



Eder, Casella & Co.
815.344.1300
www.edercasella.com

***MILLBURN COMMUNITY CONSOLIDATED
SCHOOL DISTRICT NO. 24
LAKE COUNTY, ILLINOIS***

ANNUAL FINANCIAL REPORT

JUNE 30, 2022

eder, casella & co

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Millburn Community Consolidated School District No. 24
Wadsworth, Illinois

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of

Millburn Community Consolidated School District No. 24

as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Millburn Community Consolidated School District No. 24 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.

Change in Accounting Principle

As described in Note 17 to the financial statements, the District implemented GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 risk 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 Millburn Community Consolidated School District No. 24'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 Millburn Community Consolidated School District No. 24's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information as

listed in the table of contents and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information, except for the average daily attendance figure included in the computation of operating expense per pupil and per capita tuition charges, 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 supplementary information and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2023 on our consideration of Millburn Community Consolidated School District No. 24's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Millburn Community Consolidated School District No. 24's internal control over financial reporting and compliance.

Eder, Casella & Co.

EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
February 7, 2023

INDEPENDENT AUDITOR'S 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
Millburn Community Consolidated School District No. 24
Wadsworth, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of

Millburn Community Consolidated School District No. 24

as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Millburn Community Consolidated School District No. 24's basic financial statements, and have issued our report thereon dated February 7, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Millburn Community Consolidated School District No. 24'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 Millburn Community Consolidated School District No. 24's internal control. Accordingly, we do not express an opinion on the effectiveness of Millburn Community Consolidated School District No. 24'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 District'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Millburn Community Consolidated School District No. 24'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 financial statements. 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eder, Casella & Co.

EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
February 7, 2023

REQUIRED SUPPLEMENTARY INFORMATION

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

The Management's Discussion and Analysis of Millburn Community Consolidated School District No. 24's (District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2022. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

- The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2022 by \$5,965,633 (net position). Of this amount, \$(8,215,203) (unrestricted net position) will need to be funded at the District's discretion.
- The District's total net position increased by \$4,760,119, including a net position adjustment of \$22,842 (additional information on the net position adjustment can be found in Note 18 of this report).
- At June 30, 2022, the District's governmental funds reported combined ending fund balances of \$5,388,587, an increase of \$1,135,762 in comparison with the prior year. This includes a fund balance adjustment of \$22,842. Of this amount, \$2,430,971 is unassigned fund balance.
- At June 30, 2022, the unassigned fund balance for the General Fund was \$2,832,610, or 14.97% of the total General Fund Expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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

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

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

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges.

The District's governmental activities include instructional services (regular education, special education, and other), supporting services, operation and maintenance of facilities, and transportation services. The government-wide financial statements can be found on the pages listed in the table of contents.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General; Operations and Maintenance; Debt Services; Transportation; Illinois Municipal Retirement/Social Security; Capital Projects Funds and Fire Prevention and Safety Fund, all of which are considered to be major funds.

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

The basic fund financial statements and the required supplementary information can be found on the pages listed in the table of contents.

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

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in meeting its obligation to provide, as fully adequate as possible, educational services and extracurricular activities to all of its residents' students.

Supplemental financial information can be found on the pages listed in the table of contents.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$5,965,633 at the close of the most recent fiscal year.

The following table presents a summary of the District's net position for the years ended June 30, 2022 and 2021:

Millburn Community Consolidated School District No. 24's Net Position

	Governmental Activities	
	2022	2021
Assets		
Current and Other Assets	\$ 23,685,180	\$ 21,912,833
Capital/Lease Assets	23,166,578	23,563,882
Total Assets	\$ 46,851,758	\$ 45,476,715
Deferred Outflow s of Resources		
Deferred Outflow s Related to OPEB - THIS	\$ 260,004	\$ 329,391
Deferred Outflow s Related to OPEB - Other	36,800	41,870
Deferred Outflow s Related to Pensions - IMRF	366,286	299,239
Deferred Outflow s Related to Pensions - TRS	54,760	83,389
Total Deferred Outflow s of Resources	\$ 717,850	\$ 753,889
Liabilities		
Other Liabilities	\$ 1,549,150	\$ 1,508,841
Long-Term Liabilities Outstanding	10,674,528	14,422,436
Net OPEB Liability - THIS	6,708,885	8,309,406
Total OPEB Liability - Other	635,455	681,926
Net Pension Liability - IMRF	262,884	693,437
Net Pension Liability - TRS	687,094	806,941
Total Liabilities	\$ 20,517,996	\$ 26,422,987
Deferred Inflow s of Resources		
Unavailable Revenue - Property Taxes	\$ 16,747,443	\$ 16,151,167
Deferred Inflow s Related to OPEB - THIS	3,049,284	1,640,545
Deferred Inflow s Related to OPEB - Other	113,137	50,073
Deferred Inflow s Related to Pensions - TRS	121,044	56,312
Deferred Inflow s Related to Pensions - IMRF	1,055,071	704,006
Total Deferred Inflow s of Resources	\$ 21,085,979	\$ 18,602,103
Net Position		
Net Investment in Capital Assets	\$ 12,928,043	\$ 9,304,464
Restricted	1,252,793	607,345
Unrestricted	(8,215,203)	(8,706,295)
Total Net Position	\$ 5,965,633	\$ 1,205,514

The net investment in capital assets represents assets such as land, buildings, and equipment, less any related debt used to acquire those assets that is still outstanding. The District uses its assets to provide educational services and extracurricular activities for the students of the local community. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (21%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (a deficit of \$8,215,203) represents the amounts to be funded by future sources.

Governmental Activities. Governmental activities increased the District's net position by \$4,760,119, which includes a net position adjustment of \$22,842. Key elements of this increase are as follows:

Millburn Community Consolidated School District No. 24's Change in Net Position

	Governmental Activities	
	2022	2021
Revenues:		
Program Revenues:		
Charges for Services	\$ 1,452,912	\$ 1,375,432
Operating Grants and Contributions	6,550,786	8,700,843
Capital Grants and Contributions	67,183	8,210
General Revenues:		
Property Taxes	16,166,125	15,498,871
Other Taxes	61,947	28,641
Grants and Contributions not Restricted to Specific Activities	3,738,000	3,703,215
Other	28,990	14,160
Total Revenues	\$ 28,065,943	\$ 29,329,372
Expenses:		
Instruction		
Regular Programs	\$ 7,249,215	\$ 6,908,589
Special Education Programs	2,388,977	2,428,767
Other Instructional Programs	555,394	326,335
Student Activities	4,799	3,185
State Retirement Contributions	4,228,878	6,829,241
Support Services		
Pupil	1,295,038	1,257,233
Instructional Staff	717,560	676,824
General Administration	732,327	720,781
School Administration	821,687	872,924
Business	427,698	409,242
Facilities Acquisition and Construction Services	7,962	4,376
Operations and Maintenance	2,446,995	2,194,335
Transportation	1,260,847	1,060,046
Food Services	385,761	448,002
Central	184,484	170,016
Community Services	213,369	228,365
Debt Services		
Interest and Fees	165,834	229,863
Intergovernmental Payments		
Payments to Other Districts and Governmental Units	241,841	282,502
Total Governmental Activities	\$ 23,328,666	\$ 25,050,626
Change in Net Position	\$ 4,737,277	\$ 4,278,746
Net Position - Beginning of Fiscal Year	1,205,514	(3,084,975)
Net Position Adjustment	22,842	11,743
Net Position - End of Fiscal Year	\$ 5,965,633	\$ 1,205,514

- The District's total revenue decreased \$1,263,429 (4.31%) compared to the prior year. The revenue decrease was mainly a result of a decrease in state retirement contributions (included in operating grants and contributions), offset by an increase in property taxes.
- Overall expenses decreased \$1,721,960 (6.87%) compared to the prior year. Significant factors were a decrease in state retirement contributions, offset by an increase in instruction – regular programs and other instruction programs, and support services – operations and maintenance and transportation.

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's seven governmental funds reported combined ending fund balances of \$5,388,587, an increase of \$1,135,762, including a fund balance adjustment of \$22,842, in comparison with the prior year.

The General Fund is the chief operating fund of the District. At June 30, 2022, unassigned fund balance was \$2,832,610. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 14.97% of the total General Fund expenditures. The General Fund's balance increased by \$569,294 in comparison with the prior year. The increase is mainly due to an increase in property taxes and federal aid, offset by an increase in instructional expenditures (regular programs and other instructional programs).

The Operations and Maintenance Fund's balance increased by \$309,867 in comparison with the prior year. The increase is mainly due to interfund transfers received from other funds.

The Debt Services Fund's balance increased by \$234,051 in comparison with the prior year. The increase is mainly due to interfund transfers of funds to pay for financed purchases.

The Transportation Fund's balance increased by \$90,877 in comparison with the prior year. The increase was mainly due to revenues exceeding expenditures.

The Illinois Municipal Retirement/Social Security Fund's balance increased by \$75,891, including a fund balance adjustment of \$22,842, in comparison with the prior year. This increase is consistent with prior years.

The Capital Projects Fund's balance decreased by \$209,225 in comparison with the prior year. The decrease was due to capital outlay expenditures being higher than revenue.

The Fire Prevention and Safety Fund's balance increased by \$65,007 in comparison with the prior year. The increase is due to having no expenditures, which is consistent with the prior year.

General Fund Budgetary Highlights

The District's budget for the year ended June 30, 2022 was approved on September 27, 2021.

Significant differences between budgeted and actual revenues and expenditures are summarized as follows:

- The difference between budgeted revenues and actual revenues in the General Fund was \$3,755,270 (unfavorable). The primary reason for the revenue variance was the budgeted amounts being higher than the actual amounts for state retirement contributions, tuition and other local sources.
- The difference between budgeted expenditures and actual expenditures in the General Fund was \$4,036,677 (favorable). The primary reason for the expenditure variance was the budgeted amounts being higher than the actual amounts for state retirement payments and food services costs.

Capital Asset and Debt Administration

Capital Assets. At June 30, 2022 the District had invested \$22,910,722 (net of accumulated depreciation) in a broad range of capital assets, including land, building and building improvements, site improvements and infrastructure, capitalized equipment, vehicles, and construction in progress. Total depreciation expense for the year was \$895,343.

Millburn Community Consolidated School District No. 24's Capital Assets at Year-End
(net of depreciation)

	Governmental Activities	
	2022	2021
Land	\$ 826,414	\$ 826,414
Construction in Progress	-	14,109
Building and Building Improvements	19,928,631	20,480,063
Site Improvements and Infrastructure	1,282,305	1,183,901
Capitalized Equipment	873,372	1,051,055
Vehicles	-	8,340
Total	<u>\$ 22,910,722</u>	<u>\$ 23,563,882</u>

Major capital asset events during the current fiscal year included the following:

- Floor replacement project at MES - \$127,341
- House MES 1961 addition and adjacent area - \$83,950

Additional information on the District's capital assets can be found in Note 3 of this report.

Long-Term Debt. At June 30, 2022 the District's long-term obligations consisted of the following:

Millburn Community Consolidated School District No. 24's Outstanding Debt

	Governmental Activities	
	2022	2021
Bonds and Financed Purchase Payable	\$ 3,516,819	\$ 4,960,261
Accreted Interest	6,856,650	9,394,906
Total	<u>\$ 10,373,469</u>	<u>\$ 14,355,167</u>

The decrease in debt was due to scheduled debt repayments.

Additional information on the District's long-term debt can be found in Note 4 of this report and additional information on the District's debt limitation can be found in Note 16 of this report.

Economic Factors and Next Year's Budget

The District continues to be cautiously optimistic regarding long-range financial projections. The hold harmless provision in the new Evidence Based Funding model had a positive impact on the District's long-range projections. Without the hold harmless provision, the District was anticipating that state revenues would decrease each year as the District continues to experience declining enrollment. The District is beginning to see increased growth in the assessed value of the properties within the District boundaries. However, the District is not seeing the significant growth in properties being developed that was experienced fifteen years ago.

The District passed an operating referendum in April 2013 in order to maintain and improve the educational programming for students that attend Millburn Community Consolidated School District 24. The District has used these funds wisely, but the District will need to address budget reductions in the near future. The enrollment of the school District continues to decline, but costs continue to escalate.

With the anticipated review of the Evidenced Base Funding (EBF) model in Illinois, there is a strong likelihood that the District will lose some funding as a result of the District's declining enrollment. With these factors taken into consideration, the District is hopeful that necessary reductions can be achieved through attrition in the upcoming years.

Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, parents, students, investors, and creditors with a general overview of the District's finances, and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District at the following address:

Millburn Community Consolidated School District No. 24
18550 Millburn Rd.
Wadsworth, IL 60083

BASIC FINANCIAL STATEMENTS

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 13,935,547
Other Accounts Receivable, net of allowance of \$0	50,382
Property Taxes Receivable, net of allowance of \$58,821	9,284,698
Due from Other Governments, net of allowance of \$0	386,917
Prepaid Items	27,636
Capital/Lease Assets:	
Land	826,414
Depreciable Buildings, Property, and Equipment, net of depreciation	22,340,164
Total Assets	\$ 46,851,758
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows Related to OPEB - THIS	\$ 260,004
Deferred Outflows Related to OPEB - Other	36,800
Deferred Outflows Related to Pensions - IMRF	366,286
Deferred Outflows Related to Pensions - TRS	54,760
Total Deferred Outflows of Resources	\$ 717,850
LIABILITIES	
Accounts Payable and Accrued Expenses	\$ 456,388
Payroll Liabilities	955,533
Unearned Revenue - Registration Fees	137,229
Non-Current Liabilities	
Due Within One Year	5,280,198
Due in More Than One Year	5,394,330
Net OPEB Liability - THIS	6,708,885
Total OPEB Liability - Other	635,455
Net Pension Liability - IMRF	262,884
Net Pension Liability - TRS	687,094
Total Liabilities	\$ 20,517,996
DEFERRED INFLOWS OF RESOURCES	
Unavailable Revenue - Property Taxes	\$ 16,747,443
Deferred Inflows Related to OPEB - THIS	3,049,284
Deferred Inflows Related to OPEB - Other	113,137
Deferred Inflows Related to Pensions - TRS	121,044
Deferred Inflows Related to Pensions - IMRF	1,055,071
Total Deferred Inflows of Resources	\$ 21,085,979
NET POSITION	
Net Investment in Capital Assets	\$ 12,928,043
Restricted for:	
Student Activity	11,772
Tort	24,745
Transportation	416,475
Retirement	530,223
Fire Prevention/Life Safety	269,578
Unrestricted/(Deficit)	(8,215,203)
Total Net Position	\$ 5,965,633

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

		Program Revenues			Net (Expense)
		Charges for	Operating	Capital	Revenue and Changes
	Expenses	Services	Grants and Contributions	Grants and Contributions	in Net Position
Functions/Programs					
Governmental Activities					
Instruction					
Regular Programs	\$ 7,249,215	\$ 208,038	\$ 537,966	\$ -	\$ (6,503,211)
Special Education Programs	2,154,157	176,288	405,319	-	(1,572,550)
Special Education Programs Pre-K	234,820	-	-	-	(234,820)
Other Instructional Programs	555,394	499,049	948	-	(55,397)
Student Activities	4,799	5,911	-	-	1,112
State Retirement Contributions	4,228,878	-	4,228,878	-	-
Support Services					
Pupil	1,295,038	-	148,740	-	(1,146,298)
Instructional Staff	717,560	-	-	-	(717,560)
General Administration	732,327	-	-	-	(732,327)
School Administration	821,687	-	-	-	(821,687)
Business	427,698	-	-	-	(427,698)
Facilities Acquisition and Construction Services	7,962	-	-	50,000	42,038
Operations and Maintenance	2,446,995	563,623	-	17,183	(1,866,189)
Transportation	1,260,847	-	759,736	-	(501,111)
Food Services	385,761	3	469,199	-	83,441
Central	184,484	-	-	-	(184,484)
Community Services	213,369	-	-	-	(213,369)
Debt Services					
Interest and Fees	165,834	-	-	-	(165,834)
Intergovernmental Payments					
Payments to Other Districts and Governmental Units	241,841	-	-	-	(241,841)
Total Governmental Activities	<u>\$ 23,328,666</u>	<u>\$ 1,452,912</u>	<u>\$ 6,550,786</u>	<u>\$ 67,183</u>	<u>\$ (15,257,785)</u>
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes					\$ 11,693,201
Property Taxes, Levied for Debt Service					4,472,924
Personal Property Replacement Taxes					61,947
Grants and Contributions not Restricted to Specific Activities					3,738,000
Unrestricted Investment Earnings					28,990
Total General Revenues					<u>\$ 19,995,062</u>
Change in Net Position					\$ 4,737,277
Net Position - July 1, 2021					1,205,514
Net Position Adjustment (Note 18)					<u>22,842</u>
Net Position - June 30, 2022					<u><u>\$ 5,965,633</u></u>

