ANNUAL FINANCIAL REPORT

KOMAREK SCHOOL DISTRICT NO. 94
NORTH RIVERSIDE, ILLINOIS

FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Komarek School District No. 94
North Riverside, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Komarek School District No. 94, North Riverside, Illinois (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District’s ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Prior-Year Comparative Information

We have previously audited the District’s 2022 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information in our report dated December 2, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District as of and for the year ended June 30, 2022, (not presented herein), and have issued our report December 2, 2022, which contained unmodified audit opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The supplementary information, as listed in the table of contents, for the year ended June 30, 2022, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2022 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those 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 as listed in the table of contents is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2022.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the District's internal control over financial reporting and compliance.

Evans, Marshall & Pease, P.C.

Evans, Marshall & Pease, P.C.
Certified Public Accountants

January 24, 2024
Rolling Meadows, IL
(14)

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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
Komarek School District No. 94
North Riverside, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Komarek School District No. 94, North Riverside, Illinois (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated January 24, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Evans, Marshall & Pease, P.C.

Evans, Marshall and Pease, P.C.
Certified Public Accountants

Rolling Meadows, IL
January 24, 2024

REQUIRED SUPPLEMENTARY INFORMATION
Management's Discussion and Analysis

The management's discussion and analysis of Komarek School District 94's (the "District") financial performance provides an overall review of the District's financial activities for the year ending June 30, 2023. 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 ended the fiscal year with a positive balance in all operating funds and has experienced significant improvement in the operating fund balances.
- The District's total government-wide net position increased by $3,124,381 during fiscal year June 30, 2023. Net position at June 30, 2023, is a deficit of $256,909.
- The District reported combined ending fund balances of $5,769,022, a decrease of $4,264,036 in comparison with the prior year.

Overview of the Financial Statements

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

- Government-Wide financial statements,
- Fund financial statements, and
- Notes to the financial statements

This report also contains required supplementary information and supplementary information, in addition to the basic financial statements.

<u>Government-Wide financial statements</u>

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

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

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

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

Fund financial statements

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

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

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

The District maintains eight 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 Educational Account, Operations and Maintenance Fund, Debt Service Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Working Cash Account, Capital Projects Fund, and Fire Prevention and Safety Fund, all of which are considered to be major funds. The District considers all of its funds 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.

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 operations presented to supplement the basic financial statements and progress in funding related to the Teachers' Retirement System, Illinois Municipal Retirement Fund, and Other Post-Employment Benefits. The *Supplementary Information* provides additional analysis derived from and relate directly to the underlying accounting and other records used to prepare the financial statements.

Financial Analysis of the District as a Whole

Statement of Net Position:

The following summary data is compared with data from the preceding year. The following provides a summary of the District's Statement of Net Position as of June 30, 2023, and 2022:

	Governmental Activities		
	2023	2022	% Change
Assets:			
Current and other assets	$ 10,237,903	$ 15,631,066	-34.50%
Capital assets, net of depr./amort.	24,666,401	18,587,028	32.71%
Total Assets	34,904,304	34,218,094	2.01%
Deferred Outflows of Resources:			
Deferred charge on refunding	71,459	79,485	-10.10%
Pensions	980,793	193,155	407.78%
Other post-employment benefits	156,319	157,985	-1.05%
Total Deferred Outflows of Resources:	1,208,571	430,625	180.66%
Liabilities:			
Current liabilities	807,353	1,406,173	-42.59%
Noncurrent liabilities	28,085,093	30,355,103	-7.48%
Total Liabilities	28,892,446	31,761,276	-9.03%
Deferred Inflows of Resources			
Unavailable revenue - property taxes	3,746,469	3,808,249	-1.62%
Pensions	500,792	773,494	-35.26%
Other post-employment benefits	3,230,077	1,686,990	91.47%
Total Deferred Inflows of Resources	7,477,338	6,268,733	19.28%
Net Position:			
Net investment in capital assets	1,216,600	(761,064)	-259.86%
Restricted	2,596,176	7,776,902	-66.62%
Unrestricted	(4,069,685)	(10,397,128)	-60.86%
Total Net Position	$ (256,909)	$ (3,381,290)	-92.40%

Total Net Position:

Please note that the amounts reported for governmental activities in the audit statement above are different from the governmental funds because (1) capital assets used in governmental activities are not financial resources, as they are in business, and are not reported as assets in governmental funds. (2) long-term liabilities, including bonds payable, leases and pensions/other post-employment benefits are not due in the current period and therefore not reported as liabilities in the funds. The result is that the total net position for governmental activities is a deficit balance of $256,909.

Restricted Net Position:

A portion of the District's total net position is considered restricted. The District's restricted net position results from portions of governmental funds that are restricted, committed, or assigned, or in any other way limit the availability of fund resources for future use. The Operations and Maintenance, Debt Service, Transportation, Municipal Retirement/Social Security, Capital Projects, and Fire Prevention and Safety Funds are special revenue funds; by law, funds held in a special revenue fund are restricted to the purpose of the fund.

