compliance with provisions of laws, regulations, contracts, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Mack & Associates, P. C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
September 6, 2023

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statement
Statement of Net Position - Modified Cash Basis
June 30, 2023

	Governmental Activities	
	2023	2022
<u>Assets</u>		
Cash in bank	\$ 7,348,521	4,999,820
Investments	19,178,087	18,330,208
Capital Assets		
Land	6,457,620	6,457,620
Land Improvements	5,929,771	5,898,236
Building	84,562,335	83,524,841
Equipment	3,972,650	3,792,885
Cafeteria Equipment	485,245	485,245
Accumulated Depreciation	(46,895,925)	(44,311,765)
Total Assets	81,038,304	79,177,090
<u>Liabilities</u>		
Withholdings	87,834	159,127
Long-Term Liabilities:		
Due Within One Year	2,554,162	2,425,000
Due in More Than One Year	20,678,646	23,155,000
Total Liabilities	23,320,642	25,739,127
<u>Net Position</u>		
Net Investment in Capital Assets	31,278,888	30,267,062
Restricted	2,288,434	1,941,322
Unrestricted	24,150,340	21,229,579
Total Net Position	\$ 57,717,662	53,437,963

The Notes to Basic Financial Statements are an integral part of this statement.

Government-wide Financial Statement
Statement of Activities - Modified Cash Basis
For the Year Ended June 30, 2023

Program Activities	Expenditures	Program Receipts			Net Expenditures, Receipts, and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
					2023	2022
Governmental Activities						
Instruction	\$ 20,434,860	270,085	1,404,518	-	(18,760,257)	(18,459,479)
Support Services	13,049,222	608,306	1,825,724	-	(10,615,192)	(8,998,964)
Community Services	4,757	-	-	-	(4,757)	(48)
Payments to Other Schools	838,726	-	-	-	(838,726)	(581,087)
On-Behalf Payments	1,635,159	-	1,635,159	-	-	-
Unallocated Interest	1,073,406	-	-	-	(1,073,406)	(1,167,556)
Total Governmental Activities	<u>\$ 37,036,130</u>	<u>878,391</u>	<u>4,865,401</u>	<u>-</u>	<u>(31,292,338)</u>	<u>(29,207,134)</u>
General Revenues						
Taxes:						
Property Taxes					\$ 27,760,929	27,141,311
Payment in Lieu of Taxes					134,647	153,870
Replacement Taxes					4,896,565	4,332,115
Grants and Entitlements not Restricted to Specific Programs					1,351,470	1,349,366
Refund of Prior Year Expenditures					3,961	51,380
Site Donations					18,741	58,416
Unrestricted Contributions and Donations					23,120	15,641
Interest on Investments					662,227	1,004,814
Miscellaneous					<u>720,377</u>	<u>555,988</u>
Total General Revenues					<u>35,572,037</u>	<u>34,662,901</u>
Change in Net Position					4,279,699	5,455,767
Net Position Beginning of Year					<u>53,437,963</u>	<u>47,982,196</u>
Net Position End of Year					<u>\$ 57,717,662</u>	<u>53,437,963</u>

The Notes to Basic Financial Statements are an integral part of this statement.

Statement of Assets, Liabilities and Changes in Fund Balances

Modified Cash Basis- Governmental Funds

June 30, 2023

	General Fund	Special Revenue Fund Transportation Fund	Capital Projects Fund Site & Construction Fund	Debt Service Fund Bond & Interest Fund	Nonmajor Governmental Funds	Total Governmental Funds 2023	2022
<u>Assets</u>							
Cash	\$ 6,841,313	-	565,712	4,303	193,198	7,604,526	5,020,400
Investments	14,602,058	2,615,343	-	-	1,960,686	19,178,087	18,330,208
Total Assets	<u>\$ 21,443,371</u>	<u>2,615,343</u>	<u>565,712</u>	<u>4,303</u>	<u>2,153,884</u>	<u>26,782,613</u>	<u>23,350,608</u>
<u>Liabilities and Fund Balances</u>							
Liabilities:							
Overdraft Payable	\$ 18,142	237,863	-	-	-	256,005	20,580
Withholdings	82,023	-	-	-	5,811	87,834	159,127
Total Liabilities	<u>100,165</u>	<u>237,863</u>	<u>-</u>	<u>-</u>	<u>5,811</u>	<u>343,839</u>	<u>179,707</u>
Fund Balance:							
Restricted	136,058	-	-	4,303	2,148,073	2,288,434	1,941,322
Committed	1,136,252	-	565,712	-	-	1,701,964	2,811,896
Assigned	348,580	2,377,480	-	-	-	2,726,060	2,761,497
Unassigned	19,722,316	-	-	-	-	19,722,316	15,656,186
Total Fund Balances	<u>21,343,206</u>	<u>2,377,480</u>	<u>565,712</u>	<u>4,303</u>	<u>2,148,073</u>	<u>26,438,774</u>	<u>23,170,901</u>
Total Liabilities and Fund Balance	<u>\$ 21,443,371</u>	<u>2,615,343</u>	<u>565,712</u>	<u>4,303</u>	<u>2,153,884</u>		

Reconciliation to Statement of Net Position:

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

Capital assets used in governmental activities of \$101,407,621 (net of accumulated depreciation of \$46,895,925), are not financial resources and therefore are not reported in the funds.

\$ 54,511,696 55,847,062

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:

General Obligation Bonds

(23,232,808) (25,580,000)

Net Position of Governmental Activities

\$ 57,717,662 53,437,963

The Notes to Basic Financial Statements are an integral part of this statement.

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds	
		Transportation Fund	Site & Construction Fund	Bond & Interest Fund			
						2023	2022
Revenues Received:							
Local Sources	\$ 28,682,619	1,587,679	18,741	3,502,709	1,282,107	35,073,855	32,749,724
Flow Through	25,103	-	-	-	-	25,103	24,253
State Sources	1,806,948	1,079,727	-	-	-	2,886,675	2,637,814
Federal Sources	1,695,037	-	-	-	-	1,695,037	3,546,126
On Behalf Payments	1,635,159	-	-	-	-	1,635,159	1,581,405
Total Revenues Received	33,844,866	2,667,406	18,741	3,502,709	1,282,107	41,315,829	40,539,322
Expenditures Disbursed:							
Current:							
Instructional	17,477,347	-	-	-	374,663	17,852,010	16,986,484
Support	9,773,404	2,663,293	83,774	-	528,751	13,049,222	12,000,329
Community Service	4,757	-	-	-	-	4,757	48
Intergovernmental:							
Payments to Other Schools	838,726	-	-	-	-	838,726	581,087
On Behalf Payments	1,635,159	-	-	-	-	1,635,159	1,581,405
Capital Outlay	110,009	99,982	1,037,493	-	-	1,247,484	1,272,577
Debt Service:							
Interest & service charges	-	-	-	1,073,406	-	1,073,406	1,167,556
Principal	-	22,174	-	2,425,000	-	2,447,174	2,330,000
Total Expenditures Disbursed	29,839,402	2,785,449	1,121,267	3,498,406	903,414	38,147,938	35,919,486
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	4,005,464	(118,043)	(1,102,526)	4,303	378,693	3,167,891	4,619,836
Other Financing Sources (Uses):							
Lease Proceeds	-	99,982	-	-	-	99,982	-
Transfers in (out)	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	99,982	-	-	-	99,982	-
Net Changes in Fund Balances	4,005,464	(18,061)	(1,102,526)	4,303	378,693	3,267,873	4,619,836
Fund Balance, Beginning of Year	17,337,742	2,395,541	1,668,238	-	1,769,380	23,170,901	18,551,065
Fund Balance, End of Year	\$ 21,343,206	2,377,480	565,712	4,303	2,148,073	26,438,774	23,170,901

The Notes to Basic Financial Statements are an integral part of this statement.

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2023

Reconciliation to the Statement of Activities:

Net Change in Fund Balances - governmental activities	\$ 3,267,873	4,619,836
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Amount reported for governmental activities in the Statement of Activities are different because:

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

Principal on Debt	2,447,174	2,330,000
Lease Proceeds	(99,982)	-

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. The change in fund balance must be increased by capital purchases and decreased by depreciation expense:

Capital asset purchases	1,248,794	1,070,445
Capital asset dispositions, net of accumulated depreciation	-	(14,625)
Depreciation expense	(2,584,160)	(2,549,889)

Change in Net Position of Governmental Activities (Statement B)	\$ 4,279,699	5,455,767
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Statement of Fiduciary Net Position
Custodial Funds
June 30, 2023

		June 30,	
		2023	2022
<u>Assets</u>			
Cash		\$ 516,703	506,254
<u>Liabilities</u>			
Due to Memorial / Scholarship Funds		\$ 516,703	506,254

NOTES TO BASIC FINANCIAL STATEMENTS

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Coal City Community Unit School District No. 1 (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Illinois. It is governed by a seven-member Board of Education (the "Board") elected by registered voters of the District. The financial statements of the District have been prepared on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Illinois, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the District's accounting policies are described below:

Reporting Entity

The District has developed criteria to determine whether outside agencies with activities which benefit the citizens of the District, including joint agreements, which serve pupils from numerous districts, should be included within its financial reporting entity. Oversight responsibility is derived from the governmental unit's authority and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, accountability for fiscal matters, scope of public services, and special financing relationships. There are no component units as defined above that are included in the District's reporting entity. The District is not included in any other governmental "reporting entity."

A. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements. The Statement of Net Position and the Statement of Activities display information about the District as a whole. The statements include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

A. Basis of Presentation (Continued)

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. The Statement of Activities presents a comparison between direct expenditures and program revenues for each program or function of the District's governmental activities. Direct expenditures are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements. During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at a more detailed level. The focus of governmental financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The fiduciary funds are reported by type.

B. Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues, and expenditures. The District maintains individual funds required by the State of Illinois. These funds are grouped as required for reports filed with the Illinois State Board of Education. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. An emphasis is placed on major funds within the governmental category.

Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

B. Fund Accounting (Continued)

A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. total assets, liabilities, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. total assets, liabilities, revenues, or expenditures of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

There are two categories of funds utilized by the District: governmental and fiduciary.

Governmental Funds. Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. The following are the District's major governmental funds:

General Fund - The General Fund, which consists of the Educational Fund, the Operations and Maintenance Fund, and the Working Cash Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The Special Education and Lease levies are included in these funds.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. One special revenue fund is considered to be a major fund:

1. Transportation Fund - The Transportation Fund is used to account for expenditures related to transporting the students of the District. Main sources of revenue include property taxes and transportation state aid.

Capital Project Funds - Capital Project Funds are used to account for the accumulation of financial resources for, and the payment of maintenance/capital additions. The District has one capital project fund that is considered a major fund:

1. Site & Construction Fund - The Site & Construction Fund is used to account for expenditures related to maintenance/improvements of District property.

Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

B. Fund Accounting (Continued)

Debt Service Funds - Debt Service Funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs. The District has one debt service fund that is considered a major fund.

1. Bond and Interest - The Bond and Interest Fund is used to account for principal and interest related to long-term debt issued by the District. The fund balance in this fund is restricted for debt service related expenditures.

Fiduciary Funds - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Custodial funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. The District's only fiduciary funds are custodial funds which report resources that belong to various scholarship and memorial funds.