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
FUND FINANCIAL STATEMENTS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
ASSETS								
Cash and Cash Equivalents	\$ 8,271,567	\$ 876,099	\$ 2,876,115	\$ 504,409	\$ 394,315	\$ 733,378	\$ 279,664	\$ 13,935,547
Other Accounts Receivable, net of allowance of \$0	22,486	6,773	-	-	10,146	10,977	-	50,382
Property Taxes Receivable, net of allowance of \$58,821	5,231,968	723,714	2,675,510	281,753	343,230	27,921	602	9,284,698
Due from Other Governments, net of allowance of \$0	199,662	-	-	187,255	-	-	-	386,917
Prepaid Items	27,414	222	-	-	-	-	-	27,636
Total Assets	\$ 13,753,097	\$ 1,606,808	\$ 5,551,625	\$ 973,417	\$ 747,691	\$ 772,276	\$ 280,266	\$ 23,685,180
LIABILITIES								
Accounts Payable and Accrued Expenditures	\$ 346,975	\$ 71,738	\$ -	\$ 37,675	\$ -	\$ -	\$ -	\$ 456,388
Payroll Liabilities	935,094	16,671	-	3,768	-	-	-	955,533
Unearned Revenue - Registration Fees	137,229	-	-	-	-	-	-	137,229
Total Liabilities	\$ 1,419,298	\$ 88,409	\$ -	\$ 41,443	\$ -	\$ -	\$ -	\$ 1,549,150
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue - Property Taxes	\$ 9,437,258	\$ 1,305,413	\$ 4,826,001	\$ 508,217	\$ 619,107	\$ 50,362	\$ 1,085	\$ 16,747,443
Total Deferred Inflows of Resources	\$ 9,437,258	\$ 1,305,413	\$ 4,826,001	\$ 508,217	\$ 619,107	\$ 50,362	\$ 1,085	\$ 16,747,443
FUND BALANCE								
Nonspendable								
Prepaid Items	\$ 27,414	\$ 222	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,636
Restricted								
Transportation	-	-	-	416,475	-	-	-	416,475
Retirement	-	-	-	-	530,223	-	-	530,223
Student Activities	11,772	-	-	-	-	-	-	11,772
Tort	24,745	-	-	-	-	-	-	24,745
Fire Prevention and Safety	-	-	-	-	-	-	269,578	269,578
Assigned								
Operations and Maintenance	-	212,764	-	-	-	-	-	212,764
Debt Service	-	-	725,624	-	-	-	-	725,624
Transportation	-	-	-	7,282	-	-	-	7,282
Capital Projects	-	-	-	-	-	721,914	9,603	731,517
Unassigned	2,832,610	-	-	-	(401,639)	-	-	2,430,971
Total Fund Balance	\$ 2,896,541	\$ 212,986	\$ 725,624	\$ 423,757	\$ 128,584	\$ 721,914	\$ 279,181	\$ 5,388,587
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 13,753,097	\$ 1,606,808	\$ 5,551,625	\$ 973,417	\$ 747,691	\$ 772,276	\$ 280,266	\$ 23,685,180

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
FUND FINANCIAL STATEMENTS
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total Fund Balances - Governmental Funds	\$ 5,388,587
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Deferred pension and OPEB costs in governmental activities are not financial resources and therefore are not reported in the funds.

Deferred Outflows - IMRF	\$ 366,286	
Deferred Inflows - IMRF	(1,055,071)	
Deferred Outflows - TRS	54,760	
Deferred Inflows - TRS	(121,044)	
Deferred Outflows - OPEB - THIS	260,004	
Deferred Inflows - OPEB - THIS	(3,049,284)	
Deferred Outflows - OPEB - IMRF and TRS	36,800	
Deferred Inflows - OPEB - IMRF and TRS	<u>(113,137)</u>	
		(3,620,686)

GASB 87 lease amounts used in governmental activities are not current financial resources and therefore are not reported in the funds.

Lease Assets	\$ 511,712	
Accumulated Amortization on Lease Assets	(255,856)	
GASB 87 Leases	<u>(260,698)</u>	
		(4,842)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	22,910,722
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Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.

Bonds Payable	\$ (3,085,667)	
Financed Purchase Payable	(431,152)	
Accreted and Accrued Interest Payable	(6,856,650)	
Unamortized Bond Premiums	<u>(40,361)</u>	
		(10,413,830)

Some liabilities are not due and payable in the current period and therefore are not reported in the funds.

Net OPEB Obligation-THIS	\$ (6,708,885)	
Total OPEB Liability - IMRF and TRS	(635,455)	
Net Pension (Liability)/Asset - TRS	(687,094)	
Net Pension (Liability)/Asset - IMRF	<u>(262,884)</u>	
		(8,294,318)

Net Position of Governmental Activities	<u>\$ 5,965,633</u>
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The Notes to Financial Statements are an integral part of this statement.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
FUND FINANCIAL STATEMENTS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
REVENUES								
Property Taxes	\$ 9,255,244	\$ 1,250,111	\$ 4,472,924	\$ 500,000	\$ 623,599	\$ -	\$ 64,247	\$ 16,166,125
Payments in Lieu of Taxes	-	-	-	-	61,947	-	-	61,947
Tuition	329,139	-	-	-	-	-	-	329,139
Earnings on Investments	17,462	4,365	2,134	1,287	833	2,149	760	28,990
Food Services	3	-	-	-	-	-	-	3
District/School Activity Income	96,081	-	-	-	-	-	-	96,081
Student Activity	5,911	-	-	-	-	-	-	5,911
Textbooks	641	-	-	-	-	-	-	641
Other Local Sources	583,498	430,250	-	7,158	-	81,653	-	1,102,559
State Aid	3,917,439	-	-	759,736	-	50,000	-	4,727,175
Federal Aid	1,311,966	-	-	-	6,528	-	-	1,318,494
State Retirement Contributions	4,228,878	-	-	-	-	-	-	4,228,878
Total Revenues	\$ 19,746,262	\$ 1,684,726	\$ 4,475,058	\$ 1,268,181	\$ 692,907	\$ 133,802	\$ 65,007	\$ 28,065,943
EXPENDITURES								
Current								
Instruction								
Regular Programs	\$ 7,200,207	\$ -	\$ -	\$ -	\$ 104,197	\$ -	\$ -	\$ 7,304,404
Special Education Programs	2,102,812	-	-	-	104,885	-	-	2,207,697
Special Education Programs Pre-K	226,966	-	-	-	7,854	-	-	234,820
Other Instructional Programs	545,970	-	-	-	11,038	-	-	557,008
Student Activity	4,799	-	-	-	-	-	-	4,799
State Retirement Contributions	4,228,878	-	-	-	-	-	-	4,228,878
Support Services								
Pupil	1,252,932	1,388	-	-	65,550	-	-	1,319,870
Instructional Staff	533,851	-	-	-	17,178	-	-	551,029
General Administration	682,404	-	-	-	16,768	-	-	699,172
School Administration	802,959	-	-	-	38,081	-	-	841,040
Business	408,833	-	-	-	30,324	-	-	439,157
Facilities Acquisition and Construction Services	-	1,412	-	-	-	3,605	-	5,017
Operations and Maintenance	9,530	1,663,661	-	-	110,818	-	-	1,784,009
Transportation	-	-	-	1,176,141	90,032	-	-	1,266,173
Food Services	353,886	-	-	-	3,375	-	-	357,261
Central	175,577	-	-	-	-	-	-	175,577
Community Services	195,231	-	-	-	26,178	-	-	221,409
Debt Services								
Principal	-	-	1,910,420	-	-	-	-	1,910,420
Interest and Fees	-	-	2,730,998	-	-	-	-	2,730,998
Capital Outlay	-	-	-	-	-	339,422	-	339,422
Intergovernmental Payments								
Payments to Other Districts and Governmental Units	201,863	26,398	-	-	13,580	-	-	241,841
Total Expenditures	\$ 18,926,698	\$ 1,692,859	\$ 4,641,418	\$ 1,176,141	\$ 639,858	\$ 343,027	\$ -	\$ 27,420,001
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES								
	\$ 819,564	\$ (8,133)	\$ (166,360)	\$ 92,040	\$ 53,049	\$ (209,225)	\$ 65,007	\$ 645,942
OTHER FINANCING SOURCES (USES)								
Interfund Transfers	\$ (717,248)	\$ 318,000	\$ 400,411	\$ (1,163)	\$ -	\$ -	\$ -	\$ -
Proceeds from Financed Purchase	466,978	-	-	-	-	-	-	466,978
Total Other Financing Sources (Uses)	\$ (250,270)	\$ 318,000	\$ 400,411	\$ (1,163)	\$ -	\$ -	\$ -	\$ 466,978

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
FUND FINANCIAL STATEMENTS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
NET CHANGE IN FUND BALANCES	\$ 569,294	\$ 309,867	\$ 234,051	\$ 90,877	\$ 53,049	\$ (209,225)	\$ 65,007	\$ 1,112,920
FUND BALANCE - JULY 1, 2021	2,327,247	(96,881)	491,573	332,880	52,693	931,139	214,174	4,252,825
FUND BALANCE ADJUSTMENT (Note 18)	-	-	-	-	22,842	-	-	22,842
FUND BALANCE - JUNE 30, 2022	<u>\$ 2,896,541</u>	<u>\$ 212,986</u>	<u>\$ 725,624</u>	<u>\$ 423,757</u>	<u>\$ 128,584</u>	<u>\$ 721,914</u>	<u>\$ 279,181</u>	<u>\$ 5,388,587</u>

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
FUND FINANCIAL STATEMENTS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

Net Change in Fund Balances - Total Governmental Funds \$ 1,112,920

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.

Depreciation Expense	\$ (895,343)	
Capital Outlays	<u>336,477</u>	(558,866)

In the Statement of Activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the undepreciated balance of the capital assets sold.

Gain/(Loss) on Sale of Capital Assets	(94,294)	
Proceeds from Financed Purchase	<u>(466,978)</u>	(561,272)

Repayment of bond, financed purchases and GASB 87 lease principal is an expenditure in the governmental funds, but the repayment reduces liabilities in the Statement of Net Position. 2,161,434

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Pension Expense - IMRF	\$ (156,844)	
Pension Expense - TRS	(23,297)	
OPEB Expenses - IMRF and TRS	(68,604)	
OPEB Expenses - THIS	66,733	
GASB 87 Lease Amortization	(255,856)	
Amortization of Bond Premiums	26,908	
Accreted Interest on Bonds	<u>2,538,256</u>	2,127,296

Employer pension/OPEB contributions are expensed in the fund financial statements but treated as a reduction in the Net Pension Liability on the government-wide financial statements.

Employer Contributions - IMRF	\$ 303,379	
Employer Contributions - TRS	49,783	
Employer Contributions - OPEB - THIS	55,662	
Employer Contributions - OPEB - IMRF and TRS	<u>46,941</u>	455,765

Change in Net Position of Governmental Activities \$ 4,737,277

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Millburn Community Consolidated School District No. 24's (District) accounting policies conform to generally accepted accounting principles as applicable to local education agencies.

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies established in GAAP and used by the District are discussed below.

A. *Reporting Entity*

The accompanying financial statements comply with the provisions of GASB statements, in that the financial statements include all organizations, activities, and functions that comprise the District. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the District. Using these criteria, the District has no component units. In addition, the District is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

B. *Basic Financial Statements – Government-Wide Financial Statements*

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund (reporting the District's major funds) financial statements. Both the government-wide and fund financial statements categorize all of the primary activities of the District as governmental activities. The District does not have any business-type activities.

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

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (property taxes, personal property replacement taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function (regular programs, special education programs, payments to other districts and governmental units, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenues (property taxes, personal property replacement taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.).

The District does not allocate indirect costs.

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

NOTES TO FINANCIAL STATEMENTS (Continued)

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

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified. Interfund services provided and used are not eliminated in the process of consolidation.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

The emphasis in fund financial statements is on the major funds. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures of all governmental funds) for the determination of major funds. The District electively made all governmental funds major funds.

The following fund types are used by the District:

Governmental Funds

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

General Fund – The General 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 Educational, Tort and Working Cash levies are included in this fund.

Special Revenue Funds – The Special Revenue Funds (Operations and Maintenance Fund, Transportation Fund, and Illinois Municipal Retirement/Social Security Fund) are used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes other than debt service or capital projects.

Debt Services Fund – The Debt Services Fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for the periodic payment of principal, interest, and related fees on general long-term debt.

Capital Projects Fund – The Capital Projects Fund (Capital Projects Fund and Fire Prevention and Safety Fund) is used to account for financial resources that are restricted, committed, or assigned to expenditures for the acquisition or construction of major capital facilities.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which levied. Other nonexchange

NOTES TO FINANCIAL STATEMENTS (Continued)

revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses when incurred.

2. Modified Accrual

The governmental funds' financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Property tax revenues are recognized in the period for which levied provided they are available. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

E. *Cash and Cash Equivalents and Investments*

Separate bank accounts are not maintained for all District funds. Instead, the funds maintain their uninvested cash balances in common bank deposit accounts, with accounting records being maintained to show the portion of the common bank account balances attributable to each participating fund.

Occasionally certain of the funds participating in the common bank accounts will incur overdrafts (deficits) in the account. Such overdrafts in effect constitute cash borrowed from other District funds and are, therefore, interfund loans which have not been authorized by School Board action.

No District fund had a cash overdraft at June 30, 2022.

The District has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value. Fair value is determined by quoted market prices. Gains or losses on the sale of investments are recognized as they are incurred. The District has adopted a formal written investment and cash management policy.

The District currently holds no investments.

F. *Receivables*

All receivables are reported net of estimated uncollectible amounts.

G. *Prepaid Items*

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

H. *Inventories*

No inventory accounts are maintained to reflect the values of resale or supply items on hand. Instead, the costs of such items are charged to expense when purchased. The value of the District's inventories is not deemed to be material.

I. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon

NOTES TO FINANCIAL STATEMENTS (Continued)

consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

J. *Capital Assets*

Capital assets purchased or acquired with an original cost of \$2,500 or more are reported at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement, if any, are reported at acquisition value. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building and Building Improvements	50 years
Site Improvements and Infrastructure	20 years
Capitalized Equipment	5-10 years
Vehicles	5 years

K. *Deferred Outflows and Inflows of Resources*

In addition to assets and liabilities, the balance sheet(s) and statement(s) of net position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and therefore will not be recognized as an outflow of resource until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resource until that time.

L. *Compensated Absences*

Vacation benefits are granted to employees in varying amounts to specified maximums depending on tenure with the District. Vacations are usually taken within the fiscal year. The entire compensated absences liability is reported on the district-wide financial statements. For the governmental funds, the current portion of the compensated absences is the amount that is normally expected to be paid using expendable available resources. These amounts are recorded in the fund from which the employees who have accumulated vacation leave are paid.

M. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds on a straight-line basis. Bond issuance costs are reported as debt service expenditures. Bonds payable are reported net of the applicable bond premium or discount and deferred losses on refunding.

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

N. *Lessee Arrangements*

The District is a lessee for noncancellable leases of transportation equipment.

NOTES TO FINANCIAL STATEMENTS (Continued)

The District recognizes lease liabilities and intangible right-to-use lease assets (lease assets) in the government-wide financial statements.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the lease term. Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessors as the discount rate. When the interest rate charged by the lessors is not provided, the District uses its estimated incremental borrowing rate as the discount rate for leases.

The terms of the leases include the noncancellable period of the leases. Lease payments included in the measurement of the lease liabilities are composed of the fixed monthly/annual payments.

The District monitors changes in circumstances that would require a remeasurement of its leases as lessee, and will remeasure the lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liabilities. Lease assets are reported with Capital Assets and lease liabilities are reported with Long Term Liabilities on the Statement of Net Position.

O. Government-Wide Fund Net Position

Government-wide fund net position is divided into three components:

- Net investment in capital assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted net position – consists of net position that is restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted net position – all other net position is reported in this category.

P. Governmental Fund Balances

Governmental fund balances are divided between non-spendable and spendable.

Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact.

The spendable fund balances are arranged in a hierarchy based on spending constraints.

- Restricted – Restricted fund balances are restricted when constraints are placed on the use by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.
- Committed – Committed fund balances are amounts that can only be used for specific purposes as a result of a resolution of the Board of Education. Committed amounts cannot be used for any other purpose unless the Board of Education removes those constraints by way of resolution. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

NOTES TO FINANCIAL STATEMENTS (Continued)

- **Assigned** – Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by an appointed body (e.g. a budget or finance committee) or official to which the Board of Education has delegated the authority to assign, modify or rescind amounts to be used for specific purposes.

Assigned fund balances also include (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as non-spendable, restricted or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects, or debt services fund are assigned for purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the District itself.

- **Unassigned** – Unassigned fund balance is the residual classification for the General Fund. This classification represents the General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance in the General Fund also includes amounts levied and/or borrowed for working cash. This classification is also used to represent negative fund balances in special revenue funds, the Debt Services Fund, and capital projects funds.

The District permits funds to be expended in the following order: Restricted, Committed, Assigned, and Unassigned.

The School District seeks to maintain a year-end fund balance to revenue ratio of no less than 15-20 percent, as calculated under the Illinois State Board of Education's School District Financial Profile.

Q. Property Tax Calendar and Revenues

Property taxes are levied each calendar year on all taxable real property located in the District on or before the last Tuesday in December. The 2021 tax levy was passed by the Board on December 13, 2021. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year and are payable in two installments early in June and early in September of the following calendar year. The District receives significant distributions of tax receipts approximately one month after these dates.

R. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits with financial institutions are fully insured or collateralized by securities held in the District's name.

The District is allowed to invest in securities as authorized by the School Code of Illinois, Chapter 30, Section 235/2 and 6; and Chapter 105, Section 5/8-7.

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Governmental Activities				
Capital Assets not being depreciated				
Land	\$ 826,414	\$ -	\$ -	\$ 826,414
Construction in Progress	14,109	-	14,109	-
Total Capital Assets not being depreciated	\$ 840,523	\$ -	\$ 14,109	\$ 826,414
Other Capital Assets				
Building and Building Improvements	\$ 34,145,578	\$ 104,150	\$ 13,843	\$ 34,235,885
Site Improvements and Infrastructure	2,729,596	198,412	38,373	2,889,635
Capitalized Equipment	4,549,279	48,024	479,710	4,117,593
Vehicles	156,868	-	3,637	153,231
Total Other Capital Assets at historical cost	\$ 41,581,321	\$ 350,586	\$ 535,563	\$ 41,396,344
Less Accumulated Depreciation for				
Building and Improvements	\$ 13,665,515	\$ 644,057	\$ 2,318	\$ 14,307,254
Site Improvements and Infrastructure	1,545,695	84,839	23,204	1,607,330
Capitalized Equipment	3,498,224	158,107	412,110	3,244,221
Vehicles	148,528	8,340	3,637	153,231
Total Accumulated Depreciation	\$ 18,857,962	\$ 895,343	\$ 441,269	\$ 19,312,036
Total Capital Assets, Net	\$ 23,563,882	\$ (544,757)	\$ 108,403	\$ 22,910,722
Total Lease Assets, Net	511,712	-	255,856	255,856
Total Governmental Activities Capital Assets/Lease Assets, Net	\$ 24,075,594	\$ (544,757)	\$ 364,259	\$ 23,166,578

Depreciation expense was charged to functions as follows:

Governmental Activities	
Regular Programs	\$ 29,035
Other Instructional Programs	5,279
Instructional Staff	164,531
General Administration	35,194
Operations and Maintenance	619,812
Transportation	7,039
Food Services	26,395
Central	8,058
Total Governmental Activities Depreciation Expense	<u>\$ 895,343</u>

NOTE 4 - LONG-TERM LIABILITY ACTIVITY

Long-term liability activity for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Amounts Due Within One Year
Governmental Activities					
Long-Term Debt					
General Obligation School Bonds, Series 2004B	\$ 4,797,243	\$ -	\$ 1,711,576	\$ 3,085,667	\$ 1,716,466
Capital Lease Apple iPads	163,018	466,978	198,844	431,152	197,592
Accreted Interest	9,394,906	190,168	2,728,424	6,856,650	3,078,534
Total Long-Term Debt Payable	\$ 14,355,167	\$ 657,146	\$ 4,638,844	\$ 10,373,469	\$ 4,992,592
Other Long-Term Liabilities					
Unamortized Bond Premium	\$ 67,269	\$ -	\$ 26,908	\$ 40,361	\$ 26,908
GASB 87 Lease Liabilities	511,712	-	251,014	260,698	260,698
Total Other Long-Term Liabilities	\$ 578,981	\$ -	\$ 277,922	\$ 301,059	\$ 287,606
Governmental Activities Long-Term Liabilities	\$ 14,934,148	\$ 657,146	\$ 4,916,766	\$ 10,674,528	\$ 5,280,198

Long-term debt consisted of the following at June 30, 2022:

NOTES TO FINANCIAL STATEMENTS (Continued)

	Date of Issuance	Maturity Date	Interest Rate	Face Amount	Carrying Amount
General Obligation School Bonds, Series 2004B	5/1/2004	6/1/2024	3.25% - 5.00%	\$ 15,984,547	\$ 3,085,667
Capital Lease-Apple iPads	7/15/2020	7/15/2022	1.24%	246,045	82,011
Capital Lease-Apple iPads	7/10/2021	7/10/2024	0.69%	466,978	349,141

At June 30, 2022, the annual debt services (excluding accreted interest) requirements to cover all outstanding debt are:

Year Ending June 30	Principal	Interest	Total
2023	\$ 1,914,058	\$ 3,081,960	\$ 4,996,018
2024	1,485,580	3,807,410	5,292,990
2025	117,181	809	117,990
	<u>\$ 3,516,819</u>	<u>\$ 6,890,179</u>	<u>\$ 10,406,998</u>

Long-term liabilities are being repaid from the Debt Services Fund.

NOTE 5 - LEASE ARRANGEMENTS

Lessee

The District has the following lease arrangements:

	Contract Start	Contract End	Items	Initial Terms	Optional Terms	Initial Contract Value	Borrowing Rate (per year)	Annual Monthly Payments	Number of Payments
Governmental Activities									
Bus Lease	7/16/2019	7/16/2022	15 buses	4 years	N/A	\$ 838,980	N/A	\$ 209,745	48
Bus Lease	7/16/2019	7/16/2022	5 buses	4 years	N/A	243,140	N/A	60,785	48

A summary of the lease asset activity during the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Governmental Activities				
Lease Assets:				
Vehicles	\$ 511,712	\$ -	\$ -	\$ 511,712
Total Lease Assets	<u>\$ 511,712</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 511,712</u>
Less Accumulated Amortization:				
Vehicles	\$ -	\$ 255,856	\$ -	\$ 255,856
Total Accumulated Amortization	<u>\$ -</u>	<u>\$ 255,856</u>	<u>\$ -</u>	<u>\$ 255,856</u>
Total Lease Assets, Net	<u>\$ 511,712</u>	<u>\$ 255,856</u>	<u>\$ -</u>	<u>\$ 255,856</u>

Amortization expense was charged to functions as follows:

Governmental Activities	
Transportation	<u>\$ 255,856</u>
Total Governmental Activities Amortization Expense	<u>\$ 255,856</u>

A summary of the changes in the lease liabilities during the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
Governmental Activities					
Vehicles	\$ 511,712	\$ -	\$ 251,014	\$ 260,698	\$ 260,698
Total Lease Liabilities	<u>\$ 511,712</u>	<u>\$ -</u>	<u>\$ 251,014</u>	<u>\$ 260,698</u>	<u>\$ 260,698</u>

At June 30, 2022, the annual lease payments and subsequent requirements are as follows:

NOTES TO FINANCIAL STATEMENTS (Continued)

Year Ending June 30	Principal	Interest	Total
2023	\$ 260,698	\$ 4,184	\$ 264,882
Total	\$ 260,698	\$ 4,184	\$ 264,882

Lease liabilities are being repaid from the Transportation Fund.

NOTE 6 - INTERFUND LOANS

There were no interfund loans outstanding at June 30, 2022.

NOTE 7 - DEFICIT FUND BALANCE

At June 30, 2022, no District fund had a deficit balance.

NOTE 8 - PROPERTY TAXES

Property taxes receivable and unavailable revenue recorded in these financial statements are from the 2021 tax levy. The unavailable revenue is 100% of the 2021 tax levy net of estimated uncollectible amounts. These taxes are unavailable as only a portion of the taxes are collected near the end of the fiscal year and the District does not consider the amounts to be available and does not budget for their use in fiscal year 2022. The District has determined that 100% of the amounts collected for the 2020 levy are allocable for use in fiscal year 2022. Therefore, 100% of the amounts collected for the 2020 and prior levies (\$16,166,125) are recorded in these financial statements as property tax revenue. A summary of the assessed valuations and extensions for tax years 2021, 2020, and 2019 is as follows:

ASSESSED VALUATION	2021 \$239,443,147		2020 \$234,601,477		2019 \$232,898,172	
	Rate	Extension	Rate	Extension	Rate	Extension
Educational	3.5405	\$ 8,477,812	3.5384	\$ 8,301,179	3.3452	\$ 7,790,961
Special Education	0.3477	832,592	0.3526	827,217	0.3564	830,114
Operations and Maintenance	0.5471	1,309,998	0.5343	1,253,358	0.5378	1,252,540
Bond and Interest	2.0226	4,842,951	1.9115	4,484,400	1.7607	4,100,601
Transportation	0.2130	510,002	0.2137	501,343	0.2826	658,198
Municipal Retirement	0.0450	107,747	0.0043	10,027	0.1160	270,157
Social Security	0.2088	500,000	0.2564	601,612	0.1476	343,837
SEDOL IMRF	0.0057	13,533	0.0058	13,581	0.0055	12,914
Liability Insurance	0.0418	100,001	0.0427	100,269	0.0633	147,357
Fire Prevention and Safety	0.0005	1,089	0.0275	64,424	0.0422	98,241
Working Cash	0.0251	60,002	0.0215	50,486	0.0211	49,121
Revenue Recapture	0.0211	50,539	0.0000	-	0.0000	-
	7.0189	\$ 16,806,266	6.9087	\$ 16,207,896	6.6785	\$ 15,554,041

NOTE 9 - EXCESS OF EXPENDITURES OVER BUDGET

The following District funds had expenditures that exceeded the budget for the year ended June 30, 2022:

Fund	Budget	Actual	Excess of Actual Over Budget
Operations and Maintenance Fund	\$ 1,561,254	\$ 1,692,859	\$ 131,605
Illinois Municipal Retirement/Social Security Fund	636,978	639,858	2,880

NOTE 10 - RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

General Information About the Pension Plan

Plan Description

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active 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/cafrs/fy2021>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with ten years, or age 55 with twenty years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last ten 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% of final average salary up to a maximum of 75% with 34 years of service.

Tier II members qualify for retirement benefits at age 67 with ten years of service, or a discounted annuity can be paid at age 62 with ten 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 II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Essentially all Tier I retirees receive an annual 3% 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 II annual increases will be the lesser of 3% of the original benefit or ½% 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 III hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout program that expire on June 30, 2024. One program allows retiring Tier I members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier I and II members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and will be funded by bonds issued by the state of Illinois.

Contributions

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

NOTES TO FINANCIAL STATEMENTS (Continued)

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2021 was 9.0% 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 District. For the year ended June 30, 2022, State of Illinois contributions recognized by the District were based on the State's proportionate share of the pension expense associated with the District, and the District recognized revenue and expenditures of \$4,130,390 in pension contributions from the State of Illinois.

2.2 Formula Contributions. Districts contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2022, were \$48,214 and are deferred because they were paid after the June 30, 2021 measurement date.

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

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

For the year ended June 30, 2022, the District pension contribution was 10.31% of salaries paid from federal and special trust funds. For the year ended June 30, 2022, salaries totaling \$81,845 were paid from federal and special trust funds that required District contributions of \$8,438. These contributions are deferred because they were paid after the June 30, 2021 measurement date.

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2022, the District paid \$0 to TRS for employer contributions due on salary increases in excess of 6% and \$0 for sick leave days granted in excess of the normal annual allotment.

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

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

District's proportionate share of the net pension liability	\$ 687,093
State's proportionate share of the net pension liability associated with the District	57,585,695
Total	<u>\$ 58,272,788</u>

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The employer's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2021, relative to the contributions of all participating TRS employers and the State during that period. At June 30, 2021, the District's proportion was 0.0008808%, which was a decrease of 0.0000552% from its proportion measured as of June 30, 2020.

NOTES TO FINANCIAL STATEMENTS (Continued)

For the year ended June 30, 2022, the District recognized pension expense of \$4,130,390 and revenue of \$4,130,390 for support provided by the State. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Net Outflow s of Resources
Differences between expected and actual experience	\$ 3,942	\$ (2,833)	\$ 1,109
Net difference between projected and actual earnings on pension plan investments	-	(46,088)	(46,088)
Changes of assumptions	304	(3,395)	(3,091)
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,300	(68,728)	(66,428)
Employer contributions subsequent to the measurement date	48,214	-	48,214
	<u>\$ 54,760</u>	<u>\$ (121,044)</u>	<u>\$ (66,284)</u>

\$48,214 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year Ended June 30	
2023	\$ (27,930)
2024	(26,676)
2025	(26,882)
2026	(27,902)
2027	(5,108)
	<u>\$ (114,498)</u>

Actuarial Assumptions

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

Inflation	2.25%
Salary Increases	varies by amount of service credit
Investment Rate of Return	7.0%, net of pension plan investment expenses, including inflation

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

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

NOTES TO FINANCIAL STATEMENTS (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	16.7%	6.2%
U.S. equities small/mid cap	2.2%	7.4%
International equities developed	10.6%	6.9%
Emerging market equities	4.5%	9.2%
U.S. bonds core	3.0%	1.6%
Cash equivalents	2.0%	0.1%
TIPS	1.0%	0.8%
International debt developed	1.0%	0.4%
Emerging international debt	4.0%	4.4%
Real estate	16.0%	5.8%
Private Debt	10.0%	6.5%
Hedge Funds	10.0%	3.9%
Private Equity	15.0%	10.4%
Infrastructure	4.0%	6.3%
Total	100.0%	

Discount Rate

At June 30, 2021, the discount rate used to measure total pension liability was 7.00%, which was the same as the June 30, 2020 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2021 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point-higher (8.00%) than the current rate.

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Employer's proportionate share of the net pension liability	\$ 850,950	\$ 687,093	\$ 550,988

TRS Fiduciary Net Position

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

B. Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District's

NOTES TO FINANCIAL STATEMENTS (Continued)

plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple-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 Annual Comprehensive 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 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 ten years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

All appointed employees of a participating employer who are employed in a position normally requiring 600 hours (1,000 hours for certain employees hired after 1981) or more of work in a year are required to participate. As of December 31, 2021, the following employees were covered by the benefit terms:

Inactive plan members and beneficiaries currently receiving benefits	48
Inactive plan members entitled to but not yet receiving benefits	133
Active plan members	88
Total	<u>269</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 rates for calendar years 2021 and 2022 were 11.06% and 10.56%, respectively. For the

NOTES TO FINANCIAL STATEMENTS (Continued)

fiscal year ended June 30, 2022, the District contributed \$303,379 to the plan. 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.

Net Pension Liability

The components of the net pension liability of the IMRF actuarial valuation performed as of December 31, 2021, and a measurement date as of December 31, 2021, calculated in accordance with GASB Statement No. 68, were as follows:

Total Pension Liability	\$ 9,731,843
IMRF Fiduciary Net Position	9,468,959
District's Net Pension Liability	262,884
IMRF Fiduciary Net Position as a Percentage of the Total Pension Liability	97.30%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the Required Supplementary Information following the notes to the financial statements for additional information related to the funded status of the plan.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2021 using the following actuarial methods and assumptions:

Assumptions:	
Inflation	2.25%
Salary Increases	2.85-13.75% including inflation
Interest Rate	7.25%
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market value of assets
Projected Retirement Age	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 for the period 2017-2019.

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

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2021:

NOTES TO FINANCIAL STATEMENTS (Continued)

Asset Class	Target Allocation	Projected Return
Equities	39.0%	1.90%
International Equities	15.0%	3.15%
Fixed Income	25.0%	-0.60%
Real Estate	10.0%	3.30%
Alternatives	10.0%	
Private Equity		5.50%
Hedge Funds		N/A
Commodities		1.70%
Cash Equivalents	1.0%	-0.90%
	<u>100.0%</u>	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2021. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 1.84%; and resulting single discount rate is 7.25%. The prior year single discount rate was 7.25% and increased 0.00% to the current year single discount rate.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A)-(B)
Balances at December 31, 2020	\$ 8,890,486	\$ 8,197,049	\$ 693,437
Changes for the year:			
Service Cost	\$ 230,802	\$ -	\$ 230,802
Interest on the Total Pension Liability	641,704	-	641,704
Differences Between Expected and Actual			
Experience of the Total Pension Liability	278,456	-	278,456
Contributions - Employer	-	301,492	(301,492)
Contributions - Employee	-	116,959	(116,959)
Net Investment Income	-	1,328,365	(1,328,365)
Benefit Payments, including Refunds			
of Employee Contributions	(309,605)	(309,605)	-
Other (Net Transfer)	-	(165,301)	165,301
Net Changes	\$ 841,357	\$ 1,271,910	\$ (430,553)
Balances at December 31, 2021	\$ 9,731,843	\$ 9,468,959	\$ 262,884

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a single Discount Rate that is 1% lower or 1% higher than the current rate:

NOTES TO FINANCIAL STATEMENTS (Continued)

	1% Lower 6.25%	Current Discount Rate 7.25%	1% Higher 8.25%
Net Pension Liability/(Asset)	\$ 1,463,164	\$ 262,884	\$ (680,714)

Pension Expense/(Income) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the District recognized pension expense/(income) of \$156,844. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Expense in Future Periods	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Net Outflow s of Resources
Differences between expected and actual experience	\$ 213,807	\$ 67,236	\$ 146,571
Changes of assumptions	-	22,954	(22,954)
Net difference between projected and actual earnings on pension plan investments	-	964,881	(964,881)
Total deferred amounts to be recognized in pension expense in future periods	\$ 213,807	\$ 1,055,071	\$ (841,264)
Pension contributions made subsequent to the measurement date	152,479	-	152,479
Total deferred amounts related to pensions	<u>\$ 366,286</u>	<u>\$ 1,055,071</u>	<u>\$ (688,785)</u>

\$152,479 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Net Deferred Outflow s of Resources
2022	\$ (170,452)
2023	(283,613)
2024	(239,974)
2025	(147,225)
Total	<u>\$ (841,264)</u>

C. Social Security

Employees not qualifying for coverage under the Teachers' Retirement System of the State of Illinois or the Illinois Municipal Retirement Fund are considered "non-participating employees." These employees, and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The District paid the total required contribution for the current fiscal year.