The funds have a restricted balance as follows: Student Activities, $7,028; Operations and Maintenance, $450,509; Debt Service Fund, $617,077; Transportation Fund, $162,908; Municipal Retirement/Social Security Fund, $158,690; Capital Projects Fund, $1,198,473; and Fire Prevention and Safety Fund, $1,491. The District's total restricted net position at the end of the fiscal year totaled $2,596,176. There were no significant changes affecting restrictions, commitments, or other limitations to the availability of fund resources for future use.

The following is a summary of the District's changes in net position for the year ending June 30, 2023, and 2022:

	Governmental Activities		
	2023	2022	% Change
Revenues:			
Program Revenues			
Charges for services	$ 78,579	$ 123,401	-36.32%
Grants and contributions	1,632,280	1,930,477	-15.45%
State on-behalf retirement	2,287,118	1,609,661	42.09%
General Revenues			
Property taxes	7,375,428	8,160,829	-9.62%
Personal property replacement taxes	2,154,221	2,064,286	4.36%
Evidence based funding formula	558,193	547,411	1.97%
Earnings on investments and other	17,250	53,762	-67.91%
Other	8,346	(6,155)	-235.60%
Total Revenues	14,111,415	14,483,672	-2.57%
Expenses:			
Current:			
Instruction	3,546,354	3,806,004	-6.82%
Support services	3,092,942	3,381,187	-8.52%
Community services	28,900	31,084	-7.03%
Payments to other gov't units	1,037,851	1,163,306	-10.78%
State on-behalf retirement	2,287,118	1,609,661	42.09%
Debt service - interest and other	818,624	846,619	-3.31%
Depreciation - unallocated	175,245	163,289	7.32%
Total Expenses	10,987,034	11,001,150	-0.13%
Change in Net Position	3,124,381	3,482,522	
Net Position - Beginning	(3,381,290)	(6,863,812)	
Net Position - Ending	$ (256,909)	$ (3,381,290)	

Changes in Net Position:

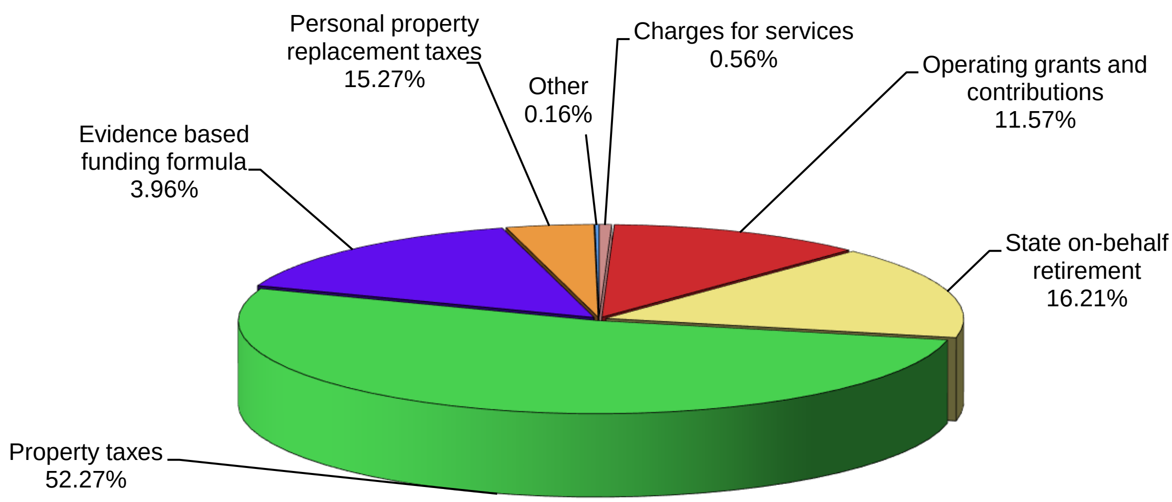
In fiscal year 2023, the District's net position increased by $3,124,381 to an ending deficit balance of $256,909.

The District's total revenues were $14,111,415, which is a decrease of $372,257 in comparison to the previous year. Property taxes accounted for 52.27% of the District's revenue, while evidence based funding formula made up 3.96% of the District's revenue. See the following chart for additional information.