C. Measurement Focus and Basis of Accounting

Government-wide Financial Statements. The government-wide financial statements are prepared using the economic resources measurement focus and the modified cash basis of accounting. This means that only balances resulting from previous cash transactions are shown on the Statement of Net Position, with two modifications: capital assets net of related depreciation and long-term liabilities resulting from debt issuances are also included. The Statement of Activities presents increases (i.e. revenues) and decreases (i.e. expenditures) in total net position, with three modifications: capital acquisitions are not reported as expenditures but rather capitalized and shown as assets on the Statement of Net Position, depreciation expense is reported in the Statement of Activities, and long-term debt principal payments are shown as a reduction of long-term liabilities on the Statement of Net Position rather than as a disbursement on the Statement of Activities.

Fund Financial Statements. All governmental funds are accounted for using the current financial resources measurement focus and the cash basis of accounting. This means that only current assets, liabilities and fund balances resulting from previous cash transactions are shown on the Statement of Assets, Liabilities and Fund Balance Arising from Cash Transactions. The Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances reports on the sources (i.e. revenues) and uses (i.e. expenditures).

While GASB 87 and 96 were in effect as of June 30, 2023, the financial statements have not been adjusted for this as they are reported on the cash basis of accounting. The expenditures are reported in the applicable funds when incurred. See Note 11 relating to lease commitments for further information.

Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Revenues are recognized when cash is received. Expenditures are recognized when checks are written. Allocations of cost, such as depreciation, are not recognized in governmental funds. This approach differs from the manner in which the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

D. Cash, Cash Equivalents and Investments

Cash and Cash Equivalents

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less. Trust account investments in open-ended mutual funds are also considered cash equivalents.

To improve cash management, the District utilizes a pooled account. Monies for all funds, excluding fiduciary funds, are maintained in this pool. Individual fund integrity is maintained through District records. Interest in the pool is presented as "cash."

Investments

During the fiscal year, investments were limited to certificates of deposit, money market mutual funds, and the Illinois School District Liquid Asset Fund. Investments are stated at cost which approximates market value. Gains or losses on the sale of investments are recognized upon realization. The institutions in which investments are made must be approved by the Board of Education.

E. Capital Assets

In the government-wide financial statements, capital assets arising from cash transactions are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if the actual cost is unavailable. Estimated historical cost was used to value a majority of the assets acquired prior to July 1, 2004. Assets acquired since July 1, 2004, are recorded at cost.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$2,500. Investments are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

E. Capital Assets (Continued)

Depreciation of exhaustible capital assets arising from cash transactions is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	15-39 years
Equipment	3-10 years
Cafeteria Equipment	3-10 years

F. Compensated Absences

Each full-time teacher shall be granted twelve (12) sick leave days per school year without loss of pay. Each full-time teacher who has accumulated one hundred (100) unused sick days at the end of the previous year shall receive fourteen (14) sick days the next school year. Each full-time teacher who has accumulated one hundred fifty (150) unused sick days at the end of the previous year shall receive sixteen (16) days the next school year. Each full-time teacher who has accumulated two hundred (200) unused sick days at the end of the previous year shall receive (25) sick days the next school year.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

G. Net Position

In the government-wide financial statements net position represents the difference between assets and liabilities, and is displayed in three components:

1. Net Position invested in capital assets - consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of these assets. At June 30, 2023, net investment in capital assets consists of the following:

Capital assets, at cost	\$ 101,407,621
Less: Accumulated depreciation	<u>(46,895,925)</u>
Capital assets, net	54,511,696
Less:	
Capital leases	(77,808)
General obligation bonds	<u>(23,155,000)</u>
Net investment in capital assets	<u>\$ 31,278,888</u>

2. Restricted net position - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position - all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

H. Insurance Liability

The District's employees are covered by a health insurance policy under which the District's total premium is based on actual claims incurred. As of June 30, 2023, total premiums paid by District employees have exceeded claims incurred by \$82,023. This amount is included in the payroll withholdings liability reported in the Educational and Operations & Maintenance Fund on the accompanying financial statements.

I. Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

J. Reclassifications

Certain prior year balances may have been reclassified to conform to the current year presentation.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 2: DEPOSITS AND INVESTMENTS

The District is allowed to invest in securities as authorized by the School Code of Illinois, Chapter 85, Sections 902 and 906; and Chapter 122, Section 8-7 and is limited by its own local ordinance. The District has adopted a formal written investment and cash management policy. The institution in which investments are made must be approved by the Board of Education.

Deposits

Custodial Credit Risk - is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District's custodial credit risk policy is included in a formal written investment and cash management policy.

The District's deposits and certificates of deposits are entirely covered by federal depository insurance (FDIC) or by securities held by the pledging financial institution. The FDIC currently insures the first \$250,000 of the District's deposits at each financial institution. Deposit balances over \$250,000 are collateralized with securities held by the pledging financial institution.

At June 30, 2023, the carrying amount of the District's deposits was \$7,348,521, and the bank balance was \$7,533,863. All the District's deposits in excess of FDIC limits (\$6,664,217) are fully collateralized by securities held with the pledging financial institution.

Investments

Investments consist of the following:

	Carrying Amount	Market Value
Illinois School District Liquid Asset Fund	\$ 19,178,087	19,178,087
	<u>\$ 19,178,087</u>	<u>19,178,087</u>

The Illinois School District Liquid Asset Fund. The Illinois School District Liquid Asset Fund is an external investment pool sponsored by the Illinois Association of School Boards, the Illinois Association of School Administrators and the Illinois Association of School Business Officials. PMA Securities, Inc. administers the fund. A thirteen-member Board of Trustees oversees the actions of the Administrator and decides on general policies. The fund invests in high-quality, short-term debt instruments guaranteed by the full faith and credit of the United States, certain U.S. government agency obligations, commercial paper, bank obligations and other obligations permitted by Illinois law. The monies invested in the Illinois School District Liquid Asset Funds are reported at cost which represents market value.

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investing activities are managed under the custody of the District Superintendent and Treasurer. Investing is performed in accordance with investment policies adopted by the Board of Education complying with the School Code of Illinois.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 2: DEPOSITS AND INVESTMENTS - (Continued)

Investments (Continued)

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The District's procedures provide that to the extent practicable, investments are matched with anticipated cash flows. Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer.

Concentration Risk is the risk that is a result of the Board placing no limit on the amount that can be invested with any single issuer.

NOTE 3: COMMON BANK ACCOUNT

Separate bank and investment accounts are not maintained for all District funds; instead, cash and investments of certain funds is combined in common bank and investment accounts. Individual accounting records are maintained showing the balances attributed to each fund. As of June 30, 2023, the funds participating in the common accounts had the following balances (overdrafts):

Fund	Pooled Checking	Pooled Investments	Total
General Fund:			
Educational Fund	\$ 6,756,938	10,703,898	17,460,836
Operations and Maint. Fund	(18,142)	2,969,459	2,951,317
Working Cash Fund	84,375	928,702	1,013,077
Total General Fund	6,823,171	14,602,059	21,425,230
Bond & Interest Fund	4,303	-	4,303
Transportation Fund	(237,863)	2,615,343	2,377,480
IMRF and Social Security Fund	168,304	531,785	700,089
Tort Fund	23,541	1,014,097	1,037,638
Life Safety Fund	1,353	414,803	416,156
Site and Construction Fund	565,712	-	565,712
Total	\$ 7,348,521	19,178,087	26,526,608

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 4: CAPITAL ASSETS

	July 1, 2022	Additions	Deletions	June 30, 2023
Capital Assets, not being depreciated:				
Land	\$ 6,457,620	-	-	6,457,620
Total Capital Assets, not being depreciation	6,457,620	-	-	6,457,620
Capital Assets, being depreciated:				
Land Improvements	5,898,236	31,535	-	5,929,771
Building	83,524,841	1,037,494	-	84,562,335
Equipment	3,792,885	179,765	-	3,972,650
Cafeteria Equipment	485,245	-	-	485,245
Total Capital Assets, being depreciated	93,701,207	1,248,794	-	94,950,001
Total Capital Assets	100,158,827	1,248,794	-	101,407,621
Less Accumulated Depreciation:				
Land Improvements	(5,111,360)	(152,944)	-	(5,264,304)
Buildings	(35,343,934)	(2,273,642)	-	(37,617,576)
Equipment	(3,392,296)	(145,771)	-	(3,538,067)
Cafeteria Equipment	(464,175)	(11,803)	-	(475,978)
Total Accumulated Depreciation	(44,311,765)	(2,584,160)	-	(46,895,925)
Total Capital Assets being depreciated, net	49,389,442	(1,335,366)	-	48,054,076
Governmental Activities Capital Assets, net	\$ 55,847,062	(1,335,366)	-	54,511,696

Current year depreciation is allocated as follows:

Instructional Expenditures	\$ 2,496,213
Support Service Expenditures	<u>87,947</u>
Total Current Year Depreciation	<u>\$ 2,584,160</u>

Assets originating from capital leases have a cost of \$99,982 and accumulated depreciation of \$14,283 as of June 30, 2023

The District's significant capital purchases during the fiscal year included:

Sound Systems for High School Football Field and South Gym: \$47,370
Early Childhood Mechanical Improvements: \$1,037,494
Floor Scrubber: \$22,933
Mower Tractor: \$18,400
2023 Micro Bus: \$99,982
Telecom Intercom System: \$21,950

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 5: LONG-TERM OBLIGATIONS

The following is a summary of the District's general long-term obligations for the year ended June 30, 2023:

	Principal Outstanding 7/1/2022	Additions	Reductions	Principal Outstanding 6/30/2023	Amount Due in One Year
General Obligation Bonds:					
2010 4.00% \$3,680,000	\$ 345,000	-	-	345,000	-
2016 3.50-4.00% \$7,105,000	6,100,000	-	-	6,100,000	-
2017 3.50-4.00% \$19,625,000	13,000,000	-	1,915,000	11,085,000	2,015,000
2018 3.50-4.00% \$8,480,000	6,135,000	-	510,000	5,625,000	520,000
Total General Obligation Bonds	25,580,000	-	2,425,000	23,155,000	2,535,000
2023 Micro Bird Bus Capital Lease	-	99,982	22,174	77,808	19,162
Total Debt	\$ 25,580,000	99,982	2,447,174	23,232,808	2,554,162

All of the District's debt service payments are made from the Bond and Interest Fund except for the Micro Bus capital lease which is paid out of the Transportation Fund.

On September 8, 2010, the District issued \$3,680,000 in general obligation school bonds for the high school addition. In December 2012, the District authorized the provision for partial defeasance of \$3,335,000 of principal and \$708,279 of interest on these bonds prior to maturity. The outstanding 2010 bonds final maturity is February 1, 2030. Bond and interest payments are made from the Debt Service Fund. The District's payment schedule is shown in the following amortization schedule.