NOTE 11 - POST EMPLOYMENT BENEFIT COMMITMENTS

A. Teacher Health Insurance Security Fund (THIS)

General Information About the OPEB Plan

Plan Description

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature

NOTES TO FINANCIAL STATEMENTS (Continued)

for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General (<http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>). The current reports are listed under "Central Management Services" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>). Prior reports are available under "Healthcare and Family Services" (<http://www.auditor.illinois.gov/Audit-Reports/HEALTHCARE-FAMILY-SERVICES-Teacher-Health-Ins-Sec-Fund.asp>).

Benefits Provided

The State of Illinois offers comprehensive health plan options, all of which include prescription drug and behavioral health coverage. The State of Illinois offers TCHP, HMO, and OAP plans.

- Teachers' Choice Health Plan (TCHP) benefit recipients can choose any physician or hospital for medical services; however, benefit recipients receive enhanced benefits, resulting in lower out-of-pocket costs, when receiving services from a TCHP in-network provider. TCHP has a nationwide network and includes CVS/Caremark for prescription drug benefits and Magellan Behavioral Health for behavioral health services.
- Health Maintenance Organizations (HMO) benefit recipients are required to stay within the health plan provider network. No out-of-network services are available. Benefit recipients will need to select a primary care physician (PCP) from a network of participating providers. The PCP will direct all healthcare services and make referrals to specialists and hospitalization.
- Open Access Plan (OAP) benefit recipients will have three tiers of providers from which to choose to obtain services. The benefit level is determined by the tier in which the healthcare provider is contracted.
 - Tier I offers a managed care network which provides enhanced benefits and operates like an HMO.
 - Tier II offers an expanded network of providers and is a hybrid plan operating like an HMO and PPO.
 - Tier III covers all providers which are not in the managed care networks of Tiers I or II (i.e., out-of-network providers). Using Tier III can offer benefit recipients flexibility in selecting healthcare providers but involves higher out-of-pocket costs. Furthermore, benefit recipients who use out-of-network providers will be responsible for any amount that is over and above the charges allowed by the plan for services (i.e., allowable charges), which could result in substantial out-of-pocket costs. Benefit recipients enrolled in an OAP can mix and match providers and tiers.

Contributions

For the fiscal year ended June 30, 2022, the State Employees Group Insurance Act of 1971 (5 ILCS 375/6.6) requires that all active contributors of the THIS make contributions to the plan at a rate of 0.90% of salary and for every employer of a teacher to contribute an amount equal to 0.67% of each teacher's salary. For the fiscal year ended June 30, 2021, the employee contribution was 1.24% of salary and the employer contribution was 0.92% of each teacher's salary. The Department of Central Management Services determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing

NOTES TO FINANCIAL STATEMENTS (Continued)

annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the Teachers' Health Insurance Security Fund (THISF), an amount equal to the amount certified by the Board of Trustees of THIS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year. The member contribution, which may be paid on behalf of employees by the employer, is submitted to THIS by the employer.

On-Behalf Contributions to THIS. The State of Illinois makes employer benefit contributions on behalf of the District. For the year ended June 30, 2022, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net OPEB liability associated with the District, and the District recognized revenue and expenditures of \$98,488 in benefit contributions from the State of Illinois.

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

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

District's proportionate share of the net OPEB liability	\$ 6,708,885
State's proportionate share of the net OPEB liability associated with the District	9,096,249
Total	<u>\$ 15,805,134</u>

The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020 and rolled forward to June 30, 2021. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2021, relative to the contributions of all participating THIS employers and the State during that period. At June 30, 2021, the District's proportion was 0.030418% which was a decrease of 0.000662% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized benefit income of \$66,733 and on-behalf revenue/expense of \$98,488 for support provided by the State. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Net Outflow s of Resources
Differences between expected and actual experience	\$ -	\$ (313,833)	\$ (313,833)
Net difference between projected and actual earnings on pension plan investments	106	(130)	(24)
Changes of assumptions	2,316	(2,512,175)	(2,509,859)
Changes in proportion and differences between employee contributions and proportionate share of contributions	201,885	(223,146)	(21,261)
Employer contributions subsequent to the measurement date	55,697	-	55,697
	<u>\$ 260,004</u>	<u>\$ (3,049,284)</u>	<u>\$ (2,789,280)</u>

\$55,697 reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows in these reporting years:

NOTES TO FINANCIAL STATEMENTS (Continued)

Year Ending June 30	
2023	\$ (693,988)
2024	(662,829)
2025	(667,948)
2026	(693,292)
2027	(126,920)
	<u>\$ (2,844,977)</u>

Actuarial Assumptions

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

Inflation	2.50%
	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service.
Salary Increases	Salary increase includes a 3.25% wage inflation assumption.
Investment Rate of Return	2.75%, net of OPEB plan investment expense, including inflation
	Trend for fiscal year 2022 based on expected increases used to develop average costs. For fiscal years ending on or after 2023, trend starts at 8.00% for non-Medicare costs and post-Medicare costs, and gradually decreases to an ultimate trend of 4.25%.
Healthcare Cost Trend Costs	

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

The actuarial assumptions that were used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Illinois Public Treasurers' Investment Pool	100.0%	0.32%
	<u>100.0%</u>	

Discount Rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of

NOTES TO FINANCIAL STATEMENTS (Continued)

the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since TRIP (Teachers' Retirement Insurance Program) is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 1.92% as of June 30, 2021, and 2.45% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

Based on those assumptions, THIS's fiduciary net position at June 30, 2021 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on THIS investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

At June 30, 2021, the discount rate used to measure the total OPEB liability was 1.92%.

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

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 1.92%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (0.92%) or 1 percentage-point higher (2.92%) than the current rate.

	1% Decrease 0.92%	Current Discount Rate 1.92%	1% Increase 2.92%
Employer's proportionate share of the net OPEB liability	\$ 8,059,329	\$ 6,708,885	\$ 5,638,448

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

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher. The key trend rates are 8.00% in 2023 decreasing to an ultimate trend rate of 4.25% in 2038.

	1% Decrease (a)	Healthcare Cost Valuation Rate	1% Increase (b)
Employer's proportionate share of the net OPEB liability	\$ 5,370,788	\$ 6,708,885	\$ 8,526,556

- (a) One percentage point decrease in healthcare trend rates are 7.00% in 2023 decreasing to an ultimate trend rate of 3.25% in 2038.
- (b) One percentage point increase in healthcare trend rates are 9.00% in 2023 decreasing to an ultimate trend rate of 5.25% in 2038.

B. Retiree Insurance Plan

Plan Overview

In addition to providing the pension benefits described in Note 10, the District provides post-employment benefits other than pensions ("OPEB") for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the District's governmental activities.

NOTES TO FINANCIAL STATEMENTS (Continued)

Benefits Provided

The District provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the District's retirement plans. The medical coverage offered by the District varies based on the employee category, as follows:

IMRF:

Eligibility Provisions:

- Tier I IMRF full-time district employees age 55 with at least 8 years of service are covered.
- Tier II IMRF full-time district employees age 62 with at least 10 years of service are covered.

Medical Coverage Provisions:

PPO and HMO plans offered. Retiree pays the full cost of coverage, including the cost for spousal coverage. Should the retiree pass away, surviving spouse coverage will also terminate. Coverage is secondary to Medicare once eligible.

TRS:

Eligibility Provisions:

- Tier I full-time district employees age 55 with at least 10 years of service, age 60 with at least 10 years of service and age 62 with at least 5 years of service are covered.
- Tier II full-time district employees age 62 with at least 10 years of service are covered.

Medical Coverage Provisions:

TRIP and TRAIL plans offered. For dates of retirement before 12/31/2016 the District will pay for 4 years of single coverage through TRIP/TRAIL, and after the 4-year period the retiree pays the full cost of coverage. For dates of retirement after 12/31/2016 the District will pay up to \$300 per month - single or dependent coverage - for 4 years. After the 4-year period the retiree pays the full cost of coverage.

Dental, Vision & Life Insurance:

Retirees are not permitted to remain on District Dental, Vision or Life Insurance. However, they may convert their group life insurance policy to an individual plan that would be paid directly to the insurance company.

Membership

Membership in the plan consisted of the following at July 1, 2022, the date of the latest actuarial valuation:

Active Employees	181
Inactive Employees Entitled to but not yet Receiving Benefits	0
Inactive Employees Currently Receiving Benefits	11
Total	<u>192</u>

Total OPEB Liability

The District's total OPEB liability was measured as of June 30, 2022, and the total OPEB liability was determined by an actuarial valuation as of July 1, 2022.

Actuarial Assumptions

The total OPEB liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Method	Entry Age Normal
Discount rate	3.54%
Inflation	2.25%
Salary Rate Increase	2.25%
Health Care Trend	
Initial Trend Rate	5.75%-6.00%
Ultimate Trend Rate	4.75%-5.00%
FY the Ultimate Rate is Reached	2026

NOTES TO FINANCIAL STATEMENTS (Continued)

Mortality	<p><i>IMRF:</i> PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study Report dated December 14, 2020</p> <p><i>TRS:</i> PubT-2010 Improved Generationally using MP-2020, weighted per TRS Experience Study Report dated September 30, 2021</p> <p>30% of IMRF employees are assumed to elect coverage at retirement. 100% of TRS employees are assumed to elect the stipend at retirement.</p>
Election at Retirement	
Spousal Election	Of those employees assumed to elect coverage in retirement, 50% are assumed to elect spousal coverage. Female spouses are assumed to be 3 years younger than male spouses.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of recent actuarial experience studies performed by IMRF and TRS. Assumption changes reflect a change in the discount rate of 1.38% from 2.16% for the beginning of the year values and 3.54% for the disclosure date.

There is no long-term expected rate of return on OPEB plan investments because the District does not have a trust dedicated exclusively to the payment of OPEB benefits.

Discount Rate

The District does not have a dedicated trust to pay retiree healthcare benefits. Per GASB 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

A rate of 3.54% is used, which is the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2022.

Changes in the Total OPEB Liability

	Increase/(Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balances at July 1, 2021	\$ 681,926	\$ -	\$ 681,926
Changes for the year:			
Service Cost	\$ 61,656	\$ -	\$ 61,656
Interest on Total OPEB Liability	14,222	-	14,222
Actuarial Experience	(49,168)	-	(49,168)
Assumption Changes	(26,240)	-	(26,240)
Contributions - Employer	-	46,941	(46,941)
Benefit Payments	(46,941)	(46,941)	-
Net Changes	\$ (46,471)	\$ -	\$ (46,471)
Balances at June 30, 2022	\$ 635,455	\$ -	\$ 635,455

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

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current discount rate:

Plan's Total OPEB Liability/(Asset)		
1% Decrease	Valuation Rate	1% Increase
\$ 662,442	\$ 635,455	\$ 609,190

NOTES TO FINANCIAL STATEMENTS (Continued)

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

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

Plan's Total OPEB Liability/(Asset)		
Healthcare Cost		
1% Decrease	Valuation Rate	1% Increase
\$ 627,148	\$ 635,455	\$ 644,864

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

For the fiscal year ended June 30, 2022, the District recognized OPEB expense of \$68,604. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Net Inflow s of Resources
Differences Between Expected and Actual Experience	\$ -	\$ (89,251)	\$ (89,251)
Changes of Assumptions	36,800	(23,886)	12,914
Total	<u>\$ 36,800</u>	<u>\$ (113,137)</u>	<u>\$ (76,337)</u>

Changes in total OPEB liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in OPEB expense over the expected remaining service life of all employees (11.15 years, active and retired) in the postretirement plan.

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

Year ending June 30	Net Inflow s of Resources
2023	\$ (7,274)
2024	(7,274)
2025	(7,274)
2026	(7,274)
2027	(7,274)
Thereafter	(39,967)
	<u>\$ (76,337)</u>

NOTE 12 - INTERFUND TRANSFERS

Interfund transfers during the year ended June 30, 2022 were as follows:

Transfer from	Transfer To	Amount
Transportation Fund	Operations and Maintenance Fund	\$ 1,163
Debt Services Fund	Operations and Maintenance Fund	1,930
General Fund	Operations and Maintenance Fund	314,907
General Fund	Debt Services Fund	402,341

Part of the transfer from the General Fund to the Operations and Maintenance Fund (in the amount of \$300,000) is a fund balance transfer to the fund in need. The remaining \$14,907 transferred from the General Fund, as well as the transfers from the Transportation Fund (\$1,163) and Debt Services Fund (\$1,930) to the Operations and Maintenance Fund (for a total of \$18,000) are transfers of interest. The transfer from the General Fund to the Debt Services Fund is for payments on capital leases (principal and interest).

NOTE 13 - JOINT VENTURE – SPECIAL EDUCATION DISTRICT OF LAKE COUNTY (SEDOL)

The District and thirty other districts within Lake County have entered into a joint agreement to provide special education programs and services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the management council.

A summary of the Statement of Net Position of SEDOL at June 30, 2021 (most recent information available) is as follows:

Assets	\$ 71,257,041
Deferred Outflows of Resources	1,911,064
	<u>\$ 73,168,105</u>
Liabilities	\$ 33,270,616
Deferred Inflows of Resources	13,424,604
Net Position	26,472,885
	<u>\$ 73,168,105</u>
Revenues	\$ 65,643,176
Expenses	65,021,556
Net Increase/(Decrease) in Net Position	<u>\$ 621,620</u>

Complete financial statements for SEDOL can be obtained from the Administrative Offices at 18160 Gages Lake Road, Gages Lake, Illinois 60030-1819.

NOTE 14 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and the destruction of assets; errors and omissions; and injuries to employees.

The District is a member of the Collective Liability Insurance Cooperative (CLIC), a joint risk management pool of school districts through which property, general liability, automobile liability, crime, excess property, excess liability, and boiler and machinery coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

The relationship between the District and CLIC is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The District is contractually obligated to make all annual and supplementary contributions for CLIC, to report claims on a timely basis, cooperate with CLIC, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by CLIC. Members have a contractual obligation to fund any deficit of CLIC attributable to a membership year during which they were a member.

CLIC is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Board of Directors. CLIC also provides its members with risk management services, including the defense of and settlement of claims, and establishes reasonable and necessary loss of reduction and prevention procedures to be followed by the members.

The District is insured under a retrospectively rated policy for workers' compensation coverage. Whereas, the initial premium may be adjusted based on actual experiences. Adjustments in premiums are recorded when paid or received.

During the year ended June 30, 2022, there were no significant reductions in insurance coverage. Also, there have been no settlement amounts that have exceeded insurance coverage for each of the past three years, including the current year. During the year ended June 30, 2022, there were no significant adjustments in premiums based on actual experience.

NOTE 15 - CONTINGENCIES

The District is not aware of any litigation which might have a material adverse effect on the District's financial position.

NOTE 16 - LEGAL DEBT LIMITATION

The Illinois School Code limits the amount of indebtedness to 6.9% of the most recent available equalized assessed valuation (EAV) of the District. The District's legal debt limitation is as follows:

2021 EAV	\$ 239,443,147
Rate	6.90%
Debt Margin	<u>\$ 16,521,577</u>
Current Debt	10,373,469
Remaining Debt Margin	<u><u>\$ 6,148,108</u></u>

NOTE 17 - CHANGE IN ACCOUNTING PRINCIPLE

The District has implemented GASB Statement No. 87, *Leases*. This statement establishes financial reporting standards related to leases. Implementation of this standard resulted in recognizing the fair market value of the liability and asset at the commencement of the agreement. There have been no changes to the previously issued audited financial statements which would be required on a retrospective basis.

NOTE 18 - FUND BALANCE/NET POSITION ADJUSTMENT

A fund balance adjustment was required to remove accrued payroll liabilities which are no longer applicable. The adjustment decreased the District's current liabilities, and increased fund balance in the Illinois Municipal Retirement/Social Security Fund, as well as increased the District's net position by \$22,842.

NOTE 19 - NET INVESTMENT IN CAPITAL ASSETS CALCULATION

Net investment in capital assets calculation as of June 30, 2022 was as follows:

Governmental Activities

Capital Assets, Net of Accumulated Depreciation	\$ 22,910,722
Less:	
Capital Related Debt	<u>(9,982,679)</u>
Investment in Capital Assets	<u><u>\$ 12,928,043</u></u>

NOTE 20 - CONSTRUCTION COMMITMENTS

The District has an on-going floor replacement project which is anticipated to be completed in the following fiscal year. Additional costs to complete this project are estimated to total approximately \$288,309.