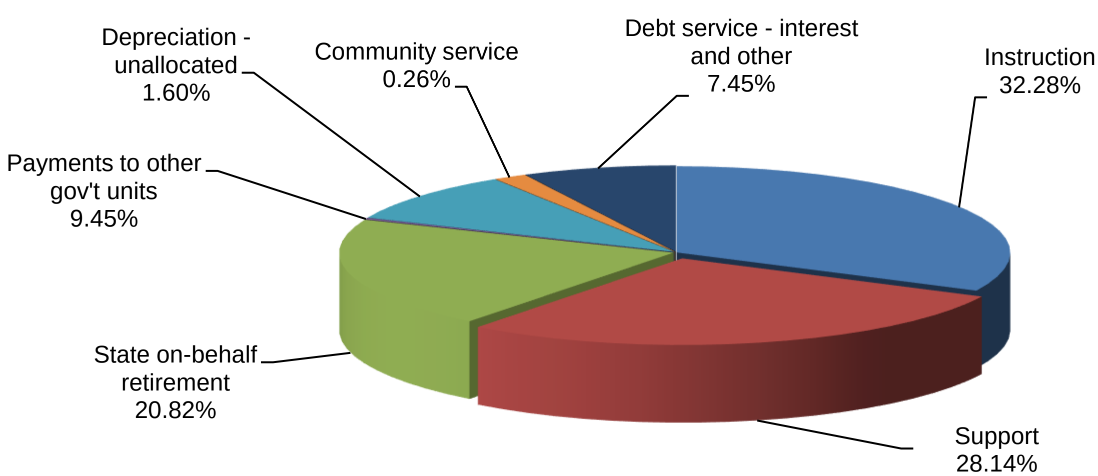
State on-behalf retirement revenue and expense are offsetting in the amount of $2,287,118. These are payments to Teachers' Retirement System (TRS) by the State of Illinois for employer pension contributions made on-behalf of the District. Please see Note 6 Retirement Fund Commitments and Note 7 Other Post-Employment Benefits for additional information on these payments.

The total cost for all programs and services was $10,987,034, which is a decrease of $14,116 in comparison to the previous year. Instruction expenses accounted for 32.28% of the District's expenses, while expenses for support services decreased by $288,245 to $3,092,942.

REVENUE FY2023



EXPENSES FY2023



Capital Asset and Debt Administration

Capital assets:

Total depreciation/amortization expense for the year was $175,245, while additions to capital assets amounted to $6,254,618 which consisted of various pieces of equipment and capital improvements.

Capital Assets (net of depreciation)

Governmental Activities	2023	2022	% Change
Land	$ 264,189	$ 264,189	0.00%
Construction in progress	22,419,399	16,410,951	36.61%
Land improvements	575	757	-24.04%
Buildings and Improvements	1,325,307	1,374,277	-3.56%
Leased equipment	155,016	26,497	485.03%
Equipment	501,915	510,357	-1.65%
Total	$ 24,666,401	$ 18,587,028	32.71%

See Note 4 to the financial statements for additional information about capital assets.

Long-term debt:

At year end, the District had $28,085,093 in general obligation bonds and other long-term debt outstanding with $1,185,275 due within the next fiscal year.

Outstanding Long-Term Debt

Governmental Activities	2023	2022	% Change
General Obligation Bonds	$ 24,030,000	$ 24,915,000	-3.55%
Unamortized bond (discount)	2,139,038	2,365,314	-9.57%
Leases	137,314	14,834	825.67%
Pensions	878,618	262,619	234.56%
Other post-employment benefits	900,123	2,797,336	-67.82%
Total	$ 28,085,093	$ 30,355,103	-7.48%

See Note 5 to the financial statements for additional information about long-term debt.

General Fund Budgetary Highlights

For the year ended June 30, 2023, actual expenditures exceeded budgeted expenditures in the Educational Account (General Fund) by $1,883,295. The over-expenditures in the General Fund were mainly due to non-budgeted on-behalf payments of $2,287,118. The Municipal Retirement Fund over-expended by $22,414 was covered by existing fund balances. The Transportation Fund over-expended by $73,036 was covered by existing fund balances.

Factors Bearing on the District's Future

The District is aware of the following factors that may affect its future financial health:

- The consumer price index for all urban consumers (CPI-U) has been increasing. The District is experiencing rising costs of supplies, services, employment, and benefits.

- The continued deterioration of the financial condition of the statewide Teachers Retirement System (TRS) and the threat of the normal cost for the pension system being passed on to the District.

- Property tax appeals leading to assessment reductions and eroding District property tax collections or EAV.

- Employment contracts with mandatory financial obligations.

Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, 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 Business Office:

Mr. Michael Pustelnik
8940 W. 24th Street
North Riverside, IL 60546
(708) 447-8030, ext. 2165

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BASIC FINANCIAL STATEMENTS

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KOMAREK SCHOOL DISTRICT NO. 94
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
ASSETS	
Cash and investments	$ 5,848,639
Receivables, net of allowance for uncollectibles	
Property taxes	3,894,070
Replacement taxes	339,697
Intergovernmental	97,641
Prepaid items	57,856
Capital assets, not being depreciated	22,683,588
Capital assets, net of accumulated depreciation/amortization	1,982,813
Total Assets	34,904,304
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	71,459
Pensions	980,793
Other post-employment benefits	156,319
Total Deferred Outflows of Resources	1,208,571
LIABILITIES	
Accounts payable	500,997
Salaries and wages payable	213,453
Flex benefit	7,962
Interest payable	84,941
Non-current liabilities	
Due within one year	1,185,275
Due in more than one year	26,899,818
Total Liabilities	28,892,446
DEFERRED INFLOWS OF RESOURCES	
Unavailable - property tax revenue	3,746,469
Pensions	500,792
Other post-employment benefits	3,230,077
Total Deferred Inflows of Resources	7,477,338
NET POSITION	
Net investment in capital assets	1,216,600
Restricted	
Student activities	7,028
Operations and maintenance	450,509
Transportation	162,908
Municipal retirement/social security fund	158,690

(Continued)

EXHIBIT A
(Concluded)

KOMAREK SCHOOL DISTRICT NO. 94
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
NET POSITION	
Restricted	
Debt service	$ 617,077
Capital projects	1,198,473
Fire prevention and safety	1,491
Unrestricted	(4,069,685)
Total Net Position	$ (256,909)

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

KOMAREK SCHOOL DISTRICT NO. 94
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

		Program Revenues			Net (Expense)
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Governmental Activities					
Instruction	$ 5,833,472	$ 53,794	$ 2,655,115	$ -	$ (3,124,563)
Support services	3,092,942	24,785	540,843	723,440	(1,803,874)
Community services	28,900	-	-	-	(28,900)
Payments to other districts	1,037,851	-	-	-	(1,037,851)
Debt Service					
Interest and other	818,624	-	-	-	(818,624)
Depreciation/amortization - unallocated	175,245	-	-	-	(175,245)
Total	$ 10,987,034	$ 78,579	$ 3,195,958	$ 723,440	(6,989,057)

General Revenues	
Taxes	
Property taxes, levied for general purposes	5,387,036
Property taxes, levied for debt service	1,988,392
Personal property replacement taxes	2,154,221
Evidence based funding formula	558,193
Earnings on investments	17,250
Other	8,346
Total	10,113,438
Change in Net Position	3,124,381
Net Position/(Deficit) - Beginning	(3,381,290)
Net Position/(Deficit) - Ending	$ (256,909)

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

KOMAREK SCHOOL DISTRICT NO. 94
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023

	General Fund	Operations and Maintenance Fund	Transportation Fund
ASSETS			
Cash and investments	$ 3,160,660	$ 316,721	$ 182,507
Receivables, net of allowance for uncollectibles			
Property taxes	2,688,965	87,557	41,765
Replacement taxes	254,773	84,924	-
Intergovernmental	97,641	-	-
Interfund receivables	840,000	-	-
Prepaid items	18,191	39,665	-
Total Assets	$ 7,060,230	$ 528,867	$ 224,272
LIABILITIES			
Accounts payable	$ 42,309	$ 144	$ 21,120
Interfund payables	840,000	-	-
Flex benefit	7,962	-	-
Salaries and wages payable	479,699	-	-
Total Liabilities	1,369,970	144	21,120
DEFERRED INFLOWS OF RESOURCES			
Unavailable - property tax revenue	2,595,327	78,214	40,244
Total Deferred Inflows of Resources	2,595,327	78,214	40,244
FUND BALANCES			
Nonspendable	18,191	39,665	-
Restricted	7,028	410,844	162,908
Unassigned	3,069,714	-	-
Total Fund Balances	3,094,933	450,509	162,908
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 7,060,230	$ 528,867	$ 224,272

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

Municipal Retirement/ Social Security Fund	Debt Service Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total
$ 176,475	$ 662,432	$ 1,348,353	$ 1,491	$ 5,848,639
95,633	980,150	-	-	3,894,070
-	-	-	-	339,697
-	-	-	-	97,641
-	-	-	-	840,000
-	-	-	-	57,856
$ 272,108	$ 1,642,582	$ 1,348,353	$ 1,491	$ 11,077,903
$ -	$ -	$ 149,880	$ -	$ 213,453
-	-	-	-	840,000
-	-	-	-	7,962
21,298	-	-	-	500,997
21,298	-	149,880	-	1,562,412
92,120	940,564	-	-	3,746,469
92,120	940,564	-	-	3,746,469
-	-	-	-	57,856
158,690	702,018	1,198,473	1,491	2,641,452
-	-	-	-	3,069,714
158,690	702,018	1,198,473	1,491	5,769,022
$ 272,108	$ 1,642,582	$ 1,348,353	$ 1,491	$ 11,077,903

(Continued)

EXHIBIT C
(Concluded)