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ -	13,800	13,800
2025	-	13,800	13,800
2026	-	13,800	13,800
2027	-	13,800	13,800
2028	-	13,800	13,800
2029	-	13,800	13,800
2030	345,000	13,800	358,800
Total	\$ 345,000	96,600	441,600

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1**Notes to Basic Financial Statements
For the Year Ended June 30, 2023****NOTE 5: LONG-TERM OBLIGATIONS - (Continued)**

On February 3, 2016, the District issued \$6,000,000 in general obligation working cash bonds for building renovations, plus \$1,105,000 in refunding bonds to partially refund the 2008 general obligation bonds, for a total issuance of \$7,105,000. The bonds' final maturity is February 1, 2036. Bond and interest payments are made from the Debt Service Fund. The District's payment schedule is shown in the amortization schedule below:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ -	227,906	227,906
2025	-	227,906	227,906
2026	-	227,906	227,906
2027	-	227,906	227,906
2028	-	227,906	227,906
2029	-	227,906	227,906
2030	695,000	227,906	922,906
2031	820,000	200,107	1,020,107
2032	1,205,000	167,306	1,372,306
2033	750,000	126,638	876,638
2034	775,000	101,326	876,326
2035	910,000	74,200	984,200
2036	945,000	37,800	982,800
Total	<u>\$ 6,100,000</u>	<u>2,302,719</u>	<u>8,402,719</u>

On July 27, 2017, the District issued \$19,625,000 in general obligation refunding school bonds to partially refund the 2008 general obligation bonds. The bonds' final maturity is February 1, 2028. Bond and interest payments are made from the Debt Service Fund. The District's payment schedule is shown in the amortization schedule below:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 2,015,000	481,550	2,496,550
2025	2,130,000	380,800	2,510,800
2026	2,195,000	274,300	2,469,300
2027	2,305,000	188,450	2,493,450
2028	2,440,000	73,200	2,513,200
Total	<u>\$ 11,085,000</u>	<u>1,398,300</u>	<u>12,483,300</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 5: LONG-TERM OBLIGATIONS - (Continued)

On June 6, 2018, the District issued \$8,480,000 in general obligation refunding school bonds to refund the remaining balance of the 2008 general obligation bonds. The bonds' final maturity is February 1, 2029. Bond and interest payments are made from the Debt Service Fund. The District's payment schedule is shown in the amortization schedule below:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 520,000	238,626	758,626
2025	525,000	217,826	742,826
2026	590,000	196,826	786,826
2027	590,000	173,226	763,226
2028	550,000	149,626	699,626
2029	2,850,000	127,626	2,977,626
Total	<u>\$ 5,625,000</u>	<u>1,103,756</u>	<u>6,728,756</u>

On December 15, 2022, the District entered into a capital lease agreement with Kansas State Bank in the amount of \$99,982 for a 2023 Blue Bird Micro Bus. The lease had an initial payment of \$22,174 due at closing and annually on July 15 in that amount thereafter. The District's payment schedule is shown in the amortization schedule below:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 19,162	3,012	22,174
2025	18,318	3,856	22,174
2026	19,523	2,651	22,174
2027	20,805	1,369	22,174
Total	<u>\$ 77,808</u>	<u>10,888</u>	<u>88,696</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 6: PROPERTY TAXES

On the cash basis of accounting, property taxes are recognized as revenues when they are received. The 2022 levy, in the amount of \$36,930,359 reduced by statutory limitations to \$30,654,096 was passed by the Board on December 7, 2022 and will be received in the subsequent fiscal year. The 2021 levy in the amount of \$30,473,273, reduced by statutory limitations to \$27,467,267, was received during the current fiscal year. The property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on June 1 and September 1 subsequent to the year of the levy. Taxes are remitted to the District in the month following the due dates. The District receives property tax revenues from both Grundy County and Will County.

Under current procedures, the County Treasurer distributes all property taxes received to the District, including amounts paid by taxpayers that have filed objections in the circuit court that such taxes are illegal and excessive. Any tax objections that are sustained in the subsequent legal proceedings are deducted from future property tax distributions that are due to the District.

Specific levies may result in a restricted fund balance within the General Fund:

Special Education. Revenue collected and the related expenditures paid from this restricted tax levy are accounted for in the Educational Fund. A total of \$333,499 was collected and all was spent, resulting in no restricted fund balance.

Lease. Revenue collected and the related expenditures paid from this restricted tax levy are accounted for in the Educational Fund. At the beginning of the year, the District had a restricted fund balance of \$108,478. A total of \$416,873 was collected and \$389,293 was spent, resulting in a restricted fund balance of \$136,058.

NOTE 7: RETIREMENT FUND COMMITMENTS

A. *Teachers' Retirement System of the State of Illinois*

General Information about the Plan

Plan Description

The employer 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 be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <http://www.trsil.org/financial/acfrs/fy2022>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 7: RETIREMENT FUND COMMITMENTS - (Continued)

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

Benefits Provided

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but 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, 2026. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the state of Illinois.

Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 7: RETIREMENT FUND COMMITMENTS - (Continued)

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

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2022, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the 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, 2023, state of Illinois contributions recognized by the employer were based on the state's proportionate share of with the pension expense associated with the employer, and the employer recognized revenue and expenditures of \$1,505,954 in pension contributions from the state of Illinois.

2.2 Formula Contributions – Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2023 were \$83,265.

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 contributions rate is the total employer normal cost beginning with the year ended June 30, 2018.

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

For the year ended June 30, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$45,000 were paid from federal and special trust funds that required employer contributions of \$4,721.

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.

Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 7: RETIREMENT FUND COMMITMENTS - (Continued)

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

Contributions (Continued)

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, 2023, the District paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment

B. Illinois Municipal Retirement Defined Benefit Pension Plan

IMRF Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

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 of the District's employees participate in the Regular Plan.

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.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 7: RETIREMENT FUND COMMITMENTS - (Continued)

B. Illinois Municipal Retirement Defined Benefit Pension Plan (Continued)

Benefits Provided (Continued)

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

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

Employees Covered by Benefit Terms

As of December 31, 2022, the following employees were covered by the benefit terms:

Retirees and beneficiaries	96
Inactive, non-retired members	72
Active members	107
Total	<u>275</u>

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate and actual District contributions for calendar year 2022 and the fiscal year ended June 30, 2023 are summarized below. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Plan member required contribution rate	4.50%
District required contribution rate for 2022	11.34%
District required contribution rate for 2023	10.49%
District actual contributions for 2022	\$ 351,960
District actual contributions for fiscal year 2023	\$ 356,403

Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. Teachers' Health Insurance Security Fund

The District participates in the Teachers' Health Insurance Security (THIS) Fund of the State of Illinois. THIS is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan (OPEB) established by the Illinois legislature for the benefit of eligible retired Illinois public school teachers employed outside the city of Chicago (members). All District employees receiving monthly benefits from the Teachers' Retirement System (TRS) who have at least eight years of creditable service with TRS, the survivor of an annuitant or benefit recipient who had at least eight years of creditable service or a recipient of a monthly disability benefit are eligible to enroll in THIS.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Plan and amendments to the Plan can be made only by legislative action with the Governor's approval. The Plan is administered by the Illinois Department of Central Management Services. The publicly available financial report of the Plan may be found on the website of the Illinois Auditor General. The current reports are listed under "Central Management Services" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>).

Benefits Provided. THIS provides medical, prescription, and behavioral health benefits for eligible retirees and their dependents, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan. The premiums charged reflect approximately a 75 percent subsidy for members that elect a managed care plan or elect the Teachers' Choice Health Plan (TCHP) if a managed care plan is either not available or only partially available. Members receive approximately a 50 percent subsidy if they elect the TCHP when a managed care plan is available. Medicare primary dependent beneficiaries enrolled in a managed care plan or in the TCHP when no managed care plan is available receive a premium subsidy.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) - (Continued)

A. *Teachers' Health Insurance Security Fund (Continued)*

Contributions. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6) specifies the contribution requirements of the participating school districts and covered employees. For the year ended June 30, 2023, required contributions are as follows:

- Active members contribute 0.90 percent of covered payroll.
- Employers contribute 0.67 percent of covered payroll. 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. For the year ended June 30, 2023, the District paid \$96,186 to the THIS Fund, which was 100 percent of the required contribution.
- The State of Illinois makes contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members. The State contributed 0.90 percent of covered payroll. For the year ended June 30, 2023, State of Illinois contributions on behalf of the District's employees were \$129,205 and the District recognized revenue and expenditures for this on-behalf contribution amount during the year in the General Fund.
- Retired members contribute through premium payments based on the coverage elected, Medicare eligibility, and the age of the member and dependents. The premium for retired members is not permitted to increase by more than 5.0 percent by year by statute. The Federal Government provides a Medicare Part D subsidy.

NOTE 9: LEGAL DEBT MARGIN

Legal debt margin is the percent of the District's assessed valuation which is subject to debt limitation. The statutory debt limitation for the District is 13.8%. The District's legal debt margin limitation is as follows for the fiscal year ended June 30, 2023:

Assessed Valuation (2022)	<u>\$ 901,066,316</u>
Statutory debt limitation (13.8%)	\$ 124,347,152
Amount of debt applicable to debt limitation	<u>23,155,000</u>
Legal Debt Margin	<u>\$ 101,192,152</u>

NOTE 10: OTHER CONTRACTUAL COMMITMENTS

Teachers' contracts for services rendered during the school year for teachers electing twelve month pay schedules are recorded in the fiscal year when such checks are drawn. The amount of unpaid teachers' contracts totaled to \$1,054,229.

**Notes to Basic Financial Statements
For the Year Ended June 30, 2023**

NOTE 11: LEASE COMMITMENTS

During the fiscal year, the District had the following lease agreements:

- American Capital – Chrome Books and carts with annual payments of \$82,855, with the final payment due in July 2022. Total payments of \$82,855 were made under this lease during the year ended June 30, 2023.
- Apple Financial Services – 160 Macbooks with annual payments of \$76,764, with final payment due in October 2024. The payments of \$76,764 were made under this lease during the year ended June 30, 2023.
- American Capital – Technology equipment with annual payments of \$62,273, with final payment due in October 2024. Total payments of \$62,273 were made under this lease during the year ended June 30, 2023.
- Proven IT – 7 Canon Copiers with annual payments of \$30,096, with final payment due in June 2022. Total payments of \$15,000 were made under this lease during the year ended June 30, 2023.
- Proven IT – 6 copiers/printers with monthly payments of \$1,169 for 60 months, ending November of 2027. Total payments of \$9,352 were made under this lease during the year ended June 30, 2023.
- Trinity 3 Technology (Now Trafera)– Chromebooks with monthly payments of \$3,306 for 48 months, ending July, 2024. Total payments of \$76,296 were made under this lease during the year ended June 30, 2023.
- Trafera Financial Services – Chromebooks with monthly charges of \$4,029 paid annually in the amount of \$48,353, ending June 30, 2027. There were no payments made under this lease during the year ended June 30, 2023.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 11: LEASE COMMITMENTS - (Continued)

- Apple Financial Services – Macbooks with annual payments of \$79,282, with final payment due in November 2025. An initial payment of \$57,732 was made under this lease during the year ended June 30, 2023.
- Midwest Bus Sales – 2017 Chevrolet/Thomas with annual payments of \$8,421, with final payment due in May 2025. Total payments of \$8,421 were made under this lease during the year ended June 30, 2023.

Future minimum lease payments until expiration are as follows:

June 30, 2024	\$371,507
June 30, 2025	150,084
June 30, 2026	141,663
June 30, 2027	62,381
<u>June 30, 2028</u>	<u>4,676</u>
Total	<u>\$669,523</u>

The District owns farmland, which it leases to Santoro Farms LLC. The lease, which began March 1, 2022, and will end February 28, 2027, states the District will receive annual payments of various amounts year for five years. During the fiscal year ending June 30, 2023, the District received \$18,646 from this agreement.

NOTE 12: GRANTS

The District has received funding from state and federal grants which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the granting agencies. Any disallowed claims resulting from such audits could become a liability of the District. In the opinion of the District, any such disallowed claims will not have a material adverse effect on the overall financial position of the District.