REQUIRED SUPPLEMENTARY INFORMATION

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION
LIABILITY AND RELATED RATIOS
JUNE 30, 2022

	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
TOTAL PENSION LIABILITY								
Service Cost	\$ 230,802	\$ 266,327	\$ 250,749	\$ 219,496	\$ 236,076	\$ 245,646	\$ 230,920	\$ 229,710
Interest on the Total Pension Liability	641,704	618,577	560,131	511,227	491,193	467,170	421,385	364,946
Differences Between Expected and Actual Experience	278,456	(178,436)	263,106	157,652	(78,634)	(216,745)	106,283	39,209
Changes of Assumptions	-	(60,918)	-	228,495	(185,258)	(34,168)	16,846	257,103
Benefit Payments, Including Refunds of Member Contributions	(309,605)	(308,005)	(243,239)	(202,578)	(173,367)	(167,043)	(140,856)	(120,194)
Net Change in Total Pension Liability	<u>\$ 841,357</u>	<u>\$ 337,545</u>	<u>\$ 830,747</u>	<u>\$ 914,292</u>	<u>\$ 290,010</u>	<u>\$ 294,860</u>	<u>\$ 634,578</u>	<u>\$ 770,774</u>
Total Pension Liability - Beginning	<u>8,890,486</u>	<u>8,552,941</u>	<u>7,722,194</u>	<u>6,807,902</u>	<u>6,517,892</u>	<u>6,223,032</u>	<u>5,588,454</u>	<u>4,817,680</u>
Total Pension Liability - Ending	<u>\$ 9,731,843</u>	<u>\$ 8,890,486</u>	<u>\$ 8,552,941</u>	<u>\$ 7,722,194</u>	<u>\$ 6,807,902</u>	<u>\$ 6,517,892</u>	<u>\$ 6,223,032</u>	<u>\$ 5,588,454</u>
PLAN FIDUCIARY NET POSITION								
Contributions - Employer	\$ 301,492	\$ 260,339	\$ 253,258	\$ 255,158	\$ 243,576	\$ 252,228	\$ 248,313	\$ 219,930
Contributions - Member	116,959	107,297	111,034	103,164	95,280	96,681	102,456	90,297
Net Investment Income	1,328,365	985,083	1,043,027	(255,785)	854,220	317,440	22,735	250,138
Benefit Payments, Including Refunds of Member Contributions	(309,605)	(308,005)	(243,239)	(202,578)	(173,367)	(167,043)	(140,856)	(120,194)
Other (Net Transfers)	(165,301)	(17,541)	2,072	39,970	(68,262)	8,310	(70,049)	(3,638)
Net Change in Plan Fiduciary Net Position	<u>\$ 1,271,910</u>	<u>\$ 1,027,173</u>	<u>\$ 1,166,152</u>	<u>\$ (60,071)</u>	<u>\$ 951,447</u>	<u>\$ 507,616</u>	<u>\$ 162,599</u>	<u>\$ 436,533</u>
Plan Net Position - Beginning	<u>8,197,049</u>	<u>7,169,876</u>	<u>6,003,724</u>	<u>6,063,795</u>	<u>5,112,348</u>	<u>4,604,732</u>	<u>4,442,133</u>	<u>4,005,600</u>
Plan Net Position - Ending	<u>\$ 9,468,959</u>	<u>\$ 8,197,049</u>	<u>\$ 7,169,876</u>	<u>\$ 6,003,724</u>	<u>\$ 6,063,795</u>	<u>\$ 5,112,348</u>	<u>\$ 4,604,732</u>	<u>\$ 4,442,133</u>
District's Net Pension Liability	<u>\$ 262,884</u>	<u>\$ 693,437</u>	<u>\$ 1,383,065</u>	<u>\$ 1,718,470</u>	<u>\$ 744,107</u>	<u>\$ 1,405,544</u>	<u>\$ 1,618,300</u>	<u>\$ 1,146,321</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	97.30%	92.20%	83.83%	77.75%	89.07%	78.44%	73.99%	79.49%
Covered Payroll	\$ 2,599,078	\$ 2,353,876	\$ 2,463,745	\$ 2,252,218	\$ 2,100,321	\$ 2,148,452	\$ 2,127,786	\$ 1,996,751
Employer's Net Pension Liability as a percentage of Covered Payroll	10.11%	29.46%	56.14%	76.30%	35.43%	65.42%	76.06%	57.41%

* This information presented is based on the actuarial valuation performed as of the December 31 year end prior to the fiscal year end listed above.

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, information is presented for those years for which information is available.

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTION
JUNE 30, 2022

	<u>6/30/2022 *</u>	<u>6/30/2021 *</u>	<u>6/30/2020 *</u>	<u>6/30/2019 *</u>	<u>6/30/2018 *</u>	<u>6/30/2017 *</u>	<u>6/30/2016 *</u>	<u>6/30/2015 *</u>
Actuarially-Determined Contribution	\$ 301,493	\$ 260,339	\$ 242,546	\$ 255,157	\$ 243,575	\$ 252,228	\$ 248,313	\$ 220,441
Contributions in relation to Actuarially-Determined Contribution	<u>301,492</u>	<u>260,339</u>	<u>253,258</u>	<u>255,158</u>	<u>243,576</u>	<u>252,228</u>	<u>248,313</u>	<u>219,930</u>
Contribution Deficiency/(Excess)	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ (10,712)</u>	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 511</u>
Covered Payroll	\$ 2,744,798	\$ 2,393,732	\$ 2,372,598	\$ 2,320,974	\$ 2,351,737	\$ 2,148,452	\$ 2,127,786	\$ 1,996,751
Contributions as a Percentage of Covered Payroll	10.98%	10.88%	10.67%	10.99%	10.36%	11.74%	11.67%	11.01%

Notes to Schedule:

Actuarial Method and Assumptions Used on the Calculation of the 2021 Contribution Rate *

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

Actuarial Cost Method: Aggregate Entry Age Normal

Amortization Method: Level percentage of payroll, closed

Remaining Amortization Period: 22-year closed period

Asset Valuation Method: 5-year smoothed market; 20% corridor

Wage Growth: 3.25%

Price Inflation: 2.50%, approximate; No explicit price inflation assumption is used in this valuation.

Salary Increases: 3.35% to 14.25%, including inflation

Investment Rate of Return: 7.25%

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016.

Mortality: For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

*Based on Valuation Assumptions used in the December 31, 2019 actuarial valuation; note two year lag between valuation and rate setting.

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, information is presented for those years for which information is available.

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
JUNE 30, 2022

	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
Employer's proportion of the Net Pension Liability	0.0008808%	0.0009360%	0.0009711%	0.0010081%	0.0009963%	0.0010434%	0.0010417%	0.0010934%
Employer's proportionate share of the Net Pension Liability		\$ 806,941	\$ 787,613	\$ 785,771	\$ 761,135	\$ 823,613	\$ 682,398	\$ 665,447
State's proportionate share of the Net Pension Liability associated with the employer	57,585,695	63,203,848	56,053,532	53,828,636	52,398,094	55,298,874	40,748,081	41,497,929
Total	<u>\$ 57,585,695</u>	<u>\$ 64,010,789</u>	<u>\$ 56,841,145</u>	<u>\$ 54,614,407</u>	<u>\$ 53,159,229</u>	<u>\$ 56,122,487</u>	<u>\$ 41,430,479</u>	<u>\$ 42,163,376</u>
Employer's Covered Payroll	\$ 7,899,492	\$ 7,859,186	\$ 7,577,291	\$ 7,208,882	\$ 7,076,920	\$ 6,970,454	\$ 6,300,222	\$ 6,300,172
Employer's proportionate share of the Net Pension Liability as a percentage of Covered Payroll	0.00%	10.27%	10.39%	10.90%	10.76%	11.82%	10.83%	10.56%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	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 end

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, information is presented for those years for which information is available.

Changes of Assumptions:

For the 2021 measurement year, the assumed investment rate of return was of 7.0%, including an inflation rate of 2.25% and a real return of 4.75%. 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 of 7.0%, including an inflation rate of 2.5% and a real return of 4.5%. 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%, including an inflation rate of 3.0% and a real return of 4.5%. 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.

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTION
JUNE 30, 2022

	<u>6/30/2022 *</u>	<u>6/30/2021 *</u>	<u>6/30/2020 *</u>	<u>6/30/2019 *</u>	<u>6/30/2018 *</u>	<u>6/30/2017 *</u>	<u>6/30/2016 *</u>	<u>6/30/2015 *</u>
Statutorily-Required Contribution	\$ 45,817	\$ 45,627	\$ 43,977	\$ 41,812	\$ 41,046	\$ 40,428	\$ 38,630	\$ 36,541
Contributions in relation to the Statutorily-Required Contribution	<u>44,292</u>	<u>45,583</u>	<u>43,948</u>	<u>41,812</u>	<u>41,046</u>	<u>40,428</u>	<u>38,613</u>	<u>36,541</u>
Contribution deficiency/(excess)	<u>\$ 1,525</u>	<u>\$ 44</u>	<u>\$ 29</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ -</u>
Employer's Covered Payroll	\$ 8,313,038	\$ 7,899,492	\$ 7,859,186	\$ 7,577,291	\$ 7,208,882	\$ 6,970,454	\$ 6,300,222	\$ 6,300,172
Contributions as a percentage of Covered Payroll	0.53%	0.58%	0.56%	0.55%	0.57%	0.58%	0.61%	0.58%

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, information is presented for those years for which information is available.

* - This information presented is based on the actuarial valuation performed as of the prior June 30 year end.

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
TEACHER HEALTH INSURANCE SECURITY FUND OF THE STATE OF ILLINOIS
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
JUNE 30, 2022

	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *
Employer's proportion of the Net OPEB Liability	0.0304180%	0.0310800%	0.0307930%	0.0304980%	0.0307650%
Employer's proportionate share of the Net OPEB Liability	\$ 6,708,885	\$ 8,309,406	\$ 8,522,679	\$ 8,034,964	\$ 7,983,417
State's proportionate share of the Net OPEB Liability associated with the employer	9,096,249	11,257,003	11,540,807	10,789,224	10,484,168
Total	<u>\$ 15,805,134</u>	<u>\$ 19,566,409</u>	<u>\$ 20,063,486</u>	<u>\$ 18,824,188</u>	<u>\$ 18,467,585</u>
Employer's Covered Payroll	\$ 7,899,492	\$ 7,859,186	\$ 7,577,291	\$ 7,208,882	\$ 7,076,920
Employer's proportionate share of the Net OPEB Liability as a percentage of Covered Payroll	84.93%	105.73%	112.48%	111.46%	112.81%
OPEB Plan Net Position as a percentage of the Total OPEB Liability	1.40%	0.70%	0.25%	-0.07%	-0.17%

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

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, information is presented for those years for which information is available.

Changes of Assumptions:

For the 2021 measurement year, the assumed investment rate of return was 2.75%, including an inflation rate of 2.50%, and the healthcare cost trend rates used the actual trend. Salary increases include a 3.25% wage inflation.

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
TEACHER HEALTH INSURANCE SECURITY FUND OF THE STATE OF ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTION
JUNE 30, 2022

	<u>6/30/2022 *</u>	<u>6/30/2021 *</u>	<u>6/30/2020 *</u>	<u>6/30/2019 *</u>	<u>6/30/2018 *</u>
Statutorily-Required Contribution	\$ 72,639	\$ 72,332	\$ 69,629	\$ 63,622	\$ 59,450
Contributions in relation to the Statutorily-Required Contribution	<u>72,702</u>	<u>72,305</u>	<u>69,711</u>	<u>63,438</u>	<u>59,446</u>
Contribution deficiency/(excess)	<u>\$ (63)</u>	<u>\$ 27</u>	<u>\$ (82)</u>	<u>\$ 184</u>	<u>\$ 4</u>
Employer's Covered Payroll	\$ 8,313,038	\$ 7,899,492	\$ 7,859,186	\$ 7,577,291	\$ 7,208,882
Contributions as a percentage of Covered Payroll	0.87%	0.92%	0.89%	0.84%	0.82%

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, information is presented for those years for which information is available.

* - This information presented is based on the actuarial valuation performed as of the prior June 30 year end.

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
OTHER POST-EMPLOYMENT BENEFIT
SCHEDULE OF CHANGES IN THE EMPLOYER'S TOTAL OPEB
LIABILITY AND RELATED RATIOS
JUNE 30, 2022

	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
TOTAL OPEB LIABILITY					
Service Cost	\$ 61,656	\$ 61,364	\$ 28,849	\$ 31,561	\$ 30,385
Interest	14,222	13,737	22,065	23,374	22,869
Differences Between Expected and Actual Experience	(49,168)	-	(61,233)	-	-
Benefit Payments	(46,941)	(32,271)	(41,294)	(43,064)	(37,366)
Changes in Assumptions	(26,240)	1,407	38,218	13,714	-
Net Change in Total OPEB Liability	\$ (46,471)	\$ 44,237	\$ (13,395)	\$ 25,585	\$ 15,888
Total OPEB Liability - Beginning	681,926	637,689	651,084	625,499	609,611
Total OPEB Liability - Ending	<u>\$ 635,455</u>	<u>\$ 681,926</u>	<u>\$ 637,689</u>	<u>\$ 651,084</u>	<u>\$ 625,499</u>
Covered-Employee Payroll	\$ 10,506,352	\$ 10,373,896 *	\$ 10,373,896 *	\$ 9,894,172	\$ 9,177,241
Employer's Net OPEB Liability as a Percentage of Covered-Valuation Payroll	6.05%	6.57%	6.15%	6.58%	6.82%

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

There is no actuarially-determined contribution (ADC) or employer contribution in relation to the ADC as the total OPEB liabilities are currently an unfunded obligation.

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period.

The following are the discount rates used in each period: 3.54% 2.16% 2.21% 3.50% 2.98%

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, information is presented for those years for which information is available.

* - Covered-Employee Payroll is the same as the prior year due to the valuation being a rollforward instead of a new valuation.