KOMAREK SCHOOL DISTRICT NO. 94
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total fund balances-governmental funds (Exhibit C)		$ 5,769,022
Amounts reported for governmental activities in the Statement of Net Position are different because:		
When capital assets that are to be used in governmental activities are purchased or constructed, the cost of those assets are reported as expenditures in govern- Net capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		24,666,401
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.		
Deferred outflows - pension related	$ 980,793	
Deferred inflows - pension related	(500,792)	
Deferred outflows - other post-employment benefits related	156,319	
Deferred inflows - other post-employment benefits related	(3,230,077)	(2,593,757)
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.		
Leases payable	(137,314)	
Bonds payable	(24,030,000)	
Interest payable	(84,941)	
Pension related debt	(878,618)	
Other post-employment benefits debt	(900,123)	(26,030,996)
Governmental funds report the effects of premiums, discounts, and refundings and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities.		
Premium on bonds	(2,139,038)	
Refunding on bonds	71,459	(2,067,579)
Total net position-governmental activities (Exhibit A)		$ (256,909)

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

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KOMAREK SCHOOL DISTRICT NO. 94
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Operations and Maintenance Fund	Transportation Fund
REVENUE			
Local sources	$ 6,344,738	$ 474,131	$ 80,915
State sources	742,374	723,440	64,085
State on-behalf retirement	2,287,118	-	-
Federal sources	660,574	-	-
Total Revenue	10,034,804	1,197,571	145,000
EXPENDITURES			
Current			
Instruction	3,892,476	-	-
State on-behalf retirement	2,287,118	-	-
Support services	1,835,933	636,901	243,456
Community services	26,072	-	-
Payments to other gov't units	1,037,851	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Other	-	-	-
Capital outlay	244,219	1,951	-
Total Expenditures	9,323,669	638,852	243,456
Excess (deficiency) of revenues over (under) expenditures	711,135	558,719	(98,456)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(31,400)	(1,500,000)	-
Leases issued	150,461	-	-
Total Other Financing Sources (Uses)	119,061	(1,500,000)	-
NET CHANGE IN FUND BALANCES	830,196	(941,281)	(98,456)
FUND BALANCE, BEGINNING OF YEAR	2,264,737	1,391,790	261,364
FUND BALANCE, END OF YEAR	$ 3,094,933	$ 450,509	$ 162,908

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

Municipal Retirement/ Social Security Fund	Debt Service Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total
$ 283,952	$ 1,994,398	$ 455,670	$ 20	$ 9,633,824
-	-	-	-	1,529,899
-	-	-	-	2,287,118
-	-	-	-	660,574
283,952	1,994,398	455,670	20	14,111,415
84,262	-	-	-	3,976,738
-	-	-	-	2,287,118
120,523	-	150,616	-	2,987,429
2,828	-	-	-	28,900
-	-	-	-	1,037,851
-	912,981	-	-	912,981
-	1,038,602	-	-	1,038,602
-	1,675	-	-	1,675
-	-	6,008,448	-	6,254,618
207,613	1,953,258	6,159,064	-	18,525,912
76,339	41,140	(5,703,394)	20	(4,414,497)
-	31,400	1,500,000	-	1,531,400
-	-	-	-	(1,531,400)
-	-	-	-	150,461
-	31,400	1,500,000	-	150,461
76,339	72,540	(4,203,394)	20	(4,264,036)
82,351	629,478	5,401,867	1,471	10,033,058
$ 158,690	$ 702,018	$ 1,198,473	$ 1,491	$ 5,769,022

KOMAREK SCHOOL DISTRICT NO. 94
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Total net change in fund balances-governmental funds (Exhibit D)		$ (4,264,036)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period.		
Depreciation/amortization expense	$ (175,245)	
Capital outlay over capitalization threshold	6,254,618	6,079,373
Bonds and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Leases issued	(150,461)	
Principal paid on leases and bonds	912,981	762,520
Some amounts reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.		
Accrued interest on long-term debt	3,403	
Amortization of bond premiums	226,276	
Amortization of deferred amounts of refunding	(8,026)	
Changes in pension and related deferred outflows and deferred inflows of resources	(27,589)	
Changes in other post-employment benefits and related deferred outflows and deferred inflows of resources	352,460	546,524
Change in net position of governmental activities (Exhibit B)		$ 3,124,381

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Komarek School District No. 94 (the "District") operates as a public school system governed by an elected Board of Education. The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the significant accounting policies, consistently applied in the preparation of the accompanying financial statements is described below.

A. The Reporting Entity

In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity is made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The definition of a component unit is a legally separate organization for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The District is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District. The District also may be financially accountable if an organization is fiscally dependent on the District regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government or (3) a jointly appointed board. There are no component units, as defined by GASB, which are included in the District's reporting entity. Even though there are local government agencies serving the geographic area that is served by the District, such as the municipality, library and park district, these agencies have been excluded from the report because they are legally separate and the District is not financially accountable for them.