NOTE 13: RISK MANAGEMENT- CLAIMS AND JUDGMENTS

The District's risk management activities are recorded in the Tort Fund. No liability has been recorded in the books for future expenses related to risk management. These expenditures are reported as the payments are made.

The District is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 14: FUND BALANCE – GASB 54 PRESENTATION

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Below are definitions of the differences between the balances.

	General Fund	Trans. Fund	SS & IMRF Fund	Site & Const.	Tort Fund	Life Safety Fund	Bond & Interest Fund	Total Fund Balance
Restricted for:								
IMRF	\$ -	-	620,913	-	-	-	-	620,913
Social Security	-	-	73,366	-	-	-	-	73,366
Tort-related insurance	-	-	-	-	1,037,638	-	-	1,037,638
Debt service reserve	-	-	-	-	-	-	4,303	4,303
Leases	136,058	-	-	-	-	-	-	136,058
Life safety	-	-	-	-	-	416,156	-	416,156
Committed to:								
Unpaid teachers contracts	1,054,229	-	-	-	-	-	-	1,054,229
Insurance reserve	82,023	-	-	-	-	-	-	82,023
Construction projects	-	-	-	565,712	-	-	-	565,712
Assigned to:								
Transportation	-	2,377,480	-	-	-	-	-	2,377,480
Student Activities	348,580	-	-	-	-	-	-	348,580
Unassigned:								
Working Cash	1,013,077	-	-	-	-	-	-	1,013,077
Building maintenance	2,933,693	-	-	-	-	-	-	2,933,693
Education Fund	15,775,546	-	-	-	-	-	-	15,775,546
Total fund balance	<u>\$ 21,343,206</u>	<u>2,377,480</u>	<u>694,279</u>	<u>565,712</u>	<u>1,037,638</u>	<u>416,156</u>	<u>4,303</u>	<u>26,438,774</u>

A. *Nonspendable Fund Balance*

The Nonspendable Fund Balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. Due to the cash basis nature of the District all such items are expensed at the time of purchase, so there is nothing to report for this classification.

Notes to Basic Financial Statements
For the Year Ended June 30, 2023

NOTE 14: FUND BALANCE – GASB 54 PRESENTATION - (Continued)

A. Restricted Fund Balance

The Restricted Fund Balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Restrictions may be imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes.

The District has revenue sources received within different funds that also fall into these categories:

1. Special Education – Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Educational Fund. Expenditures disbursed exceeded revenues received for this purpose, resulting in no restricted fund balance.
2. Lease – Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Educational Fund. Revenues received exceeded expenditures disbursed for this purpose, resulting in a restricted fund balance of \$136,058.
3. State Grants – Proceeds from state grants and the related expenditures have been included in the Educational and Transportation Funds. Expenditures disbursed exceeded revenue received from state grants, resulting in no restricted balances.
4. Federal Grants – Proceeds from federal grants and the related expenditures have been included in the Educational Fund. Expenditures disbursed from federal grants exceeded revenues received for those specific purposes in the Educational Fund, resulting in no restricted balances.
5. IMRF – Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the IMRF and Social Security Fund. Revenue received exceeded expenditures disbursed for IMRF, resulting in a restricted fund balance of \$620,913 at year-end.
6. Social Security – Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the IMRF and Social Security Fund. Revenue received exceeded expenditures disbursed for Social Security, resulting in a restricted fund balance of \$73,366 at year-end.
7. Life Safety – Revenue collected and the related expenses paid of this restricted tax levy are accounted for in the Life Safety Fund. Revenues received exceeded expenditures disbursed, resulting in a restricted fund balance of \$416,156 at year-end.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 14: **FUND BALANCE – GASB 54 PRESENTATION** - (Continued)

A. Restricted Fund Balance (Continued)

8. Tort Immunity – Revenue collected and the related expenses paid of this restricted tax levy are accounted for in the Tort Fund. Revenues received exceeded expenditures disbursed, resulting in a restricted fund balance of \$1,037,638 at year-end.
9. Debt Service – Cash disbursed and related cash receipts of this restricted tax levy are accounted for in the Bond & Interest Fund. Revenue received exceeded expenditures disbursed for IMRF, resulting in a restricted fund balance of \$4,303 at year-end.

B. Committed Fund Balance

The Committed Fund Balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

The School Board commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balances also incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

The District has committed \$82,023 insurance reserve in the Educational Fund and Operations and Maintenance Fund. The entire balance of the Site & Construction Fund is committed for future capital projects.

The District has committed \$1,054,229 to pay outstanding teacher's contracts for services rendered during the school year. See Note 10 for further explanation.

C. Assigned Fund Balance

The Assigned Fund Balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by (a) the School Board itself or (b) the finance committee or by the Superintendent when the School Board has delegated the authority to assign amounts to be used for specific purposes. The Student Activity Fund balance is assigned for future student activities. The District's Transportation Fund balance is assigned for the purpose of purchasing/leasing buses for student transportation.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Basic Financial Statements For the Year Ended June 30, 2023

NOTE 14: **FUND BALANCE – GASB 54 PRESENTATION** - (Continued)

D. Unassigned Fund Balance

The Unassigned Fund Balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds. Unassigned fund balance amounts are shown in the financial statements as Unassigned fund balances in the Educational, Operations & Maintenance, and Working Cash Funds.

E. Expenditures of Fund Balance

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

NOTE 15: **INTERGOVERNMENTAL AGREEMENTS**

The District entered into an agreement with Reed-Custer Community Unit School District No. 255U and Wilmington Community School District No. 209U. The Districts have agreed to jointly purchase certain pieces of equipment for use by the Districts in the day-to-day operations of the schools. The superintendents of the Districts work together on the bidding process and the selection and purchase of the desired equipment. The Districts agree to cooperate with each other in scheduling the use of the equipment after purchase.

NOTE 16: **TAX ABATEMENTS**

The District has entered into an agreement with Grundy County, Goose Lake Township, Goose Lake Road District, Joliet Junior College, Coal City Public Library District, Coal City Fire Protection District, the Grundy County Treasurer and the Grundy County Supervisor of Assessments to rebate incremental taxes from the existing Economic Development Project Area #1 to CPV Three Rivers, LLC. CPV intends to construct and operate an electric generator facility in the EDPA #1.

Under the agreement, the County will declare an annual surplus, based upon an agreed-upon payment schedule, for 20 years. This surplus will be distributed to the participating taxing bodies on or before September 30, each year. The District's share of the surplus is 64.08%. The County will also rebate CPV annually for the amount by which incremental taxes paid by CPV exceed the agreed-upon surplus payment schedule.

The rebates are anticipated to begin in 2024, as no rebates will be issued until the plan is online.

NOTE 17: **SUBSEQUENT EVENTS**

Management evaluated subsequent events through September 6, 2023, the date the financial statements were available to be issued. Other than the information described above, no amounts were required to be recorded or disclosed in the financial statements as of June 30, 2023, as a result of events occurring between July 1, 2023 and September 6, 2023.

OTHER INFORMATION

Combining Statement of Assets, Liabilities and Fund Balances
Arising from Cash Transactions
June 30, 2023

	Educational Fund	Operations & Maintenance Fund	Working Cash Fund	Total
<u>Assets</u>				
Cash in bank	\$ 6,756,938	-	84,375	6,841,313
Investments	10,703,897	2,969,459	928,702	14,602,058
Total Assets	<u>\$ 17,460,835</u>	<u>2,969,459</u>	<u>1,013,077</u>	<u>21,443,371</u>
<u>Liabilities and Fund Balance</u>				
Liabilities:				
Overdrafts payable	\$ -	18,142	-	18,142
Withholdings	73,211	8,812	-	82,023
Total Liabilities	<u>73,211</u>	<u>26,954</u>	<u>-</u>	<u>100,165</u>
Fund Balance:				
Committed	1,127,440	8,812	-	1,136,252
Restricted	136,058	-	-	136,058
Assigned	348,580	-	-	348,580
Unassigned	15,775,546	2,933,693	1,013,077	19,722,316
Total Fund Balance	<u>17,387,624</u>	<u>2,942,505</u>	<u>1,013,077</u>	<u>21,343,206</u>
Total Liabilities and Fund Balance	<u>\$ 17,460,835</u>	<u>2,969,459</u>	<u>1,013,077</u>	<u>21,443,371</u>

Combining Statement of Revenues Received , Expenditures Disbursed, and Changes in Fund Balances
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

	Educational Fund	Operations & Maintenance Fund	Working Cash Fund	Total General Fund Year Ended June 30,	
				2023	2022
Revenues Received:					
Local Revenues	\$ 24,392,487	4,010,830	279,302	28,682,619	26,424,789
Flow Through Revenues	25,103	-	-	25,103	24,253
State Revenues	1,806,948	-	-	1,806,948	1,772,507
Federal Revenues	1,695,037	-	-	1,695,037	2,655,086
On Behalf Payments	1,635,159	-	-	1,635,159	1,581,405
Total Revenues Received	29,554,734	4,010,830	279,302	33,844,866	32,458,040
Expenditures Disbursed:					
Instruction	17,484,909	-	-	17,484,909	16,670,410
Support Services	6,697,251	3,178,600	-	9,875,851	9,063,292
Payments to Other Schools	611,045	227,681	-	838,726	581,087
Community Service	4,757	-	-	4,757	48
On Behalf Payments	1,635,159	-	-	1,635,159	1,581,405
Total Expenditures Disbursed	26,433,121	3,406,281	-	29,839,402	27,896,242
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	3,121,613	604,549	279,302	4,005,464	4,561,798
Other Financing Sources (Uses):					
Transfers (to) from Other Funds	-	-	-	-	(1,513,474)
Total Other Financing Sources (Uses)	-	-	-	-	(1,513,474)
Net Change in Fund Balance	3,121,613	604,549	279,302	4,005,464	3,048,324
Fund Balance, Beginning of Year	14,266,011	2,337,956	733,775	17,337,742	14,289,418
Fund Balance, End of Year	\$ 17,387,624	2,942,505	1,013,077	21,343,206	17,337,742

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

	Original and Final Appropriations	Year Ended June 30,	
		2023	2022
<u>Educational Fund:</u>			
Revenues Received:			
Local Sources:			
Property Taxes:			
General	\$ 17,146,912	16,508,524	16,128,500
Leasing	-	416,873	374,342
Special Education	337,870	333,499	326,236
Replacement Taxes	3,000,000	4,798,376	4,274,526
Other Payment in Lieu of Taxes	40,000	84,647	141,711
Tuition:			
Regular Tuition from Pupils or Parents	13,000	-	-
Regular Tuition from Other Districts	10,000	14,691	
Summer School - Pupils	2,500	3,920	4,725
Summer School - Other	12,000	33,645	32,487
Interest on Investments	100,000	662,227	56,451
Food Service:			
Pupils - Lunch	495,000	548,461	110,209
Pupils - Other	5,000	-	-
Sales to Adults	13,000	20,065	15,617
Other	5,000	4,669	943
District Activities:			
Admissions - Athletic	48,000	64,787	60,418
Admissions - Other	20,000	32,283	29,041
Fees	5,000	8,602	6,196
Other	-	1,367	1,900
Textbook Rentals/Resale	72,000	92,760	91,186
Donations	5,000	23,120	15,641
Sale of Equipment	-	22,725	-
Refund of Prior Year Expenditures	-	1,564	10,548
Driver's Education Fees	25,000	18,030	12,565
Local Fees	61,500	-	-
Other Local Revenues	70,000	130,701	249,449
Student Activity Fund Revenues	275,000	566,951	306,539
Total Local Sources	21,761,782	24,392,487	22,249,230
Flow-Through Revenues Received:			
From State Sources	16,000	25,103	24,253
From Federal Sources	100,000	-	-
Total Flow-Through Revenues Received	116,000	25,103	24,253