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 9,279,151	\$ 9,255,244
Tuition	558,194	329,139
Earnings on Investments	16,515	17,462
Food Services	3,300	3
District/School Activity Income	170,867	96,081
Student Activity	813	5,911
Textbooks	583	641
Other Local Sources	707,702	583,498
State Aid		
General State Aid	3,737,775	3,738,000
Special Education	200,000	167,609
Career and Technical Education	900	948
State Free Lunch and Breakfast	250	10,882
Federal Aid		
Food Service	501,500	458,317
Title I	50,354	11,201
Title IV	10,000	10,005
Federal Special Education	259,108	237,710
Title II - Teacher Quality	36,494	31,295
Medicaid Matching Funds - Administrative Outreach	24,000	27,839
Medicaid Matching Funds - Fee-for-Service Program	26,940	56,662
Other Federal Aid	417,086	478,937
State Retirement Contributions	7,500,000	4,228,878
Total Revenues	<u>\$ 23,501,532</u>	<u>\$ 19,746,262</u>
EXPENDITURES		
Instruction		
Regular Programs		
Salaries	\$ 5,550,866	\$ 5,283,875
Employee Benefits	1,065,307	1,004,515
Purchased Services	96,105	149,104
Supplies and Materials	341,673	236,873
Other Objects	750	1,023
Non-Capitalized Equipment	17,078	499,190
Termination Benefits	25,600	25,627
	<u>\$ 7,097,379</u>	<u>\$ 7,200,207</u>
Tuition Payments to Charter Schools		
Purchased Services	\$ 125,163	\$ -
	<u>\$ 125,163</u>	<u>\$ -</u>
Special Education Programs		
Salaries	\$ 1,591,469	\$ 1,462,871
Employee Benefits	458,052	436,155
Purchased Services	13,757	23,412
Supplies and Materials	40,394	12,576
Other Objects	1,392	2,563
Non-Capitalized Equipment	3,830	10,207
	<u>\$ 2,108,894</u>	<u>\$ 1,947,784</u>
Special Education Programs Pre-K		
Salaries	\$ 201,161	\$ 188,440
Employee Benefits	45,223	33,016
Purchased Services	116	1,485
Supplies and Materials	6,176	4,025
Non-Capitalized Equipment	3,214	-
	<u>\$ 255,890</u>	<u>\$ 226,966</u>
Interscholastic Programs		
Salaries	\$ 155,016	\$ 121,557
Employee Benefits	1,938	1,376
Purchased Services	10,532	11,969
Supplies and Materials	6,400	4,715
Other Objects	3,120	2,305
Non-Capitalized Equipment	1,769	826
	<u>\$ 178,775</u>	<u>\$ 142,748</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
EXPENDITURES (Continued)		
Instruction (Continued)		
Gifted Programs		
Salaries	\$ 174,760	\$ 174,760
Employee Benefits	38,647	31,615
Purchased Services	132	-
Supplies and Materials	1,100	2,027
	<u>\$ 214,639</u>	<u>\$ 208,402</u>
Bilingual Programs		
Salaries	\$ 147,671	\$ 147,193
Employee Benefits	21,944	46,008
Purchased Services	358	262
Supplies and Materials	4,105	1,059
	<u>\$ 174,078</u>	<u>\$ 194,522</u>
Truant Alternative and Optional Programs		
Employee Benefits	\$ -	\$ 298
	<u>\$ -</u>	<u>\$ 298</u>
Private Tuition		
Special Education Programs K-12		
Other Objects	\$ 221,000	\$ 155,028
	<u>\$ 221,000</u>	<u>\$ 155,028</u>
Student Activity		
Other Objects	\$ 3,230	\$ 4,799
	<u>\$ 3,230</u>	<u>\$ 4,799</u>
State Retirement Contributions	\$ 7,500,000	\$ 4,228,878
Total Instruction	<u>\$ 17,879,048</u>	<u>\$ 14,309,632</u>
Support Services		
Pupil		
Attendance and Social Work Services		
Salaries	\$ 219,568	\$ 220,482
Employee Benefits	57,572	33,707
Supplies and Materials	1,800	1,630
	<u>\$ 278,940</u>	<u>\$ 255,819</u>
Guidance Services		
Purchased Services	\$ -	\$ 2,600
	<u>\$ -</u>	<u>\$ 2,600</u>
Health Services		
Salaries	\$ 238,706	\$ 294,841
Employee Benefits	58,253	25,019
Purchased Services	83,908	30,352
Supplies and Materials	12,528	12,949
	<u>\$ 393,395</u>	<u>\$ 363,161</u>
Psychological Services		
Salaries	\$ 136,932	\$ 81,813
Employee Benefits	36,493	34,969
Purchased Services	4,235	13,320
Supplies and Materials	4,900	5,438
	<u>\$ 182,560</u>	<u>\$ 135,540</u>
Speech Pathology and Audiology Services		
Salaries	\$ 327,046	\$ 269,465
Employee Benefits	94,150	83,576
Purchased Services	788	75,075
Supplies and Materials	2,120	1,126
	<u>\$ 424,104</u>	<u>\$ 429,242</u>
Other Support Services - Pupil		
Salaries	\$ 26,059	\$ 61,110
Employee Benefits	10	420
Purchased Services	-	1,995
Supplies and Materials	3,750	3,045
	<u>\$ 29,819</u>	<u>\$ 66,570</u>
Total Support Services - Pupil	<u>\$ 1,308,818</u>	<u>\$ 1,252,932</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
EXPENDITURES (Continued)		
Support Services (Continued)		
Instructional Staff		
Improvement of Instruction Services		
Salaries	\$ 106,985	\$ 94,595
Employee Benefits	80,461	93,593
Purchased Services	96,055	87,796
Supplies and Materials	1,550	1,684
Other Objects	-	250
	<u>\$ 285,051</u>	<u>\$ 277,918</u>
Educational Media Services		
Salaries	\$ 141,935	\$ 127,306
Employee Benefits	47,652	86,272
Purchased Services	14,217	7,036
Supplies and Materials	13,700	10,101
Other Objects	85	11
Non-Capitalized Equipment	-	5,162
	<u>\$ 217,589</u>	<u>\$ 235,888</u>
Assessment and Testing		
Purchased Services	\$ 29,914	\$ 20,045
Supplies and Materials	200	-
	<u>\$ 30,114</u>	<u>\$ 20,045</u>
Total Support Services - Instructional Staff	<u>\$ 532,754</u>	<u>\$ 533,851</u>
General Administration		
Board of Education Services		
Salaries	\$ 3,019	\$ 2,768
Employee Benefits	4,200	3,952
Purchased Services	44,168	56,556
Supplies and Materials	3,180	2,654
Other Objects	8,791	8,913
Non-Capitalized Equipment	999	-
	<u>\$ 64,357</u>	<u>\$ 74,843</u>
Executive Administration Services		
Salaries	\$ 378,528	\$ 338,011
Employee Benefits	31,315	32,339
Purchased Services	836	305
Supplies and Materials	150	-
Other Objects	1,613	2,688
	<u>\$ 412,442</u>	<u>\$ 373,343</u>
Tort Immunity Services		
Purchased Services	\$ 52,837	\$ 100,493
	<u>\$ 52,837</u>	<u>\$ 100,493</u>
Claims Paid from Self Insurance Fund		
Purchased Services	\$ 125,000	\$ 100,525
	<u>\$ 125,000</u>	<u>\$ 100,525</u>
Risk Management and Claims Services Payments		
Purchased Services	\$ 65,000	\$ 33,200
	<u>\$ 65,000</u>	<u>\$ 33,200</u>
Total Support Services - General Administration	<u>\$ 719,636</u>	<u>\$ 682,404</u>
School Administration		
Office of the Principal Services		
Salaries	\$ 616,885	\$ 611,291
Employee Benefits	220,781	177,646
Purchased Services	13,361	10,747
Supplies and Materials	1,800	1,809
Other Objects	1,068	789
Non-Capitalized Equipment	-	677
	<u>\$ 853,895</u>	<u>\$ 802,959</u>
Total Support Services - School Administration	<u>\$ 853,895</u>	<u>\$ 802,959</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
EXPENDITURES (Continued)		
Support Services (Continued)		
Business		
Direction of Business Support Services		
Salaries	\$ 104,645	\$ 88,441
Employee Benefits	13,391	9,678
	<u>\$ 118,036</u>	<u>\$ 98,119</u>
Fiscal Services		
Salaries	\$ 214,812	\$ 207,948
Employee Benefits	52,235	72,093
Purchased Services	39,351	22,370
Supplies and Materials	2,410	2,718
Other Objects	1,078	2,590
Non-Capitalized Equipment	-	2,995
	<u>\$ 309,886</u>	<u>\$ 310,714</u>
Total Support Services - Business	<u>\$ 427,922</u>	<u>\$ 408,833</u>
Operations and Maintenance		
Supplies and Materials	\$ 2,697	\$ 3,216
Non-Capitalized Equipment	3,138	6,314
Total Support Services - Operations and Maintenance	<u>\$ 5,835</u>	<u>\$ 9,530</u>
Food Services		
Salaries	\$ 42,572	\$ 19,111
Employee Benefits	139	64
Purchased Services	476,553	326,034
Supplies and Materials	5,539	2,454
Other Objects	785	656
Non-Capitalized Equipment	5,231	5,567
Total Support Services - Food Services	<u>\$ 530,819</u>	<u>\$ 353,886</u>
Central		
Data Processing Services		
Purchased Services	\$ 154,800	\$ 140,293
Supplies and Materials	22,575	9,174
Non-Capitalized Equipment	17,200	26,110
	<u>\$ 194,575</u>	<u>\$ 175,577</u>
Total Support Services - Central	<u>\$ 194,575</u>	<u>\$ 175,577</u>
Total Support Services	<u>\$ 4,574,254</u>	<u>\$ 4,219,972</u>
Community Services		
Salaries	\$ 141,500	\$ 143,384
Employee Benefits	24,021	42,607
Purchased Services	1,789	4,856
Supplies and Materials	3,000	4,384
Total Community Services	<u>\$ 170,310</u>	<u>\$ 195,231</u>
Intergovernmental Payments		
Payments to Other Districts and Governmental Units (In-State)		
Payments for Special Education Programs		
Purchased Services	\$ 95,381	\$ 42,618
Other Objects	200,000	159,245
	<u>\$ 295,381</u>	<u>\$ 201,863</u>
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ 295,381</u>	<u>\$ 201,863</u>
Total Intergovernmental Payments	<u>\$ 295,381</u>	<u>\$ 201,863</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
EXPENDITURES (Continued)		
Capital Outlay		
Instruction		
Regular Programs	\$ 3,042	\$ -
Special Education Programs	7,240	-
Special Education Programs Pre-K	5,549	-
Support Services		
Food Services	13,551	-
Central	15,000	-
Total Capital Outlay	<u>\$ 44,382</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 22,963,375</u>	<u>\$ 18,926,698</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 538,157</u>	<u>\$ 819,564</u>
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	\$ (538,191)	\$ (717,248)
Proceeds from Financed Purchase	-	466,978
Total Other Financing Sources (Uses)	<u>\$ (538,191)</u>	<u>\$ (250,270)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (34)</u>	\$ 569,294
FUND BALANCE - JULY 1, 2021		<u>2,327,247</u>
FUND BALANCE - JUNE 30, 2022		<u>\$ 2,896,541</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - OPERATIONS AND MAINTENANCE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 1,253,359	\$ 1,250,111
Earnings on Investments	600	4,365
Other Local Sources	418,260	430,250
Total Revenues	<u>\$ 1,672,219</u>	<u>\$ 1,684,726</u>
EXPENDITURES		
Support Services		
Pupil		
Other Support Services		
Purchased Services	\$ -	\$ 1,388
Total Support Services - Pupil	<u>\$ -</u>	<u>\$ 1,388</u>
Business		
Facilities Acquisition and Construction Services		
Purchased Services	\$ -	\$ 1,165
Supplies and Materials	2,500	247
Non-Capitalized Equipment	2,485	-
Total Support Services - Facilities Acquisition and Construction Services	<u>\$ 4,985</u>	<u>\$ 1,412</u>
Total Support Services - Business	<u>\$ 4,985</u>	<u>\$ 1,412</u>
Operations and Maintenance		
Salaries	\$ 597,060	\$ 591,871
Employee Benefits	150,871	130,220
Purchased Services	367,000	514,014
Supplies and Materials	364,500	397,555
Other Objects	475	843
Non-Capitalized Equipment	24,500	29,158
Total Support Services - Operations and Maintenance	<u>\$ 1,504,406</u>	<u>\$ 1,663,661</u>
Total Support Services	<u>\$ 1,509,391</u>	<u>\$ 1,666,461</u>
Intergovernmental Payments		
Payments to Other Government Units (In-State)		
Payments for Special Education Programs		
Other Objects	\$ 26,613	\$ 26,398
	<u>\$ 26,613</u>	<u>\$ 26,398</u>
Total Payments to Other Governmental Units (In-State)	<u>\$ 26,613</u>	<u>\$ 26,398</u>
Total Intergovernmental Payments	<u>\$ 26,613</u>	<u>\$ 26,398</u>
Capital Outlay		
Support Services		
Facilities Acquisition and Construction Services	\$ 17,250	\$ -
Operations and Maintenance	8,000	-
Total Capital Outlay	<u>\$ 25,250</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 1,561,254</u>	<u>\$ 1,692,859</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 110,965	\$ (8,133)
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	3,000	318,000
NET CHANGE IN FUND BALANCE	<u>\$ 113,965</u>	\$ 309,867
FUND BALANCE - JULY 1, 2021		<u>(96,881)</u>
FUND BALANCE - JUNE 30, 2022		<u>\$ 212,986</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - TRANSPORTATION FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
REVENUES		
Property Taxes	\$ 501,343	\$ 500,000
Earnings on Investments	1,200	1,287
Other Local Sources	-	7,158
State Aid		
Transportation	658,744	759,736
Total Revenues	<u>\$ 1,161,287</u>	<u>\$ 1,268,181</u>
EXPENDITURES		
Support Services		
Transportation		
Salaries	\$ 586,133	\$ 500,234
Employee Benefits	135,478	156,188
Purchased Services	193,150	423,626
Supplies and Materials	78,250	94,967
Other Objects	270,931	342
Non-Capitalized Equipment	2,700	784
Total Support Services - Transportation	<u>\$ 1,266,642</u>	<u>\$ 1,176,141</u>
Total Support Services	<u>\$ 1,266,642</u>	<u>\$ 1,176,141</u>
Total Expenditures	<u>\$ 1,266,642</u>	<u>\$ 1,176,141</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (105,355)	\$ 92,040
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	<u>-</u>	<u>(1,163)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (105,355)</u></u>	\$ 90,877
FUND BALANCE - JULY 1, 2021		<u>332,880</u>
FUND BALANCE - JUNE 30, 2022		<u><u>\$ 423,757</u></u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
REVENUES		
Property Taxes	\$ 621,655	\$ 623,599
Payments in Lieu of Taxes	26,000	61,947
Earnings on Investments	450	833
Federal Aid		
Other Federal Aid	3,281	6,528
Total Revenues	<u>\$ 651,386</u>	<u>\$ 692,907</u>
EXPENDITURES		
Instruction		
Regular Programs		
Employee Benefits	\$ 118,855	\$ 104,197
Special Education Programs		
Employee Benefits	99,920	104,885
Special Education Programs Pre-K		
Employee Benefits	7,224	7,854
Interscholastic Programs		
Employee Benefits	2,027	3,306
Gifted Programs		
Employee Benefits	3,160	2,233
Driver's Education Programs		
Employee Benefits	5,665	5,499
Total Instruction	<u>\$ 236,851</u>	<u>\$ 227,974</u>
Support Services		
Pupil		
Attendance and Social Work Services		
Employee Benefits	\$ 3,080	\$ 2,790
Health Services		
Employee Benefits	34,634	53,099
Psychological Services		
Employee Benefits	2,273	1,268
Speech Pathology and Audiology Services		
Employee Benefits	4,629	3,518
Other Support Services - Pupil		
Employee Benefits	-	4,875
Total Support Services - Pupil	<u>\$ 44,616</u>	<u>\$ 65,550</u>
Instructional Staff		
Improvement of Instruction Services		
Employee Benefits	\$ 11,293	\$ 9,961
Educational Media Services		
Employee Benefits	5,484	7,217
Total Support Services - Instructional Staff	<u>\$ 16,777</u>	<u>\$ 17,178</u>
General Administration		
Board of Education Services		
Employee Benefits	\$ 523	\$ 517
Executive Administration Services		
Employee Benefits	17,012	16,251
Total Support Services - General Administration	<u>\$ 17,535</u>	<u>\$ 16,768</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
EXPENDITURES (Continued)		
Support Services (Continued)		
School Administration		
Office of the Principal Services		
Employee Benefits	\$ 40,535	\$ 38,081
Total Support Services - School Administration	<u>\$ 40,535</u>	<u>\$ 38,081</u>
Business		
Direction of Business Support Services		
Employee Benefits	\$ 2,145	\$ 1,301
Fiscal Services		
Employee Benefits	26,446	29,023
Total Support Services - Business	<u>\$ 28,591</u>	<u>\$ 30,324</u>
Operations and Maintenance		
Employee Benefits	\$ 109,715	\$ 110,818
Total Support Services - Operations and Maintenance	<u>\$ 109,715</u>	<u>\$ 110,818</u>
Transportation		
Employee Benefits	\$ 104,583	\$ 90,032
Total Support Services - Transportation	<u>\$ 104,583</u>	<u>\$ 90,032</u>
Food Services		
Employee Benefits	\$ 1,491	\$ 3,375
Total Support Services - Food Services	<u>\$ 1,491</u>	<u>\$ 3,375</u>
Total Support Services	<u>\$ 363,843</u>	<u>\$ 372,126</u>
Community Services		
Employee Benefits	\$ 36,284	\$ 26,178
Total Community Services	<u>\$ 36,284</u>	<u>\$ 26,178</u>
Intergovernmental Payments		
Payments for Special Education Programs		
Employee Benefits	\$ -	\$ 13,580
Total Intergovernmental Payments	<u>\$ -</u>	<u>\$ 13,580</u>
Total Expenditures	<u>\$ 636,978</u>	<u>\$ 639,858</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 14,408	\$ 53,049
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 14,408</u>	\$ 53,049
FUND BALANCE - JULY 1, 2021		52,693
FUND BALANCE ADJUSTMENT (Note 18)		<u>22,842</u>
FUND BALANCE - JUNE 30, 2022		<u><u>\$ 128,584</u></u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 1 - BUDGETARY PROCESS

The District follows procedures mandated by Illinois State law and District Board policy to establish the budgetary data reflected in its financial statements. The budget was passed on September 27, 2021. The cash basis budgeted amounts in this report are the result of full compliance with the following procedures:

For each fund, total fund expenditures may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. 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.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year.
5. The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

NOTE 2 - EXCESS OF EXPENDITURES OVER BUDGET

For the year ended June 30, 2022, the following funds presented as Required Supplementary Information had expenditures that exceeded budget.