The District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

The District is a member of the following Joint Venture organization:

LaGrange Area Department of Special Education (See Note 8)

B. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements (GWFS)

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District's operating activities are all considered "governmental activities," that is, activities normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered "business activities."

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) tuition and fees and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The accounts of the District are organized and operated on the basis of funds. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related and contractual provisions. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. The minimum number of funds is maintained consistent with legal and managerial requirements.

Separate financial statements are provided for governmental funds, even though the latter are excluded from the GWFS. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide financial statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when measurable and available.

Fund financial statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers property tax revenues available if they are collected within 60 days after year-end. All other state and federal revenues are measurable and available if they are vouchered by the Illinois State Board of Education on or before June 30, 2023, which are normally collected within 60 days of year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The funds of the District are described below:

Governmental Funds

General Fund – The General Fund, which consists of the legally mandated Educational Account, which includes the student activities and flex benefit funds, and the Working Cash Account is the general operating fund of the District and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in other funds. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and state and federal government aid. The Working Cash Account accounts for financial resources held by the District to be used as temporary interfund loans for working capital requirements to the Educational Account and the Special Revenue Fund's Operation and Maintenance and Transportation Funds. Working Cash Account loans to other funds must be repaid within one year.

As allowed by the School Code of Illinois, this account may be permanently abolished and become a part of the General Fund or it may be partially abated to the Educational Account, Special Revenue Funds, Debt Service Funds, or the Fire Prevention Safety Fund.

Special Revenue Funds – The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes and include the Operations and Maintenance Fund, Transportation Fund, and the Municipal Retirement/Social Security Fund other than those accounted for in the Debt Service Fund, Capital Projects Funds, or Fiduciary Funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Debt Service Fund – The Debt Service Fund accounts for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs. Since there are no legal requirements on bond indentures which mandate a separate fund be established for each bond issue, the District maintains one Debt Service Fund for all issues.

Capital Projects Fund – The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of, and/or additions to, major capital facilities. This fund is also used to account for construction projects and renovations financed through serial bond issues.

Fire Prevention and Life Safety Fund – This fund is used to account for State-approved life safety projects financed through serial bond issues.

Major and Non-major Funds

An emphasis is placed on major funds with the governmental and proprietary categories.

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

a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenditures of that individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and:

b. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures of the individual governmental or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The District has elected to treat all funds as major.

The funds classified as major are as follows:

General Fund – see above for description.

Operations and Maintenance Fund – accounts for expenditures made for the repair and maintenance of the District's building and property. Revenue consists primarily of local property taxes.

Debt Services Fund – accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue source is local property taxes levied specifically for debt service.

Transportation Fund – accounts for all revenues and expenditures related to student transportation to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

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

Capital Projects Funds – accounts for all revenues and expenditures for the acquisition or construction of, and/or additions to, major capital facilities.

Fire Prevention and Safety Fund – accounts for capital expenditures related to fire prevention and safety concerns.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Net Position/Equity and Fund Balance Reporting

Net Position/Equity Reporting

Equity is classified as net position displayed in three components; Net Investment in Capital Assets, Restricted Net Position, and Unrestricted Net Position.

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

Restricted Net Position – Consists of net assets with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Unless specifically identified, expenditures reduce restricted resources first, then unrestricted resources as they are needed.

Fund Balance Reporting

Governmental fund balances are classified into five major classifications: Nonspendable, Restricted, Committed, Assigned and Unassigned.

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. The nonspendable fund balance consists of prepaids in the General Fund ($18,191) and Operations and Maintenance Fund ($39,665), totaling $57,856.

R*estricted* – The restricted balance classification refers to amounts that are subject to restrictions, not controlled by the District. Items such as restrictions imposed by creditors (such as debt covenants), grantors, contributions or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special revenue funds are by definition restricted for those specified purposes. The restricted balance consists of the Student Activities funds, Operations and Maintenance Fund, the Transportation Fund, the Municipal Retirement/Social Security Fund, the Debt Service Fund, the Capital Projects Fund, and the Fire Prevention and Safety Fund. The District has several revenue sources received within different funds that fall into these categories:

> Special Education – revenues and the related expenditures of this restricted tax levy are accounted for in the Educational Account. Expenditures exceeded revenues for this purpose, resulting in no restricted fund balance.
>
> State grants – proceeds from state grants and the related expenditures have been included in the Educational Account and the Transportation Fund. At June 30, 2023, expenditures exceeded revenues from state grants, resulting in no restricted fund balance.
>
> Healthcare – revenues and the related expenditures of these deposits are accounted for in the Educational Account.
>
> Student Activities – revenues and the related expenditures from the various clubs are accounted for in the Educational Account.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Federal grants – proceeds from federal grants and the related expenditures have been included in the Educational Account. At June 30, 2023, expenditures exceeded revenues from federal grants, resulting in no restricted fund balance.