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

	Original and Final Appropriations	Year Ended June 30, 2023	2022
Educational Fund (Continued):			
Revenues Received (Continued):			
State Programs:			
Evidence based funding	\$ 1,300,000	1,351,470	1,349,366
Special Education:			
Private Facility Tuition	50,000	177,805	168,639
Orphanage - Individual	-	62,748	39,038
Summer School	-	-	909
State Free Lunch & Breakfast	5,000	1,578	8,627
Drivers Education	-	36,231	28,513
Early Childhood Education	190,000	175,468	175,468
Other State Programs	-	1,648	1,947
Total State Programs	1,545,000	1,806,948	1,772,507
Federal Programs:			
National School Lunch Program	250,000	489,266	733,718
Special Milk Program	-	5,917	2,767
School Breakfast Program	-	41,396	86,284
ISBE Commodities	-	41,449	30,080
DoD Fruits & Vegetables	-	40,416	27,243
Title I - Low Income	200,000	310,488	191,186
Federal Special Education:			
Preschool Flow-through	-	10,427	10,828
I.D.E.A. Flow-through	400,000	491,545	436,000
Title IV - Student Support and Academic Enrichment Grant	10,000	29,718	702
Title II - Teacher Quality	-	-	3,850
Medicaid Matching - Fee for Service Program	-	124,327	56,138
McKinney-Vento Supply Closet Grant	-	-	85,253
Other Revenue Received from Federal Sources	-	110,088	991,037
Total Federal Programs	860,000	1,695,037	2,655,086
On Behalf Payments	1,750,000	1,635,159	1,581,405
Total Revenues Received	26,032,782	29,554,734	28,282,481
Expenditures Disbursed:			
Instructional:			
Regular Programs:			
Salaries	8,042,139	8,258,088	8,179,374
Benefits	2,223,179	2,110,892	1,995,678
Purchased Services	38,600	23,587	32,369
Supplies	662,098	559,701	641,925
Capital Outlay	32,693	17,034	45,952
Other Objects	500	-	-
Total Regular Programs	10,999,209	10,969,302	10,895,298
Tuition Payments to Charter Schools:			
Purchased Services	13,500	-	-
Total Payments to Charter Schools	13,500	-	-

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

	Original and Final Appropriations	Year Ended June 30, 2023	2022
<u>Educational Fund (Continued):</u>			
Expenditures Disbursed (Continued):			
Instructional (Continued):			
Special Education Programs:			
Salaries	\$ 2,408,592	2,227,232	2,036,796
Benefits	516,000	465,706	433,012
Purchased Services	76,000	103,130	84,544
Supplies	37,100	57,749	57,008
Capital Outlay	15,000	10,921	15,848
Other Objects - Tuition	350,000	442,422	568,374
Total Special Education Programs	3,402,692	3,307,160	3,195,582
Special Education Programs Pre-K:			
Salaries	233,000	247,266	228,207
Benefits	63,168	79,322	69,936
Supplies	3,500	-	1,123
Total Special Education Programs Pre-K	299,668	326,588	299,266
Remedial Programs K-12:			
Salaries	125,000	150,085	84,604
Benefits	55,000	7,604	-
Purchased Services	49,500	20,966	81,401
Supplies	15,000	68,317	115,998
Capital Outlay	75,000	32,213	-
Total Remedial Programs K-12	319,500	279,185	282,003
Remedial Pre-K:			
Salaries	167,000	193,273	180,704
Benefits	74,800	55,251	50,985
Supplies	5,500	3,506	-
Total Remedial Pre-K	247,300	252,030	231,689
CTE Programs:			
Salaries	369,140	368,053	354,658
Benefits	72,330	78,567	73,198
Purchased Services	6,900	1,596	98
Supplies	32,950	30,956	25,863
Capital Outlay	2,000	-	2,400
Total CTE Programs	483,320	479,172	456,217
Interscholastic Programs:			
Salaries	626,542	719,784	641,598
Benefits	121,319	171,271	143,242
Purchased Services	129,400	123,111	104,579
Supplies	73,050	82,017	46,366
Capital Outlay	64,600	52,177	18,062
Other Objects	37,400	37,594	25,673
Total Interscholastic Programs	1,052,311	1,185,954	979,520

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

	Original and Final Appropriations	Year Ended June 30, 2023	2022
<u>Educational Fund (Continued):</u>			
Expenditures Disbursed (Continued):			
Instructional (Continued):			
Summer School Programs:			
Salaries	\$ 40,000	71,077	49,017
Benefits	2,000	11,654	7,800
Purchased services	2,000	1,300	-
Supplies	15,000	17,160	10,405
Total Summer School Programs	59,000	101,191	67,222
Student Activity Fund Expenditures	270,000	584,327	263,613
Total Instructional	17,146,500	17,484,909	16,670,410
Support:			
Attendance & Social Work Services:			
Salaries	307,192	352,744	300,162
Benefits	97,527	136,363	92,378
Purchased Services	-	-	1,072
Supplies	1,700	1,362	874
Total Attendance & Social Work Services	406,419	490,469	394,486
Guidance Services:			
Salaries	212,264	194,544	209,366
Benefits	64,005	56,743	55,749
Supplies	500	-	-
Total Guidance Services	276,769	251,682	265,115
Health Services:			
Salaries	106,850	134,546	122,724
Benefits	33,900	17,672	19,943
Purchased Services	1,000	648	30
Supplies	3,470	4,677	6,225
Capital Outlay	2,000	-	-
Total Health Services	147,220	157,543	148,922
Psychological Services:			
Salaries	150,255	151,307	146,970
Benefits	39,750	34,685	32,421
Total Psychological Services	190,005	185,992	179,391
Speech Pathology & Audiology Services:			
Salaries	271,475	275,924	268,204
Benefits	37,549	45,195	37,499
Total Speech Pathology & Audiology Services	309,024	321,119	305,703

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

	Original and Final Appropriations	Year Ended June 30, 2023	2022
<u>Educational Fund (Continued):</u>			
Expenditures Disbursed (Continued):			
Support (Continued):			
Other Support Services - Pupils:			
Salaries	\$ 121,900	121,686	115,620
Benefits	26,207	34,576	26,500
Purchased Services	199,500	166,717	145,415
Supplies	7,600	5,696	5,226
Total Other Support Services - Pupils	355,207	328,675	292,761
Improvement of Instruction Services:			
Salaries	214,000	205,490	187,507
Benefits	59,829	82,704	68,781
Purchased Services	170,500	83,026	61,499
Supplies	22,500	1,309	8,512
Capital Outlay	3,000	-	11,655
Other Objects	1,200	49	-
Total Improvement of Instruction Services	471,029	372,578	337,954
Educational Media/Tech Services:			
Salaries	339,597	361,334	330,814
Benefits	71,938	88,057	66,547
Purchased Services	743,500	621,844	593,208
Supplies	47,730	25,159	29,311
Capital Outlay	121,500	109,639	24,307
Total Educational Media/Tech Services	1,324,265	1,206,033	1,044,187
Assessment & Testing:			
Purchased Services	23,000	-	940
Supplies	140,500	78,162	68,399
Capital Outlay	5,000	-	-
Total Assessment & Testing	168,500	78,162	69,339
Board of Education Services:			
Salaries	50,000	32,899	3
Benefits	-	1,470	-
Purchased Services	397,000	395,919	479,958
Supplies	26,000	17,642	22,916
Capital Outlay	6,000	-	-
Other Objects	18,000	23,743	27,134
Total Board of Education Services	497,000	471,673	530,011
Executive Administration Services			
Salaries	204,000	209,194	236,558
Benefits	37,950	76,316	76,777
Purchased Services	3,500	174	2,754
Supplies	500	793	456
Other Objects	2,500	2,710	4,815
Total Executive Administration Services	248,450	289,187	321,360

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

	Original and Final Appropriations	Year Ended June 30, 2023	2022
<u>Educational Fund (Continued):</u>			
Expenditures Disbursed (Continued):			
Support (Continued):			
Principal Services:			
Salaries	\$ 885,221	884,198	1,019,435
Benefits	294,000	313,059	329,717
Purchased Services	9,300	5,024	4,898
Supplies	23,300	25,067	24,984
Other Objects	3,100	889	2,207
Total Principal Services	1,214,921	1,229,532	1,381,241
Other Support Services - School Administration:			
Purchased Services	3,000	3,550	1,920
Total Other Support Services - School Administration	3,000	3,550	1,920
Direction of Business Support Services:			
Salaries	84,000	80,000	80,000
Benefits	30,100	26,077	24,804
Purchased Services	12,000	755	1,372
Supplies	-	1,869	1,917
Other Objects	1,000	1,485	1,084
Total Direction of Business Support Services	127,100	110,186	109,177
Fiscal Services:			
Salaries	151,000	63,788	105,499
Benefits	22,750	21	20,008
Purchased Services	5,000	1,513	3,491
Supplies	25,000	30,841	24,579
Capital Outlay	1,000	1,604	4,962
Other Objects	7,000	1,900	978
Total Fiscal Services	211,750	99,667	159,517
Operation & Maintenance of Plant Services:			
Supplies	5,000	2,298	2,258
Total Operation & Maintenance of Plant Services	5,000	2,298	2,258

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

	Original and Final Appropriations	Year Ended June 30, 2023	2022
<u>Educational Fund (Continued):</u>			
Expenditures Disbursed (Continued):			
Support (Continued):			
Food Services:			
Salaries	\$ 362,500	348,360	268,002
Benefits	50,900	49,599	45,976
Purchased Services	24,950	30,703	17,222
Supplies	423,000	581,755	476,271
Capital Outlay	15,000	3,753	11,698
Other Objects	18,000	27,299	-
Total Food Services	894,350	1,041,469	819,169
Internal Services:			
Purchased Services	40,000	55,730	57,266
Total Internal Services	40,000	55,730	57,266
Information Services:			
Purchased Services	-	-	1,251
Total Information Services	-	-	1,251
Other Support Services:			
Supplies	5,000	1,706	100
Total Other Support Services	5,000	1,706	100
Total Support	6,895,009	6,697,251	6,421,128
Community Services:			
Supplies	23,700	4,757	48
Total Community Services	23,700	4,757	48
Payments to Other Schools:			
Assessments:			
Regular Programs	25,000	22,226	12,616
Special Education Programs	50,000	3,853	2,114
Tuition:			
Special Education Programs	25,000	-	120
Continuing & Technical Education Programs	522,000	584,966	366,874
Total Payments to Other Schools	622,000	611,045	381,724
On Behalf Payments	1,750,000	1,635,159	1,581,405
Total Expenditures Disbursed	26,437,209	26,433,121	25,054,715

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

	Original and Final Appropriations	Year Ended June 30, 2023	2022
<u>Educational Fund (Continued):</u>			
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	\$ (404,427)	3,121,613	3,227,766
Other Financing Sources (Uses):			
Transfers to other funds	-	-	(513,474)
Total Other Financing Sources (Uses)	-	-	(513,474)
Net Change in Fund Balance	<u>\$ (404,427)</u>	3,121,613	2,714,292
Fund Balance, Beginning of Year		14,266,011	11,551,719
Fund Balance, End of Year		<u>\$ 17,387,624</u>	<u>14,266,011</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