Fund	Budget	Actual	Excess of Actual Over Budget
Operations and Maintenance Fund	\$ 1,561,254	\$ 1,692,859	\$ 131,605
Illinois Municipal Retirement/Social Security Fund	636,978	639,858	2,880

SUPPLEMENTAL FINANCIAL INFORMATION

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2022

	Educational Fund	Working Cash Fund	Tort Fund	Total General Fund
ASSETS				
Cash and Cash Equivalents	\$ 7,543,383	\$ 678,090	\$ 50,094	\$ 8,271,567
Other Accounts Receivable, net of allowance of \$0	22,486	-	-	22,486
Property Taxes Receivable, net of allowance of \$33,146	5,143,574	33,148	55,246	5,231,968
Due from Other Governments, net of allowance of \$0	199,662	-	-	199,662
Prepaid Items	27,414	-	-	27,414
Total Assets	\$ 12,936,519	\$ 711,238	\$ 105,340	\$ 13,753,097
LIABILITIES				
Accounts Payable and Accrued Expenses	\$ 343,251	\$ -	\$ 3,724	\$ 346,975
Payroll Liabilities	935,094	-	-	935,094
Unearned Revenue - Registration Fees	137,229	-	-	137,229
Total Liabilities	\$ 1,415,574	\$ -	\$ 3,724	\$ 1,419,298
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	\$ 9,277,815	\$ 59,792	\$ 99,651	\$ 9,437,258
Total Deferred Inflows of Resources	\$ 9,277,815	\$ 59,792	\$ 99,651	\$ 9,437,258
FUND BALANCE				
Nonspendable				
Prepaid Items	\$ 27,414	\$ -	\$ -	\$ 27,414
Restricted				
Tort	-	-	24,745	24,745
Student Activity	11,772	-	-	11,772
Unassigned	2,203,944	651,446	(22,780)	2,832,610
Total Fund Balance	\$ 2,243,130	\$ 651,446	\$ 1,965	\$ 2,896,541
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 12,936,519	\$ 711,238	\$ 105,340	\$ 13,753,097

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	Educational Fund	Working Cash Fund	Tort Fund	Total General Fund
REVENUES				
Property Taxes	\$ 9,104,893	\$ 50,355	\$ 99,996	\$ 9,255,244
Tuition	329,139	-	-	329,139
Earnings on Investments	14,544	2,000	918	17,462
Food Services	3	-	-	3
District/School Activity Income	96,081	-	-	96,081
Student Activity	5,911	-	-	5,911
Textbooks	641	-	-	641
Other Local Sources	583,498	-	-	583,498
State Aid	3,917,439	-	-	3,917,439
Federal Aid	1,311,966	-	-	1,311,966
State Retirement Contributions	4,228,878	-	-	4,228,878
Total Revenues	<u>\$ 19,592,993</u>	<u>\$ 52,355</u>	<u>\$ 100,914</u>	<u>\$ 19,746,262</u>
EXPENDITURES				
Current				
Instruction				
Regular Programs	\$ 7,200,207	\$ -	\$ -	\$ 7,200,207
Special Education Programs	2,102,812	-	-	2,102,812
Special Education Programs Pre-K	226,966	-	-	226,966
Other Instructional Programs	545,970	-	-	545,970
Student Activity	4,799	-	-	4,799
State Retirement Contributions	4,228,878	-	-	4,228,878
Support Services				
Pupil	1,252,932	-	-	1,252,932
Instructional Staff	533,851	-	-	533,851
General Administration	548,679	-	133,725	682,404
School Administration	802,959	-	-	802,959
Business	408,833	-	-	408,833
Operations and Maintenance	9,530	-	-	9,530
Food Services	353,886	-	-	353,886
Central	175,577	-	-	175,577
Community Services	195,231	-	-	195,231
Intergovernmental Payments				
Payments to Other Districts and Governmental Units	201,863	-	-	201,863
Total Expenditures	<u>\$ 18,792,973</u>	<u>\$ -</u>	<u>\$ 133,725</u>	<u>\$ 18,926,698</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 800,020</u>	<u>\$ 52,355</u>	<u>\$ (32,811)</u>	<u>\$ 819,564</u>
OTHER FINANCING SOURCES (USES)				
Interfund Transfers	\$ (515,439)	\$ (1,809)	\$ (200,000)	\$ (717,248)
Proceeds from Financed Purchase	466,978	-	-	466,978
Total Other Financing Sources (Uses)	<u>\$ (48,461)</u>	<u>\$ (1,809)</u>	<u>\$ (200,000)</u>	<u>\$ (250,270)</u>
NET CHANGE IN FUND BALANCES	\$ 751,559	\$ 50,546	\$ (232,811)	\$ 569,294
FUND BALANCE - JULY 1, 2021	<u>1,491,571</u>	<u>600,900</u>	<u>234,776</u>	<u>2,327,247</u>
FUND BALANCE - JUNE 30, 2022	<u>\$ 2,243,130</u>	<u>\$ 651,446</u>	<u>\$ 1,965</u>	<u>\$ 2,896,541</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 9,128,396	\$ 9,104,893
Tuition	558,194	329,139
Earnings on Investments	8,000	14,544
Food Services	3,300	3
District/School Activity Income	170,867	96,081
Student Activity Revenue	813	5,911
Textbooks	583	641
Other Local Sources	707,702	583,498
State Aid		
General State Aid	3,737,775	3,738,000
Special Education	200,000	167,609
Career and Technical Education	900	948
State Free Lunch and Breakfast	250	10,882
Federal Aid		
Food Service	501,500	458,317
Title I	50,354	11,201
Title IV	10,000	10,005
Federal Special Education	259,108	237,710
Title II - Teacher Quality	36,494	31,295
Medicaid Matching Funds - Administrative Outreach	24,000	27,839
Medicaid Matching Funds - Fee-for-Service Program	26,940	56,662
Other Federal Aid	417,086	478,937
State Retirement Contributions	7,500,000	4,228,878
Total Revenues	\$ 23,342,262	\$ 19,592,993
EXPENDITURES		
Instruction		
Regular Programs		
Salaries	\$ 5,550,866	\$ 5,283,875
Employee Benefits	1,065,307	1,004,515
Purchased Services	96,105	149,104
Supplies and Materials	341,673	236,873
Other Objects	750	1,023
Non-Capitalized Equipment	17,078	499,190
Termination Benefits	25,600	25,627
	\$ 7,097,379	\$ 7,200,207
Tuition Payments to Charter Schools		
Purchased Services	\$ 125,163	\$ -
	\$ 125,163	\$ -
Special Education Programs		
Salaries	\$ 1,591,469	\$ 1,462,871
Employee Benefits	458,052	436,155
Purchased Services	13,757	23,412
Supplies and Materials	40,394	12,576
Other Objects	1,392	2,563
Non-Capitalized Equipment	3,830	10,207
	\$ 2,108,894	\$ 1,947,784
Special Education Programs Pre-K		
Salaries	\$ 201,161	\$ 188,440
Employee Benefits	45,223	33,016
Purchased Services	116	1,485
Supplies and Materials	6,176	4,025
Non-Capitalized Equipment	3,214	-
	\$ 255,890	\$ 226,966

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MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
EXPENDITURES (Continued)		
Instruction (Continued)		
Interscholastic Programs		
Salaries	\$ 155,016	\$ 121,557
Employee Benefits	1,938	1,376
Purchased Services	10,532	11,969
Supplies and Materials	6,400	4,715
Other Objects	3,120	2,305
Non-Capitalized Equipment	1,769	826
	<u>\$ 178,775</u>	<u>\$ 142,748</u>
Gifted Programs		
Salaries	\$ 174,760	\$ 174,760
Employee Benefits	38,647	31,615
Purchased Services	132	-
Supplies and Materials	1,100	2,027
	<u>\$ 214,639</u>	<u>\$ 208,402</u>
Bilingual Programs		
Salaries	\$ 147,671	\$ 147,193
Employee Benefits	21,944	46,008
Purchased Services	358	262
Supplies and Materials	4,105	1,059
	<u>\$ 174,078</u>	<u>\$ 194,522</u>
Truant Alternative and Optional Programs		
Employee Benefits	\$ -	\$ 298
	<u>\$ -</u>	<u>\$ 298</u>
Private Tuition		
Special Education Programs K-12		
Other Objects	\$ 221,000	\$ 155,028
	<u>\$ 221,000</u>	<u>\$ 155,028</u>
Student Activity		
Other Objects	\$ 3,230	\$ 4,799
	<u>\$ 3,230</u>	<u>\$ 4,799</u>
State Retirement Contributions	<u>\$ 7,500,000</u>	<u>\$ 4,228,878</u>
Total Instruction	<u>\$ 17,879,048</u>	<u>\$ 14,309,632</u>
Support Services		
Pupil		
Attendance and Social Work Services		
Salaries	\$ 219,568	\$ 220,482
Employee Benefits	57,572	33,707
Supplies and Materials	1,800	1,630
	<u>\$ 278,940</u>	<u>\$ 255,819</u>
Guidance Services		
Purchased Services	\$ -	\$ 2,600
	<u>\$ -</u>	<u>\$ 2,600</u>
Health Services		
Salaries	\$ 238,706	\$ 294,841
Employee Benefits	58,253	25,019
Purchased Services	83,908	30,352
Supplies and Materials	12,528	12,949
	<u>\$ 393,395</u>	<u>\$ 363,161</u>

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MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
EXPENDITURES (Continued)		
Support Services (Continued)		
Pupil (Continued)		
Psychological Services		
Salaries	\$ 136,932	\$ 81,813
Employee Benefits	36,493	34,969
Purchased Services	4,235	13,320
Supplies and Materials	4,900	5,438
	<u>\$ 182,560</u>	<u>\$ 135,540</u>
Speech Pathology and Audiology Services		
Salaries	\$ 327,046	\$ 269,465
Employee Benefits	94,150	83,576
Purchased Services	788	75,075
Supplies and Materials	2,120	1,126
	<u>\$ 424,104</u>	<u>\$ 429,242</u>
Other Support Services - Pupil		
Salaries	\$ 26,059	\$ 61,110
Employee Benefits	10	420
Purchased Services	-	1,995
Supplies and Materials	3,750	3,045
	<u>\$ 29,819</u>	<u>\$ 66,570</u>
Total Support Services - Pupil	<u>\$ 1,308,818</u>	<u>\$ 1,252,932</u>
Instructional Staff		
Improvement of Instruction Services		
Salaries	\$ 106,985	\$ 94,595
Employee Benefits	80,461	93,593
Purchased Services	96,055	87,796
Supplies and Materials	1,550	1,684
Other Objects	-	250
	<u>\$ 285,051</u>	<u>\$ 277,918</u>
Educational Media Services		
Salaries	\$ 141,935	\$ 127,306
Employee Benefits	47,652	86,272
Purchased Services	14,217	7,036
Supplies and Materials	13,700	10,101
Other Objects	85	11
Non-Capitalized Equipment	-	5,162
	<u>\$ 217,589</u>	<u>\$ 235,888</u>
Assessment and Testing		
Purchased Services	\$ 29,914	\$ 20,045
Supplies and Materials	200	-
	<u>\$ 30,114</u>	<u>\$ 20,045</u>
Total Support Services - Instructional Staff	<u>\$ 532,754</u>	<u>\$ 533,851</u>
General Administration		
Board of Education Services		
Salaries	\$ 3,019	\$ 2,768
Employee Benefits	4,200	3,952
Purchased Services	44,168	56,556
Supplies and Materials	3,180	2,654
Other Objects	8,791	8,913
Non-Capitalized Equipment	999	-
	<u>\$ 64,357</u>	<u>\$ 74,843</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
EXPENDITURES (Continued)		
Support Services (Continued)		
General Administration (Continued)		
Executive Administration Services		
Salaries	\$ 378,528	\$ 338,011
Employee Benefits	31,315	32,339
Purchased Services	836	305
Supplies and Materials	150	-
Other Objects	1,613	2,688
	<u>\$ 412,442</u>	<u>\$ 373,343</u>
Tort Immunity Services		
Purchased Services	\$ 52,837	\$ 100,493
	<u>\$ 52,837</u>	<u>\$ 100,493</u>
Total Support Services - General Administration	<u>\$ 529,636</u>	<u>\$ 548,679</u>
School Administration		
Office of the Principal Services		
Salaries	\$ 616,885	\$ 611,291
Employee Benefits	220,781	177,646
Purchased Services	13,361	10,747
Supplies and Materials	1,800	1,809
Other Objects	1,068	789
Non-Capitalized Equipment	-	677
	<u>\$ 853,895</u>	<u>\$ 802,959</u>
Total Support Services - School Administration	<u>\$ 853,895</u>	<u>\$ 802,959</u>
Business		
Direction of Business Support Services		
Salaries	\$ 104,645	\$ 88,441
Employee Benefits	13,391	9,678
	<u>\$ 118,036</u>	<u>\$ 98,119</u>
Fiscal Services		
Salaries	\$ 214,812	\$ 207,948
Employee Benefits	52,235	72,093
Purchased Services	39,351	22,370
Supplies and Materials	2,410	2,718
Other Objects	1,078	2,590
Non-Capitalized Equipment	-	2,995
	<u>\$ 309,886</u>	<u>\$ 310,714</u>
Total Support Services - Business	<u>\$ 427,922</u>	<u>\$ 408,833</u>
Operations and Maintenance		
Supplies and Materials	\$ 2,697	\$ 3,216
Non-Capitalized Equipment	3,138	6,314
Total Support Services - Operations and Maintenance	<u>\$ 5,835</u>	<u>\$ 9,530</u>
Food Services		
Salaries	\$ 42,572	\$ 19,111
Employee Benefits	139	64
Purchased Services	476,553	326,034
Supplies and Materials	5,539	2,454
Other Objects	785	656
Non-Capitalized Equipment	5,231	5,567
Total Support Services - Food Services	<u>\$ 530,819</u>	<u>\$ 353,886</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
EXPENDITURES (Continued)		
Support Services (Continued)		
Central		
Data Processing Services		
Purchased Services	\$ 154,800	\$ 140,293
Supplies and Materials	22,575	9,174
Non-Capitalized Equipment	17,200	26,110
	<u>\$ 194,575</u>	<u>\$ 175,577</u>
Total Support Services - Central	<u>\$ 194,575</u>	<u>\$ 175,577</u>
Total Support Services	<u>\$ 4,384,254</u>	<u>\$ 4,086,247</u>
Community Services		
Salaries	\$ 141,500	\$ 143,384
Employee Benefits	24,021	42,607
Purchased Services	1,789	4,856
Supplies and Materials	3,000	4,384
Total Community Services	<u>\$ 170,310</u>	<u>\$ 195,231</u>
Intergovernmental Payments		
Payments to Other Districts and Governmental Units		
Payments for Special Education Programs		
Purchased Services	\$ 95,381	\$ 42,618
Other Objects	200,000	159,245
	<u>\$ 295,381</u>	<u>\$ 201,863</u>
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ 295,381</u>	<u>\$ 201,863</u>
Total Intergovernmental Payments	<u>\$ 295,381</u>	<u>\$ 201,863</u>
Capital Outlay		
Instruction		
Regular Programs	\$ 3,042	\$ -
Special Education Programs	7,240	-
Special Education Programs Pre-K	5,549	-
Support Services		
Food Services	13,551	-
Central	15,000	-
Total Capital Outlay	<u>\$ 44,382</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 22,773,375</u>	<u>\$ 18,792,973</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 568,887</u>	<u>\$ 800,020</u>
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	\$ (538,191)	\$ (515,439)
Proceeds from Capital Lease	-	466,978
Total Other Financing Sources (Uses)	<u>\$ (538,191)</u>	<u>\$ (48,461)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ 30,696</u></u>	<u>\$ 751,559</u>
FUND BALANCE - JULY 1, 2021		<u>1,491,571</u>
FUND BALANCE - JUNE 30, 2022		<u><u>\$ 2,243,130</u></u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - WORKING CASH FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
REVENUES		
Property Taxes	\$ 50,486	\$ 50,355
Earnings on Investments	8,215	2,000
Total Revenues	<u>\$ 58,701</u>	<u>\$ 52,355</u>
EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 58,701	\$ 52,355
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	<u>-</u>	<u>(1,809)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ 58,701</u></u>	\$ 50,546
FUND BALANCE - JULY 1, 2021		<u>600,900</u>
FUND BALANCE - JUNE 30, 2022		<u><u>\$ 651,446</u></u>

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MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - TORT FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
REVENUES		
Property Taxes	\$ 100,269	\$ 99,996
Earnings on Investments	300	918
Total Revenues	<u>\$ 100,569</u>	<u>\$ 100,914</u>
EXPENDITURES		
Support Services		
General Administration		
Claims Paid from Self Insurance Fund		
Purchased Services	<u>\$ 125,000</u>	<u>\$ 100,525</u>
	<u>\$ 125,000</u>	<u>\$ 100,525</u>
Risk Management and Claims Services Payments		
Purchased Services	<u>\$ 65,000</u>	<u>\$ 33,200</u>
	<u>\$ 65,000</u>	<u>\$ 33,200</u>
Total Support Services - General Administration	<u>\$ 190,000</u>	<u>\$ 133,725</u>
Total Support Services	<u>\$ 190,000</u>	<u>\$ 133,725</u>
Total Expenditures	<u>\$ 190,000</u>	<u>\$ 133,725</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (89,431)</u>	<u>\$ (32,811)</u>
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	<u>-</u>	<u>(200,000)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (89,431)</u></u>	<u>\$ (232,811)</u>
FUND BALANCE - JULY 1, 2021		<u>234,776</u>
FUND BALANCE - JUNE 30, 2022		<u><u>\$ 1,965</u></u>

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MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICES FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
REVENUES		
Property Taxes	\$ 4,484,400	\$ 4,472,924
Earnings on Investments	3,000	2,134
Total Revenues	<u>\$ 4,487,400</u>	<u>\$ 4,475,058</u>
EXPENDITURES		
Debt Services		
Interest		
Other Interest on Long-Term Debt		
Other Objects	\$ 2,728,424	\$ 2,730,598
Total Debt Services - Interest	<u>\$ 2,728,424</u>	<u>\$ 2,730,598</u>
Debt Services		
Payments of Principal on Long-Term Debt		
Other Objects	\$ 2,249,768	\$ 1,910,420
Total Debt Services - Payment of Principal on Long-Term Debt	<u>\$ 2,249,768</u>	<u>\$ 1,910,420</u>
Debt Services		
Other		
Other Objects	\$ 600	\$ 400
Total Debt Services - Other	<u>\$ 600</u>	<u>\$ 400</u>
Total Debt Services	<u>\$ 4,978,792</u>	<u>\$ 4,641,418</u>
Total Expenditures	<u>\$ 4,978,792</u>	<u>\$ 4,641,418</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (491,392)	\$ (166,360)
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	<u>535,191</u>	<u>400,411</u>
NET CHANGE IN FUND BALANCE	<u>\$ 43,799</u>	\$ 234,051
FUND BALANCE - JULY 1, 2021		<u>491,573</u>
FUND BALANCE - JUNE 30, 2022		<u>\$ 725,624</u>