	Original and Final Appropriations	Year Ended June 30, 2023	2022
<u>Operations & Maintenance Fund:</u>			
Revenues Received:			
Local Sources:			
Property Taxes	\$ 4,054,442	4,001,985	3,833,244
Rental income	15,000	6,448	12,445
Other revenue	-	2,397	401
Total Local sources	4,069,442	4,010,830	3,846,090
Total Revenues Received	4,069,442	4,010,830	3,846,090
Expenditures Disbursed:			
Support Services:			
Facilities Acquisition & Construction Services:			
Purchased Services	125,000	108,368	58,306
Total Facilities Acquisition & Construction Services	125,000	108,368	58,306
Operation & Maintenance of Plant Services:			
Salaries	1,415,000	1,163,699	1,073,253
Benefits	254,300	249,557	240,439
Purchased Services	647,950	483,376	274,302
Supplies	959,500	980,147	955,546
Capital Outlay	598,500	193,029	40,258
Other Objects	-	424	60
Total Operation & Maintenance of Plant Services	3,875,250	3,070,232	2,583,858
Total Support Services	4,000,250	3,178,600	2,642,164
Payments to Other Districts:			
Payments for CTE Programs	240,000	227,681	199,363
Total Payments to Other Districts	240,000	227,681	199,363
Total Expenditures Disbursed	4,240,250	3,406,281	2,841,527
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed)	(170,808)	604,549	1,004,563
Other Financing Sources (Uses):			
Transfer to Other Funds	-	-	(1,000,000)
Total Other Financing Sources (Uses)	-	-	(1,000,000)
Net Change in Fund Balance	\$ (170,808)	604,549	4,563
Fund Balance, Beginning of Year		2,337,956	2,333,393
Fund Balance, End of Year		\$ 2,942,505	2,337,956

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
GENERAL FUND

Schedule A-3
(Continued)

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

	Original and Final Appropriations	Year Ended June 30, 2023	2022
<u>Working Cash Fund:</u>			
Revenues Received:			
Local Sources:			
Property Taxes	\$ 282,966	279,302	329,469
Total Revenues Received	282,966	279,302	329,469
Expenditures Disbursed	-	-	-
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	282,966	279,302	329,469
Other Financing Sources (Uses):			
Abatement of Working Cash Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	\$ 282,966	279,302	329,469
Fund balance, Beginning of Year		733,775	404,306
Fund balance, End of Year		\$ 1,013,077	733,775

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
TRANSPORTATION FUND

Schedule B-1

Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2023

<u>Assets</u>	
Investments	\$ 2,615,343
Total Assets	<u>\$ 2,615,343</u>
<u>Liabilities and Fund Balance</u>	
Liabilities	
Overdrafts payable	\$ 237,863
Fund Balance:	
Assigned Fund Balance	2,377,480
Total Liabilities and Fund Balance	<u>\$ 2,615,343</u>

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

Schedule B-2

	Original and Final Appropriations	Year Ended June 30, 2023	2022
Revenues Received:			
Local Sources:			
Property Taxes	\$ 1,604,883	1,584,119	1,508,824
Fees from other Districts	5,000	3,560	6,820
Refund of prior year expenditures	-	-	40,431
Total Local Sources	<u>1,609,883</u>	<u>1,587,679</u>	<u>1,556,075</u>
State Sources:			
Regular/Vocational Transportation	300,000	607,522	396,829
Special Education	400,000	472,205	468,478
Total State Sources	<u>700,000</u>	<u>1,079,727</u>	<u>865,307</u>
Total Revenues Received	<u>2,309,883</u>	<u>2,667,406</u>	<u>2,421,382</u>
Expenditures Disbursed:			
Pupil Transportation Services:			
Purchased Services	2,936,000	2,685,293	2,596,718
Supplies	2,500	174	643
Capital Outlay	-	99,982	-
Total Pupil Transportation Services	<u>2,938,500</u>	<u>2,785,449</u>	<u>2,597,361</u>
Total Expenditures Disbursed	<u>2,938,500</u>	<u>2,785,449</u>	<u>2,597,361</u>
Excess (Deficiency) of Revenues over Over (Under) Expenditures Disbursed	<u>(628,617)</u>	<u>(118,043)</u>	<u>(175,979)</u>
Other Financing Sources (Uses):			
Lease Proceeds	-	99,982	-
Net Change in Fund Balance	<u>\$ (628,617)</u>	<u>(18,061)</u>	<u>(175,979)</u>
Fund Balance, Beginning of Year		2,395,541	2,571,520
Fund Balance, End of Year		<u>\$ 2,377,480</u>	<u>2,395,541</u>

NOTES TO OTHER INFORMATION

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to Other Information For the Year Ended June 30, 2023

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

The District's budget for all governmental funds is prepared using the modified cash basis of accounting (Non-GAAP) which is the same basis that is used in fund financial statements. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 122, Paragraph 17.1 of the Illinois Revised Statutes.

For each fund, total fund expenses paid may not legally exceed the budgeted amounts. The budget lapses at the end of the fiscal year. The District follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them. The proposed operating budget is placed on file and a public hearing is held to obtain comments from the community.

Prior to October 1, the budget is legally adopted by the Board of Education through passage of a resolution. Formal budgetary integration is employed as a management control device at the function/object level during the year.

The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10 percent of the total of such fund as set forth in the budget.

The Board of Education may amend the budget by performing the same procedures required of its original adoption.

The District's budget was adopted on September 7, 2022 and was not amended.

NOTE 2: BUDGETARY COMPARISON INFORMATION

The table below includes budgetary comparisons for the District's major funds.

Description	Budget	Actual	Variance	Percent Variance
Educational Expenditures Disbursed	\$ 26,437,209	26,433,121	4,088	0.02%
Operations & Maintenance Expenditures Disbursed	4,240,250	3,406,281	833,969	24.48%
Working Cash Expenditures Disbursed	-	-	-	N/A
Total General Fund	<u>\$ 30,677,459</u>	<u>29,839,402</u>	<u>838,057</u>	2.81%
Transportation Expenditures Disbursed	\$ 2,938,500	2,785,449	153,051	5.49%
Site & Construction Expenditures Disbursed	\$ 1,600,000	1,121,267	478,733	42.70%
Bond & Interest Expenditures Disbursed	\$ 3,497,931	3,498,406	(475)	-0.01%

SUPPLEMENTARY INFORMATION

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
SITE & CONSTRUCTION FUND

Schedule C-1

Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2023

<u>Assets</u>	
Cash	\$ 565,712
Total Assets	<u>\$ 565,712</u>
<u>Fund Balance</u>	
Committed Fund Balance	\$ 565,712
Total Fund Balance	<u>\$ 565,712</u>

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

Schedule C-2

	Original and Final Appropriations	Year Ended June 30, 2023	2022
Revenues Received:			
Local Sources:			
Impact Fees	\$ 50,000	18,741	58,416
Federal Sources:			
ESSER	-	-	948,363
Total Revenues Received	<u>50,000</u>	<u>18,741</u>	<u>1,006,779</u>
Expenditures Disbursed:			
Facilities Acquisition & Construction Services:			
Purchased Services	200,000	83,774	7,453
Renovations	1,400,000	1,037,493	1,162,568
Total Expenditures Disbursed	<u>1,600,000</u>	<u>1,121,267</u>	<u>1,170,021</u>
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	<u>(1,550,000)</u>	<u>(1,102,526)</u>	<u>(163,242)</u>
Other Financing Sources (Uses):			
Transfers In	-	-	1,500,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,500,000</u>
Net Change in Fund Balance	<u>\$ (1,550,000)</u>	<u>(1,102,526)</u>	<u>1,336,758</u>
Fund balance, Beginning of Year		<u>1,668,238</u>	<u>331,480</u>
Fund balance, End of Year		<u>\$ 565,712</u>	<u>1,668,238</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
BOND AND INTEREST FUND

Schedule C-3

Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2023

<u>Assets</u>	
Cash	\$ 4,303
Total Assets	<u>\$ 4,303</u>
<u>Fund Balance</u>	
Restricted Fund Balance	\$ 4,303
Total Fund Balance	<u>\$ 4,303</u>

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

Schedule C-4

	Original and Final Appropriations	Year Ended June 30, 2023	2022
Revenues Received:			
Local Sources:			
Property Taxes	\$ 3,497,970	3,452,709	3,437,725
Other Payment in Lieu of Taxes	-	-	12,159
Interest on Investments	-	50,000	-
Total Revenues Received	<u>3,497,970</u>	<u>3,502,709</u>	<u>3,449,884</u>
Expenditures Disbursed:			
Debt Service:			
Interest on Long-Term Debt	1,072,931	1,072,931	1,166,131
Principal on Long-Term Debt	2,425,000	2,425,000	2,330,000
Other	-	475	1,425
Total Expenditures Disbursed	<u>3,497,931</u>	<u>3,498,406</u>	<u>3,497,556</u>
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	<u>39</u>	<u>4,303</u>	<u>(47,672)</u>
Other Financing Sources (Uses):			
Transfer from Education Fund	-	-	13,474
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>13,474</u>
Net Change in Fund Balance	<u>\$ 39</u>	<u>4,303</u>	<u>(34,198)</u>
Fund Balance, Beginning of Year		-	34,198
Fund Balance, End of Year		<u>\$ 4,303</u>	<u>-</u>

Combining Statement of Assets, Liabilities and Fund Balances Arising From Cash Transactions
June 30, 2023

	Special Revenue Funds			Total Nonmajor Governmental Funds	
	Life Safety Fund	Social Security and IMRF Fund	Tort Immunity and Judgment Fund	June 30,	
				2023	2022
<u>Assets</u>					
Cash	\$ 1,353	168,304	23,541	193,198	195,505
Investments	414,803	531,786	1,014,097	1,960,686	1,579,686
Total Assets	<u>\$ 416,156</u>	<u>700,090</u>	<u>1,037,638</u>	<u>2,153,884</u>	<u>1,775,191</u>
<u>Liabilities and Fund Balance</u>					
Liabilities:					
Payroll Liabilities	\$ -	5,811	-	5,811	5,811
Total Liabilities	<u>-</u>	<u>5,811</u>	<u>-</u>	<u>5,811</u>	<u>5,811</u>
Fund Balances:					
Unassigned	-	-	-	-	(63,464)
Restricted	416,156	694,279	1,037,638	2,148,073	1,832,844
Total Fund Balances	<u>416,156</u>	<u>694,279</u>	<u>1,037,638</u>	<u>2,148,073</u>	<u>1,769,380</u>
Total Liabilities and Fund Balance	<u>\$ 416,156</u>	<u>700,090</u>	<u>1,037,638</u>	<u>2,153,884</u>	<u>1,775,191</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
NON-MAJOR GOVERNMENTAL FUNDS

Schedule D-2

Combining Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

	Life Safety Fund	Social Security and IMRF Fund	Tort Immunity and Judgment Fund	Total Nonmajor Governmental Funds June 30,	
				2023	2022
Revenues Received:					
Local Sources:					
Property Taxes	\$ 16,674	875,437	291,807	1,183,918	1,202,971
Replacement Tax	-	98,189	-	98,189	57,589
Total Revenues Received	16,674	973,626	291,807	1,282,107	1,260,560
Expenditures Disbursed:					
Instructional	-	374,663	-	374,663	323,636
Support	-	428,067	100,684	528,751	491,993
Total Expenditures Disbursed	-	802,730	100,684	903,414	815,629
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	16,674	170,896	191,123	378,693	444,931
Fund Balance, Beginning of Year	399,482	523,383	846,515	1,769,380	1,324,449
Fund Balance, End of Year	\$ 416,156	694,279	1,037,638	2,148,073	1,769,380

**Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2023**

<u>Assets</u>	
Cash in Bank	\$ 1,353
Investments	414,803
Total Assets	<u>\$ 416,156</u>
<u>Fund Balance</u>	
Restricted Fund Balance	\$ 416,156
Total Fund Balance	<u>\$ 416,156</u>

**Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)**

Schedule D-4

	Original and Final Appropriations	Year Ended June 30, 2023	2022
Revenues Received:			
Local Sources:			
Property Taxes	\$ 16,893	16,674	40,784
Total Revenues Received	<u>16,893</u>	<u>16,674</u>	<u>40,784</u>
Expenditures Disbursed:			
Facilities Acquisition & Construction Services:			
Purchased Services	20,000	-	-
Total Expenditures Disbursed	<u>20,000</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	<u>\$ (3,107)</u>	16,674	40,784
Fund Balance, Beginning of Year		<u>399,482</u>	<u>358,698</u>
Fund Balance, End of Year		<u>\$ 416,156</u>	<u>399,482</u>

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1
SOCIAL SECURITY AND IMRF FUND

Schedule D-5

Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2023

<u>Assets</u>	
Cash	\$ 168,304
Investments	531,786
Total Assets	<u>\$ 700,090</u>
<u>Liabilities and Fund Balance</u>	
Liabilities	
Payroll liabilities	\$ 5,811
Total Liabilities	<u>5,811</u>
Fund Balance	
Restricted for Social Security	73,366
Restricted for IMRF	620,913
Total Fund Balance	<u>694,279</u>
Total Liabilities and Fund Balance	<u>\$ 700,090</u>

Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget & Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)

Schedule D-6

	Original and Final Appropriations	Year Ended June 30, 2023	2022
Revenues Received:			
Local Sources:			
Property Taxes:			
IMRF	\$ 295,636	291,810	326,236
FICA	591,272	583,627	448,571
Replacement Taxes	60,000	98,189	57,589
Total Revenues Received	<u>946,908</u>	<u>973,626</u>	<u>832,396</u>
Expenditures Disbursed:			
Instructional Benefits	329,300	374,663	323,636
Supporting Services Benefits	492,400	428,067	396,374
Total Expenditures Disbursed	<u>821,700</u>	<u>802,730</u>	<u>720,010</u>
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	<u>\$ 125,208</u>	170,896	112,386
Fund Balance, Beginning of Year		<u>523,383</u>	<u>410,997</u>
Fund Balance, End of Year		<u>\$ 694,279</u>	<u>523,383</u>

**Statement of Assets, Liabilities and Fund Balance
Arising from Cash Transactions
June 30, 2023**

<u>Assets</u>	
Cash	\$ 23,541
Investments	<u>1,014,097</u>
Total Assets	<u>\$ 1,037,638</u>
<u>Fund Balance</u>	
Restricted Fund Balance	\$ 1,037,638
Total Fund Balance	<u>\$ 1,037,638</u>

**Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Figures for 2022)**

Schedule D-8

	Original and Final Appropriations	Year Ended June 30,	
		2023	2022
Revenues Received:			
Local Sources:			
Property taxes	\$ 295,636	291,807	387,380
Total Revenues Received	<u>295,636</u>	<u>291,807</u>	<u>387,380</u>
Expenditures Disbursed:			
Support Services (General Administration):			
Insurance Payments	120,000	94,951	88,674
Risk Management and Claims Services Payments	116,000	-	-
Educational Services Related to Loss Prevention	-	5,733	6,945
Total Expenditures Disbursed	<u>236,000</u>	<u>100,684</u>	<u>95,619</u>
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	<u>\$ 59,636</u>	191,123	291,761
Fund Balance, Beginning of Year		<u>846,515</u>	<u>554,754</u>
Fund Balance, End of Year		<u>\$ 1,037,638</u>	<u>846,515</u>

SUPPLEMENTAL INFORMATION

Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2023

	June 30, 2022	Additions	Deductions	June 30, 2023
Memorial Custodial Funds:				
High School Memorial	\$ 681	1,001	1,120	562
Kaplan Scholarship Fund	332,110	25,612	14,884	342,838
Rashke Memorial	4,140	24	1,000	3,164
Anderson Memorial Fund	169,323	816	-	170,139
Total Memorial Custodial Funds	506,254	27,453	17,004	516,703
Total Custodial Accounts	\$ 506,254	27,453	17,004	516,703

Illinois Municipal Retirement Fund
Schedule of Changes in Net Pension Liability and Related Ratios

Calendar Year Ending December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Pension Liability										
Service Cost	\$ 273,602	274,188	303,347	290,923	266,703	267,926	282,795	268,527	285,875	-
Interest on the Total Pension Liability	1,016,496	978,952	876,175	842,339	805,215	812,544	793,540	755,471	687,092	-
Benefit Changes	-	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	292,401	275,794	1,299,073	129,010	229,212	(90,041)	(115,211)	100,252	67,844	-
Assumption Changes	-	-	(128,148)	-	319,009	(359,934)	(38,935)	13,151	422,960	-
Benefit Payments and Refunds	(1,032,678)	(988,903)	(847,592)	(755,980)	(743,989)	(711,220)	(696,489)	(546,300)	(486,563)	-
Net Change in Total Pension Liability	549,821	540,031	1,502,855	506,292	876,150	(80,725)	225,700	591,101	977,208	-
Total Pension Liability - Beginning	14,400,176	13,860,145	12,357,290	11,850,998	10,974,848	11,055,573	10,829,873	10,238,772	9,261,564	-
Total Pension Liability - Ending	<u>\$ 14,949,997</u>	<u>14,400,176</u>	<u>13,860,145</u>	<u>12,357,290</u>	<u>11,850,998</u>	<u>10,974,848</u>	<u>11,055,573</u>	<u>10,829,873</u>	<u>10,238,772</u>	<u>-</u>
Plan Fiduciary Net Position										
Contributions - Employer	\$ 351,960	291,754	300,210	236,943	301,614	324,629	322,044	328,818	318,304	-
Contributions - Employee	139,668	143,476	212,907	130,666	121,728	111,349	105,167	108,561	105,243	-
Pension Plan Net Investment Income	(2,067,349)	2,326,568	1,664,718	1,954,831	(649,805)	1,722,264	606,190	44,640	514,079	-
Benefit Payments and Refunds	(1,032,678)	(988,903)	(847,592)	(755,980)	(743,989)	(711,220)	(696,489)	(546,300)	(486,563)	-
Other	73,375	(58,049)	213,997	65,140	238,556	(198,799)	151,565	114,630	72,373	-
Net Change in Plan Fiduciary Net Position	(2,535,024)	1,714,846	1,544,240	1,631,600	(731,896)	1,248,223	488,477	50,349	523,436	-
Plan Fiduciary Net Position - Beginning	14,928,303	13,213,457	11,669,217	10,037,617	10,769,513	9,521,290	9,032,813	8,982,464	8,459,028	-
Plan Fiduciary Net Position - Ending	<u>\$ 12,393,279</u>	<u>14,928,303</u>	<u>13,213,457</u>	<u>11,669,217</u>	<u>10,037,617</u>	<u>10,769,513</u>	<u>9,521,290</u>	<u>9,032,813</u>	<u>8,982,464</u>	<u>-</u>
Net Pension Liability (Asset)	<u>\$ 2,556,718</u>	<u>(528,127)</u>	<u>646,688</u>	<u>688,073</u>	<u>1,813,381</u>	<u>205,335</u>	<u>1,534,283</u>	<u>1,797,060</u>	<u>1,256,308</u>	<u>-</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.90%	103.67%	95.33%	94.43%	84.70%	98.13%	86.12%	83.41%	87.73%	N/A
Covered Valuation Payroll	\$ 3,103,702	2,919,520	2,951,081	2,903,691	2,705,062	2,455,589	2,337,037	2,412,458	2,317,996	N/A
Net Pension Liability as a Percentage of the Covered Valuation Payroll	82.38%	-18.09%	21.91%	23.70%	67.04%	8.36%	65.65%	74.49%	54.20%	N/A

*This schedule is intended to show information for ten years and additional years' information will be displayed as it becomes available

**Illinois Municipal Retirement Fund
Schedule of Contributions**

Calendar Year Ending	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
12/31/2022	\$ 351,960 *	351,960	-	3,103,702	11.34%
12/31/2021	271,515	291,754	(20,239)	2,919,520	9.99%
12/31/2020	285,960	300,210	(14,250)	2,951,081	10.17%
12/31/2019	236,941	236,943	(2)	2,903,691	8.16%
12/31/2018	301,614	301,614	-	2,705,062	11.15%
12/31/2017	324,629	324,629	-	2,455,589	13.22%
12/31/2016	322,044	322,044	-	2,337,037	13.78%
12/31/2015	328,818	328,818	-	2,412,458	13.63%
12/31/2014	315,479	318,304	(2,825)	2,317,996	13.73%

Notes to Schedule:

* Estimates bases on contribution rate at 11.34% and covered valuation payroll at \$3,103,702

Valuation Date:*Notes*

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

Methods and Assumptions used to Determine 2022 Contribution Rate:

<i>Actuarial Cost Method</i>	Aggregate Entry Age Normal
<i>Amortization Method</i>	Level Percentage of Payroll, Closed
<i>Remaining Amortization Period</i>	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 21-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 16 years for most employers (five employers were financed over 17 years; one employer was financed over 18 years; two employers were financed over 19 years; one employer was financed over 20 years; three employers were financed over 25 years; four employers were financed over 26 years and one employer was financed over 27 years).
<i>Asset Valuation Method</i>	5-Year smoothed market; 20% corridor
<i>Wage Growth</i>	2.75%
<i>Price Inflation</i>	2.25%
<i>Salary Increases</i>	2.85 to 13.75% including inflation
<i>Investment Rate of Return</i>	7.25%
<i>Retirement Age</i>	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
<i>Mortality</i>	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-medium 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-medium income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:*Notes*

There were no benefit changes during the year.

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

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

**Supplemental Information
Teachers' Retirement System of the State of Illinois**

									<u>Schedule 3</u>
Schedule of District's Share of the Net Pension Liability									
	Fiscal Year*								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability	0.0014%	0.0016%	0.0017%	0.0017%	0.0018%	0.0022%	0.0019%	0.0024%	0.0022%
District's Proportionate Share of the Net Pension Liability	\$ 1,156,885	1,242,908	1,488,591	1,400,084	1,424,088	1,684,283	1,469,467	1,571,991	1,359,701
State's Proportionate Share of the Net Pension Liability Associated with the District	100,352,151	104,168,899	116,594,148	99,642,471	97,556,028	94,802,326	92,681,240	78,896,869	69,542,958
Total	\$101,509,036	105,411,807	118,082,739	101,042,555	98,980,116	96,486,609	94,150,707	80,468,860	70,902,659
District's Covered-Employee Payroll	\$ 14,107,095	14,289,683	14,306,760	13,895,871	13,267,494	12,355,210	11,953,384	11,925,986	11,247,232
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	8.20%	8.70%	10.40%	10.08%	10.73%	13.63%	12.29%	13.18%	12.09%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	42.80%	45.10%	37.80%	39.60%	40.00%	39.30%	36.40%	41.50%	43.00%

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

									<u>Schedule 4</u>
Schedule of Contributions									
	Fiscal Year								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily Required Contribution	\$ 83,265	81,821	82,880	82,979	80,596	76,951	71,660	69,330	69,171
Contributions in Relation to the Statutorily-Required Contribution	83,265	81,821	82,880	82,979	80,596	76,951	71,660	69,330	69,171
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-
District's Covered-Employee Payroll	\$ 14,356,092	14,107,095	14,289,683	14,306,760	13,895,871	13,267,494	12,355,210	11,953,384	11,925,986
Contributions as a Percentage of Covered-Employee Payroll	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%	0.58%

For the 2022 and 2021 measurement year, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated Sept. 30, 2021.