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MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
REVENUES		
Earnings on Investments	\$ 500	\$ 2,149
Other Local Sources	77,696	81,653
State Aid		
School Infrastructure - Maintenance Projects	50,000	50,000
Federal Aid		
Other Federal Aid	125,000	-
Total Revenues	<u>\$ 253,196</u>	<u>\$ 133,802</u>
EXPENDITURES		
Support Services		
Business		
Facilities Acquisition and Construction Services		
Non-Capitalized Equipment	\$ 20,000	\$ 3,605
Total Support Services - Facilities Acquisition and Construction Services	<u>\$ 20,000</u>	<u>\$ 3,605</u>
Total Support Services	<u>\$ 20,000</u>	<u>\$ 3,605</u>
Capital Outlay		
Support Services		
Facilities Acquisition and Construction Services	\$ 1,090,000	\$ 339,422
Total Capital Outlay	<u>\$ 1,090,000</u>	<u>\$ 339,422</u>
Total Expenditures	<u>\$ 1,110,000</u>	<u>\$ 343,027</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (856,804)	\$ (209,225)
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (856,804)</u></u>	\$ (209,225)
FUND BALANCE - JULY 1, 2021		<u>931,139</u>
FUND BALANCE - JUNE 30, 2022		<u><u>\$ 721,914</u></u>

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MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FIRE PREVENTION AND SAFETY FUND
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
REVENUES		
Property Taxes	\$ 64,424	\$ 64,247
Earnings on Investments	2,461	760
Total Revenues	<u>\$ 66,885</u>	<u>\$ 65,007</u>
EXPENDITURES		
Capital Outlay		
Support Services		
Facilities Acquisition and Construction Services	\$ 300,000	\$ -
Total Capital Outlay	<u>\$ 300,000</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 300,000</u>	<u>\$ -</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (233,115)	\$ 65,007
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (233,115)</u></u>	\$ 65,007
FUND BALANCE - JULY 1, 2021		<u>214,174</u>
FUND BALANCE - JUNE 30, 2022		<u><u>\$ 279,181</u></u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
COMPUTATION OF OPERATING EXPENSE PER PUPIL
AND PER CAPITA TUITION CHARGE
YEAR ENDED JUNE 30, 2022

OPERATING EXPENSE PER PUPIL			
EXPENDITURES:			
ED	Total Expenditures	\$	14,559,296
O&M	Total Expenditures		1,692,859
DS	Total Expenditures		4,641,418
TR	Total Expenditures		1,176,141
MR/SS	Total Expenditures		639,858
TORT	Total Expenditures		133,725
	Total Expenditures	\$	22,843,297
LESS RECEIPTS/REVENUES OR DISBURSEMENTS/EXPENDITURES NOT APPLICABLE TO THE REGULAR K-12 PROGRAM:			
ED	Special Education Programs Pre-K	\$	226,966
ED	Special Education Programs K-12 - Private Tuition		155,028
ED	Community Services		195,231
ED	Total Payments to Other Govt Units		201,863
ED	Non-Capitalized Equipment		557,048
O&M	Total Payments to Other Govt Units		26,398
O&M	Non-Capitalized Equipment		29,158
DS	Debt Service - Payments of Principal on Long-Term Debt		1,910,420
TR	Non-Capitalized Equipment		784
MR/SS	Special Education Programs - Pre-K		7,854
MR/SS	Community Services		26,178
MR/SS	Total Payments to Other Govt Units		13,580
	Total Deductions for OEPP Computation (Sum of Lines 18 - 74)	\$	3,350,508
	Total Operating Expenses Regular K-12 (Line 14 minus Line 76)		19,492,789
	9 Month ADA from District Average Daily Attendance/Prior General State Aid Inquiry 2018-2019		1,004.57
	Estimated OEPP (Line 77 divided by Line 78)	\$	19,404.11
PER CAPITA TUITION CHARGE			
LESS OFFSETTING RECEIPTS/REVENUES:			
ED	Total Food Service	\$	3
ED-O&M	Total District/School Activity Income		96,081
ED	Sales - Regular Textbooks		641
ED-O&M	Rentals		563,623
ED-O&M-DS-TR-MR/SS	Payment from Other Districts		64,239
ED	Other Local Fees (Describe & Itemize)		184,546
ED-O&M-TR	Total Special Education		167,609
ED-O&M-MR/SS	Total Career and Technical Education		948
ED	State Free Lunch & Breakfast		10,882
ED-O&M-TR-MR/SS	Total Transportation		759,736
ED-MR/SS	Total Food Service		458,317
ED-O&M-TR-MR/SS	Total Title I		11,201
ED-O&M-TR-MR/SS	Total Title IV		10,005
ED-O&M-TR-MR/SS	Fed - Spec Education - IDEA - Flow Through		234,177
ED-O&M-TR-MR/SS	Title II - Teacher Quality		31,295
ED-O&M-TR-MR/SS	Medicaid Matching Funds - Administrative Outreach		27,839
ED-O&M-TR-MR/SS	Medicaid Matching Funds - Fee-for-Service Program		56,662
ED-O&M-TR-MR/SS	Other Restricted Revenue from Federal Sources (Describe & Itemize)		485,465
ED-TR-MR/SS	Special Education Contributions from EBF Funds **		541,480
ED-MR/SS	English Learning (Bilingual) Contributions from EBF Funds ***		21,098
	Total Deductions for PCTC Computation Line 84 through Line 172	\$	3,725,847
	Net Operating Expense for Tuition Computation (Line 77 minus Line 174)		15,766,942
	Total Depreciation Allowance (from page 26, Line 18, Col I)		1,210,259
	Total Allowance for PCTC Computation (Line 175 plus Line 176)		16,977,201
	9 Month ADA from District Average Daily Attendance/Prior General State Aid Inquiry 2018-2019		1,004.57
	Total Estimated PCTC (Line 177 divided by Line 178)	\$	16,899.97

Unaudited

ANNUAL FEDERAL FINANCIAL COMPLIANCE SECTION



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE

To the Board of Education
Millburn Community Consolidated School District No. 24
Wadsworth, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited

Millburn Community Consolidated School District No. 24'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 Millburn Community Consolidated School District No. 24's major federal programs for the year ended June 30, 2022. Millburn Community Consolidated School District No. 24's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Millburn Community Consolidated School District No. 24 complied, in all material respects, with the 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, 2022.

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 (GAAS); 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

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 grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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 the District'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 material noncompliance resulting from fraud is higher than for that 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 on compliance about the District'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, 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District'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 on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District'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 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 Auditor's 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 in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not 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.

Eder, Casella & Co.

EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
February 7, 2023

MILLBURN CC SCHOOL DISTRICT NO. 24
34-049-0240-04
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2022

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Year 7/1/20-6/30/21 (C)	Expenditure/Disbursements ⁴			Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/20-6/30/21 (C)	Year 7/1/21-6/30/22 (D)		Year 7/1/20-6/30/21 (E)	Year 7/1/20-6/30/21 Pass through to Subrecipients	Year 7/1/21-6/30/22 (F)	Year 7/1/21-6/30/22 Pass through to Subrecipients		
CHILD NUTRITION CLUSTER											
U.S. Department of Agriculture passed through											
Illinois State Board of Education											
Food Donation Program (M)	10.555	22-4299-00		10,674				10,674		10,674	N/A
National School Lunch Program+ (M)	10.555	21-4210-00		45,917				45,917		45,917	N/A
COVID-19 National School Lunch Program+ (M)	10.555	21-4210-SN		69				69		69	N/A
COVID-19 National School Lunch Program+ (M)	10.555	21-4210-BT		614				614		614	N/A
National School Lunch Program+ (M)	10.555	22-4210-00		362,864				362,864		362,864	N/A
National School Lunch Program+ (M)	10.555	22-4210-SC		24,473				24,473		24,473	N/A
U.S. Department of Defense passed through										0	
Illinois State Board of Education										0	
Food Donation Program (M)	10.555	22-4299-00		15,029				15,029		15,029	N/A
Subtotal CFDA 10.555			0	459,640	0	0	0	459,640	0	459,640	
U.S. Department of Agriculture passed through											
Illinois State Board of Education											
Summer Food Service Program+ (M)	10.559	21-4225-00	440,539	24,381	440,539			24,381		464,920	N/A
Subtotal CFDA 10.559			440,539	24,381	440,539	0	0	24,381	0	464,920	
Total Child Nutrition Cluster			440,539	484,021	440,539	0	0	484,021	0	924,560	
Total CFDA "10"			440,539	484,021	440,539	0	0	484,021	0	924,560	
U.S. Department of Education passed through											
Illinois State Board of Education											
Title I - Low Income *	84.010	21-4300-00	44,817	4,006	44,817			4,006		48,823	57,583
Title I - Low Income *	84.010	22-4300-00		7,195				7,195		7,195	52,045
Subtotal CFDA 84.010			44,817	11,201	44,817	0	0	11,201	0	56,018	

MILLBURN CC SCHOOL DISTRICT NO. 24
34-049-0240-04
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2022

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Expenditure/Disbursements ⁴				Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/20-6/30/21 (C)	Year 7/1/21-6/30/22 (D)	Year 7/1/20-6/30/21 (E)	Year 7/1/20-6/30/21 Pass through to Subrecipients	Year 7/1/21-6/30/22 (F)	Year 7/1/21-6/30/22 Pass through to Subrecipients			
Title IVA, Part A - Student Support & Academic Enrichment	84.424	22-4400-00		10,005			10,005			10,005	10,005
Subtotal CFDA 84.424			0	10,005	0	0	10,005	0	0	10,005	
Title II - Teacher Quality*	84.367	22-4932-00		31,295			31,295			31,295	37,245
Subtotal CFDA 84.367			0	31,295	0	0	31,295	0	0	31,295	
SPECIAL EDUCATION CLUSTER											
US Department of Education passed through											
Illinois State Board of Education											
Special Education - Grants to States	84.027	22-4620-00		234,177			234,177			234,177	282,856
Subtotal CFDA 84.027			0	234,177	0	0	234,177	0	0	234,177	
Special Education - Preschool	84.173	22-4600-00		3,533			3,533			3,533	4,557
Subtotal CFDA 84.173			0	3,533	0	0	3,533	0	0	3,533	
Total Special Education Cluster			0	237,710	0	0	237,710	0	0	237,710	
COVID-19 Elementary and Second Emergency Relief Fund (M)	84.425D	21-4998-E2		168,326			168,326			168,326	168,326
COVID-19 Elementary and Second Emergency Relief Fund (M)	84.425D	22-4998-E3		0			78,113			78,113	414,424
Subtotal CFDA 84.425D				168,326			246,439			246,439	
Total CFDA "84"			44,817	458,537	44,817	0	536,650	0	0	581,467	

MILLBURN CC SCHOOL DISTRICT NO. 24
34-049-0240-04
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2022

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Expenditure/Disbursements ⁴				Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/20-6/30/21 (C)	Year 7/1/21-6/30/22 (D)	Year 7/1/20-6/30/21 (E)	Year 7/1/20-6/30/21 Pass through to Subrecipients	Year 7/1/21-6/30/22 (F)	Year 7/1/21-6/30/22 Pass through to Subrecipients			
MEDICAID CLUSTER											
Passed Through Illinois Department of Healthcare and Family Services											
Medicaid	93.778	22-4991-00		28,999			28,999			28,999	N/A
Subtotal CFDA 93.778			0	28,999	0	0	28,999	0	0	28,999	
Total Medicaid Cluster			0	28,999	0	0	28,999	0	0	28,999	
Total CFDA"93"			0	28,999	0	0	28,999	0	0	28,999	
Federal Communications Commission											
COVID-19 Emergency Connectivity Fund Program	32.009	22-4998-00		317,139			317,139			317,139	N/A
Total CFDA"32"			0	317,139	0	0	317,139	0	0	317,139	
Total Federal Assistance			485,356	1,288,696	485,356	0	1,366,809	0	0	1,852,165	
+ Year End 9/30											
* Year End 8/31											

- (M) Program was audited as a major program as defined by §200.518.

***Include the total amount provided to subrecipients from each Federal program. §200.510 (b)(4).**

The accompanying notes are an integral part of this schedule.

-
- ¹ To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.
- ² When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.
- ³ When awards are received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included in the schedule. §200.510 (b)(2)
- ⁴ The Uniform Guidance requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in the schedule and suggests to include the amounts in the SEFA notes.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

NOTE 1 - BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal award activity of Millburn Community Consolidated School District No. 24 under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with requirements of the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in the schedule may differ from amounts presented in, and used in the preparation of, the basic financial statements.

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - INDIRECT COST RATE

The District has elected not to use the 10 percent de minimis indirect rate as allowed under the Uniform Guidance.

NOTE 4 - SUBRECIPIENTS

The District did not provide federal awards to subrecipients during the year ended June 30, 2022.

NOTE 5 - FEDERAL LOANS

There were no federal loans or loan guarantees outstanding at year end.

NOTE 6 - DONATED PERSONAL PROTECTIVE EQUIPMENT (PPE) (UNAUDITED)

The District was not the recipient of federally donated PPE.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022

1) Summary of auditor's results:

- a) The auditor's report expresses an unmodified opinion on whether the financial statements of Millburn Community Consolidated School District No. 24 were prepared in accordance with GAAP.
- b) No significant deficiencies are reported during the audit of the financial statements. No material weaknesses are reported.
- c) No instances of noncompliance material to the financial statements of Millburn Community Consolidated School District No. 24, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- d) No significant deficiencies in internal control over major federal award programs are reported during the audit of the financial statements. No material weaknesses in internal control over major federal award programs are reported.
- e) The auditor's report on compliance for the major federal award programs for Millburn Community Consolidated School District No. 24 expresses an unmodified opinion on all major federal programs.
- f) There are no audit findings that are required to be reported in accordance with Uniform Guidance 2 CFR section 200.516(a).
- g) The programs tested as major programs were: Child Nutrition Cluster - CFDA #10.555 and #10.559, and Covid-19 Elementary and Second Education Relief Fund – CFDA #84.425D.
- h) The threshold used for distinguishing between Type A and B programs was \$750,000.
- i) Millburn Community Consolidated School District No. 24 was determined to not be a low-risk auditee.

2) There were no findings related to the financial statements which are required to be reported.

3) There were no findings related to federal awards which are required to be reported.

MILLBURN CC SCHOOL DISTRICT NO. 24
34-049-0240-04
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2022

SECTION II - FINANCIAL STATEMENT FINDINGS

1. FINDING NUMBER:¹¹

2022 - NONE

2. THIS FINDING IS:

☐

New

☐

Repeat from Prior Year?

Year originally reported? _____

3. Criteria or specific requirement

4. Condition

5. Context¹²

6. Effect

7. Cause

8. Recommendation

9. Management's response¹³

¹¹ A suggested format for assigning reference numbers is to use the digits of the fiscal year being audited followed by a numeric sequence of findings. For example, findings identified and reported in the audit of fiscal year **2021** would be assigned a reference number of **2021-001**, **2021-002**, etc. The sheet is formatted so that only the number need be entered (1, 2, etc.).

¹² Provide sufficient information for judging the prevalence and consequences of the finding, such as relation to universe of costs and/or number of items examined and quantification of audit findings in dollars.

¹³ See §200.521 *Management decision* for additional guidance on reporting management's response.

MILLBURN CC SCHOOL DISTRICT NO. 24
34-049-0240-04
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2022

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER:¹⁴ **2022 - NONE** 2. THIS FINDING IS: ☐ New ☐ Repeat from Prior year?
Year originally reported? _____

3. Federal Program Name and Year: _____

4. Project No.: _____ 5. CFDA No.: _____

6. Passed Through: _____

7. Federal Agency: _____

8. Criteria or specific requirement (including statutory, regulatory, or other citation)

9. Condition¹⁵

10. Questioned Costs¹⁶

11. Context¹⁷

12. Effect

13. Cause

14. Recommendation

15. Management's response¹⁸

¹⁴ See footnote 11.

¹⁵ Include facts that support the deficiency identified on the audit finding (§200.516 (b)(3)).

¹⁶ Identify questioned costs as required by §200.516 (a)(3 - 4).

¹⁷ See footnote 12.

¹⁸ To the extent practical, indicate when management does not agree with the finding, questioned cost, or both.

MILLBURN CC SCHOOL DISTRICT NO. 24
34-049-0240-04
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS¹⁹
Year Ending June 30, 2022

[If there are no prior year audit findings, please submit schedule and indicate **NONE**]

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u> ²⁰
NONE		

When possible, all prior findings should be on the same page

¹⁹ Explanation of this schedule - §200.511 (b)

²⁰ Current Status should include one of the following:

- A statement that corrective action was taken
- A description of any partial or planned corrective action
- An explanation if the corrective action taken was significantly different from that previously reported or in the management decision received from the pass-through entity.