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

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

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Supplemental Information
Teachers' Health Insurance Security Fund of the State of Illinois

						Schedule 5
Schedule of District's Share of the Net OPEB Liability						
	Fiscal Year*					
	2022	2021	2020	2019	2018	2017
District's Proportion of the Net OPEB Liability	0.0550%	0.0550%	0.0562%	0.0569%	0.0552%	0.0549%
District's Proportionate Share of the Net OPEB Liability	\$ 3,501,452	12,141,246	15,019,900	15,740,272	14,540,889	14,236,147
State's Proportionate Share of the Net OPEB Liability Associated with District	3,501,449	12,141,246	15,019,843	15,722,536	19,525,214	18,258,407
Total	<u>\$ 7,002,901</u>	<u>24,282,492</u>	<u>30,039,743</u>	<u>31,462,808</u>	<u>34,066,103</u>	<u>32,494,554</u>
District's Covered-Employee Payroll	\$ 14,107,095	14,289,683	14,306,760	13,895,871	13,267,494	12,355,210
District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	24.82%	84.97%	104.98%	113.27%	109.60%	115.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	5.53%	1.42%	0.70%	0.25%	-0.07%	-0.23%

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

						Schedule 6
Schedule of Contributions						
	Fiscal Year					
	2023	2022	2021	2020	2019	2018
Statutorily Required Contribution	\$ 96,186	94,518	131,465	131,622	127,842	116,754
Contributions in Relation to the Statutorily-Required Contribution	96,186	94,518	131,465	131,622	127,842	116,754
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's Covered-Employee Payroll	\$ 14,356,092	14,107,095	14,289,683	14,306,760	13,895,871	13,267,494
Contributions as a Percentage of Covered-Employee Payroll	0.67%	0.67%	0.92%	0.92%	0.92%	0.88%

**Assessed Valuations, Tax Rates, Tax Extensions
and Tax Collections**

	Tax Year				
	2018	2019	2020	2021	2022
Assessed Valuations	\$ 799,807,127	809,561,545	829,454,754	844,675,524	901,066,316
Tax Rates:					
Educational	1.9708	1.9775	1.9775	1.9775	2.0000
Building	0.4250	0.4600	0.4700	0.4600	0.4900
Bond & Interest	0.4372	0.4318	0.4215	0.4318	0.3920
Transportation	0.1821	0.1700	0.1850	0.1700	0.1900
IMRF	0.0405	0.0400	0.0400	0.0400	0.0500
Working Cash	0.0304	0.0130	0.0404	0.0130	0.0400
Tort Immunity	0.0304	0.0270	0.0475	0.0270	0.0500
Special Education	0.0400	0.0400	0.0400	0.0400	0.0400
Social Security	0.0455	0.0550	0.0550	0.0550	0.0700
Lease PBC	0.0500	0.0326	0.0459	0.0326	0.0400
Fire Prevention/Safety	0.0051	0.0100	0.0050	0.0100	0.0400
Totals	3.2569	3.2569	3.3278	3.2569	3.4020
Tax Extensions:					
Educational	\$ 15,762,898	16,009,542	16,402,607	16,703,969	18,021,326
Building	3,399,049	3,724,012	3,898,466	3,885,548	4,415,225
Bond & Interest	3,496,948	3,495,799	3,496,183	3,647,428	3,532,000
Transportation	1,456,702	1,376,268	1,534,504	1,435,964	1,712,026
IMRF	323,685	323,828	331,785	337,873	450,533
Working Cash	242,823	105,245	335,102	109,811	360,427
Tort Immunity	242,823	218,584	393,993	228,065	450,533
Special Education	319,926	323,828	331,785	337,873	360,427
Social Security	364,155	445,262	456,203	464,577	630,746
Lease PBC	399,906	263,757	380,722	275,199	360,427
Fire Prevention/Safety	40,470	80,956	40,958	40,958	360,427
Totals	\$ 26,049,385	26,367,080	27,602,308	27,467,267	30,654,096
Tax Collections	\$ 25,668,266	26,060,049	27,141,311	27,760,929	-

OTHER REQUIRED REPORTING



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CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditors' Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed In Accordance with Government Auditing Standards**

To the Board of Education
Coal City Community Unit School District No. 1
Coal City, Illinois

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Coal City Community Unit School District No. 1, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Coal City Community Unit School District No. 1's basic financial statements, and have issued our report thereon dated September 6, 2023.

Report On Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Coal City Community Unit School District No. 1's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Coal City Community Unit School District No. 1's internal control. Accordingly, we do not express an opinion on the effectiveness of Coal City Community Unit School District No. 1's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

We noted certain matters that we reported to management of Coal City Community Unit School District No. 1 in a separate letter dated September 6, 2023.

Report On Compliance and Other Matters

As part of obtaining reasonable assurance about whether Coal City Community Unit School District No. 1's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mack & Associates, P.C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
September 6, 2023

SINGLE AUDIT SECTION



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CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditors' Report on Compliance
for Each Major Program and On Internal
Control over Compliance Required by the Uniform Guidance**

To the Board of Education
Coal City Community Unit
School District No. 1
Coal City, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Coal City Community Unit School District No.1's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Coal City Community Unit School District No.1's major federal programs for the year ended June 30, 2023. Coal City Community Unit School District No.1's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Coal City Community Unit School District No.1 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Coal City Community Unit School District No.1 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Coal City Community Unit School District No.1's compliance.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grants applicable to Coal City Community Unit School District No.1's federal programs.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Coal City Community Unit School District No.1's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report about Coal City Community Unit School District No.1's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Coal City Community Unit School District No.1's compliance with the requirements referred to above and performing such other procedures as we consider necessary in the circumstances.
- Obtain an understanding of Coal City Community Unit School District No.1's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Coal City Community Unit School District No.1's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the accompanying financial statements of Coal City Community Unit School District No.1, as of and for the year ended June 30, 2023, and have issued our report thereon dated September 6, 2023, which contains an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 Schedule of Expenditures of Federal Awards is fairly presented in all material respects in relation to the basic financial statements as a whole.

Mack & Associates, P.C.
Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
September 6, 2023

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Federal Expenditures</i>
Child Nutrition Cluster		
<i>United States Department of Agriculture:</i>		
Passed-through Illinois State Board of Education:		
National School Breakfast Program:		
National School Breakfast Program 2022 - 4220-2022	10.553	\$ 17,363
National School Lunch Program:	10.555	
National School Lunch Program 2023 - 4210-2023		261,125
National School Lunch Program 2023 - 4210-SC-2023		70,681
National School Lunch Program 2022 - 4210-2022		156,832
Special Milk Program - 2023 - 4215-2023		4,543
National School Breakfast Program - 2023 - 4220-2022		24,034
Lanter Commodities		41,449
DoD Fruits & Vegetables		40,416
Total National School Lunch Program		599,080
Special Milk Program for Children:	10.556	
Special Milk Program - 2022 - 4215-2022		1,374
Total Passed Through Illinois State Board of Education		617,817
<i>Total United States Department of Agriculture</i>		<i>617,817</i>
Total Child Nutrition Cluster		617,817
Special Education Cluster		
<i>United States Department of Education:</i>		
Passed-through Illinois State Board of Education:		
IDEA - Special Education Grants	84.027*	
IDEA Flow-through - 2023 - 4620-2023		467,050
Special Education Preschool Grants	84.173*	
IDEA Preschool Flow-through - 2023 - 4600-2023		10,387
Total Passed Through Illinois State Board of Education		477,437
<i>Total United States Department of Education</i>		<i>477,437</i>
Total Special Education Cluster		477,437
Other Programs:		
<i>United States Department of Education:</i>		
Passed-through Illinois State Board of Education:		
Pandemic EBT Administration Costs	10.649	
National School Lunch		628
Title I Grants to Local Educational Agencies	84.010	
Title I - 2023 - 4300-2023		214,116
Supporting Effective Instruction State Grants	84.367	
Title I - 2023 - 4300-2023		32,184
Title IVA - 2023 - 4400-2023		5,000
Total Supporting Effective Instruction State Grants		37,184
Title I Grants to Local Educational Agencies	84.367	
Title IVA - 2023 - 4400-2023		9,447
Total Passed Through Illinois State Board of Education		261,375
<i>Total United States Department of Education</i>		<i>261,375</i>
Total Other Programs		261,375
Total Expenditures of Federal Awards		\$ 1,356,629

*Denotes major program

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2023

NOTE A: BASIS OF PRESENTATION AND ACCOUNTING

Basis of Presentation

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Coal City Community Unit School District No. 1 and is presented on the modified cash basis of accounting. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit requirements of Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the Basic Financial Statements.

Basis of Accounting

Under the modified cash basis of accounting, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash.

NOTE B: INDIRECT FACILITIES & ADMINISTRATION COSTS

Coal City Community Unit School District No. 1 did not elect to use the 10% de minimis cost rate.

NOTE C: SUB RECIPIENTS

Coal City Community Unit School District No. 1 did not provide federal awards to sub recipients.

NOTE D: NON-CASH AWARDS

The amount of commodities reported on the schedule (\$81,865) is the value of commodities distributed by the Lanter Delivery System during the current year and priced as prescribed by the U.S. Department of Agriculture (CFDA 10.555).

NOTE E: OTHER DISCLOSURES

Amount of federal insurance, loans, and loan guarantees in effect during the year - None.

Federal Grants requiring matching expenditures - Yes.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2023

A. SUMMARY OF AUDITORS' RESULTS

1. The Auditors' Report expresses an unmodified opinion on the financial statements of Coal City Community Unit School District No. 1.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Coal City Community Unit School District No. 1 were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance for Each Major Program and On Internal Control over Compliance Required by the Uniform Guidance.
5. The Auditors' Report on Compliance for the major federal award programs for Coal City Community Unit School District No. 1 expresses an unmodified opinion on all major federal programs.
6. Audit findings relative to the major federal award programs for the Coal City Community Unit School District No. 1 are reported in Part C of this schedule.
7. The program tested as the major program was the IDEA Special Education Grants (CFDA #84.027) and IDEA Preschool Flow-Through (CFDA #84.173).
8. Total federal expenditures for the year ended June 30, 2023 were \$1,356,629, and 35.19% of that total was tested as major programs.
9. The threshold for distinguishing Types A and B programs was \$750,000.
10. Coal City Community Unit School District No. 1 was not determined to be a low-risk auditee.

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023**

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

COAL CITY COMMUNITY UNIT SCHOOL DISTRICT NO. 1

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023**

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.