Social Security – expenditures and related expenditures of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. At June 30, 2023, expenditures disbursed exceeded revenue received, resulting in no restricted fund balance.

Committed – the committed fund balance refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the school board. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit that amount. The formal action required to modify, rescind, or commit fund balance is by formal resolution of the school board to allocate funds to a specific project. There are no committed fund balance designations.

Assigned – the assigned fund balance classification refers to amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Assignments may take place after the end of the reporting period. There are no assigned fund balance designations.

Unassigned – the unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund.

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

The General Fund and any other fund with a negative fund balance are considered to be unassigned. All special revenue funds are deemed to be "restricted" and prepaid expenses are reported as "nonspendable".

E. Cash and Investments

Cash and investments held by the District are reported by the District at cost or net asset value. Gains or losses on the sale of investments are recognized upon realization.

Funds of the District are in the custody of the Proviso Township School Treasurer's Office. The Township Treasurer's Office invests excess funds of the District and other school districts that utilize its services, and issues payments to vendors and payroll to employees. The District is billed for the services of the Treasurer's Office and also receives interest on its investments controlled by the Treasurer's Office. See Note 2 for a further description of the Treasurer's duties and services.

F. Capital Assets

Capital assets, which include land, land improvements, buildings and improvements, and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial individual cost of more than $300 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Land improvements, buildings and improvements, and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

Capital Assets	Years
Land improvements	20
Buildings and improvements	20-50
Equipment	5-15

In the fund financial statements, fixed assets are accounted for as capital outlay expenditures upon acquisition. No depreciation/amortization is recorded in the fund financial statements.

G. Long-Term Obligations (including leases)

In the government-wide financial statements, long-term debt and other long-term obligations (capital leases) are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Issuance costs are recognized as an expense in the period incurred. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the period incurred. The face amount of new debt issued is reported as other financing sources. Premiums received on new 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 in the year of issuance.

The District is a party to multiple leases for technology. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

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 its useful life.

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

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

H. Property Taxes

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the Proviso Township School Treasurer for the use of the District, its share of collections. Property taxes are levied each year on all taxable real property located in the District on or before the last Tuesday in December. The adoption date for the 2022 tax levy was December 13, 2022 and the 2021 tax levy was adopted on December 14, 2021. Taxes attach as an enforceable lien on property on January 1 and are due and payable in two installments. The first installment is due on March 1. The due date of the second installment varies and can occur in September, October, or November. The first installment is an estimated bill, and is 55 percent of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill.

A summary of the past two years' assessed valuation, tax rates, and extensions are as follows:

Tax Year	2022		2021	
Equalized Assessed Valuation	$181,850,942		$187,110,918	
	Rates	Extensions	Rates	Extensions
Educational	2.5080	$ 4,560,840	2.2372	$ 4,186,034
Levy adj PA 102-0519	0.0735	133,612	0.0401	75,022
Special Education	0.2741	498,520	0.2465	461,183
Operations and Maintenance	0.1845	335,579	0.2527	472,770
Bond and Interest	1.1203	2,037,166	1.0888	2,037,218
Transportation	0.0453	82,400	0.0435	81,370
Municipal Retirement	0.1042	189,520	0.1046	195,700
Working Cash	-	-	-	-
Totals	4.3099	$ 7,837,637	4.0134	$ 7,509,297

During the year, the County Assessor's office settled claims by various taxpayers in the District regarding their property's assessed value. The District was required to refund the excess taxes collected on the higher assessed value to the taxpayers.

Based upon collection histories, the District has provided an allowance for uncollectible real property taxes equivalent to 1 percent of the current levy. All property taxes receivable over one year old have been written off. At June 30, 2023, real property taxes receivable less the allowance for uncollectible real property taxes are as follows:

Property taxes receivable	$ 3,972,446
Less: allowance for uncollectible taxes	(78,376)
Property taxes receivable. Net	$ 3,894,070

I. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the extent required by Illinois law in the Municipal Retirement/Social Security Fund with the balance allocated to funds at the discretion of the District.

J. Prepaid Items

The District's prepaid amounts are accounted for using the consumption method. At June 30, 2023, $18,191 is from subscriptions to software platforms and maintenance contracts and $39,665 is from insurance and security monitoring contracts. These amounts are reported as non-spendable fund balances in the governmental funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Program Revenues

Amounts reported as program revenues include 1) Tuition and fees and 2) Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. All taxes, including those dedicated for specific purposes, are reported as general revenues rather than as program revenues.

L. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

M. Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for this category. The first is deferred charge on refunding reported in the government-wide Statement of Net Position ($71,459). A deferred charge results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second and third are pensions and other post-employment benefits reported in the government-wide Statement of Net Position ($980,793 pensions and $156,319 other post-employment benefits). These results are from the differences between expected and actual experience, the net differences projected and actual investment earnings on plan investments, changes of assumptions, and changes in proportion and differences between contributions and proportion share of contributions.

N. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. The first is unavailable revenue; it is reported in both the government-wide Statement of Net Position and in the governmental funds Balance Sheet ($3,746,469). The item for unavailable revenue is from property taxes. The second and third are pensions and other post-employment benefits ($500,792 pensions and $3,230,077 other post-employment benefits). These results are from the differences between expected and actual experience, the net differences projected and actual investment earnings on plan investments, changes of assumptions, and changes in proportion and differences between contributions and proportion share of contributions. These items amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

O. Eliminations and Reclassifications

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified.

NOTE 2 – CASH AND INVESTMENTS

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

Cash and investments, other than the student activity, imprest funds and petty cash, are part of a common pool for all school districts and cooperatives within the township. The Treasurer maintains records which segregate the cash and investment balance by district or cooperative. Income from investments is distributed annually based on the District's percentage participation in the pool. The Treasurer's investment policies are established by the District's Board of Education prescribed by the *Illinois School Code* and the *Illinois Compiled Statutes*.

Categorization by risk category is not determinable for all cash and investments pooled by a separate legal governmental agency (Treasurer). Further information regarding collateralization of investments and insurance is available from the Treasurer's financial statements. As of June 30, 2023, the amount of pooled cash and investments held by the Proviso Township School Treasurer and allocated to the District was $5,809,054. The remaining $39,585 consists of imprest, flex and student activities for total cash of $5,848,639.

Deposits of the student activity, flex benefit and imprest funds, which are held in the District's custody, consist of cash held in financial institutions.

Custodial Credit Risk – Student Activity, Flex Benefit and Imprest Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2023, $39,585 held in bank accounts of the District is covered by collateral or FDIC coverage.

Investments

Interest Rate Risk: The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates. As of June 30, 2023, the weighted average maturity (in years) is 0.60 for the investment pool.

Credit Risk: Under Illinois law, the District is restricted to investing funds in specific types of investment instruments. The following generally represents the types of instruments allowable by State laws:

- Securities issued or guaranteed by the United States.
- Interest-bearing accounts of banks and Savings and Loan Associations are insured up to $250,000 by the Federal Deposit Insurance Corporation.
- Short-term obligations (less than 180 days) of U.S. corporations with assets over $500,000,000 rated in the three highest classifications by at least two rating agencies.
- Insured accounts of an Illinois credit union chartered under United States or Illinois law.
- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.
- The Illinois Funds or Illinois School District Liquid Asset Fund Plus.

NOTE 2 – CASH AND INVESTMENTS (Cont'd)

- Repurchase agreements which meet instrument transaction requirements of Illinois law.

Concentration of Credit Risk: The District places no limit on the amount the District may invest in any one issuer.

NOTE 3 – INTERFUND LOANS AND TRANSFERS

Interfund Loans

The Working Cash Account loaned $840,000 to the Educational Account. The interfund loan was approved by the Board of Education in order to meet ordinary and necessary expenses. This interfund loan will be repaid within one year.

Interfund Transfers

The Educational Account transferred $31,400 to the Debt Service Fund for lease payments and the Operations and Maintenance Fund transferred $1,500,000 for capital projects.

Interfund transfers are used to (1) move revenues from the fund in which statute or budget requires collection to the fund that statute or budget requires expenditure, and (2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 4 – CAPITAL ASSETS

A summary of changes in capital assets follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated:				
Land	$ 264,189	$ -	$ -	$ 264,189
Construction in progress	16,410,951	6,008,448	-	22,419,399
Total	16,675,140	6,008,448	-	22,683,588
Capital assets, being depreciated:				
Land improvements	94,743	-	-	94,743
Buildings	3,443,646	1,952	-	3,445,598
Leased equipment	639,225	150,461	-	789,686
Equipment and vehicles	1,440,237	93,757	-	1,533,994
Total	5,617,851	246,170	-	5,864,021
Accumulated depreciation:				
Land improvements	93,986	182	-	94,168
Buildings	2,069,369	50,922	-	2,120,291
Leased equipment	612,728	21,942	-	634,670
Equipment and vehicles	929,880	102,199	-	1,032,079
Total	3,705,963	175,245	-	3,881,208
Net Depreciable Capital Assets	1,911,888	70,925	-	1,982,813
Net Total Capital Assets	$ 18,587,028	$ 6,079,373	$ -	$ 24,666,401

Depreciation was charged to functions as follows:

Governmental Activities:

Unallocated	$ 175,245
Total depreciation expense-governmental activities	$ 175,245

NOTE 5 – LONG-TERM OBLIGATIONS

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

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Bonds payable	$ 24,915,000	$ -	$ 885,000	$ 24,030,000	$ 925,000
Leases payable	14,834	150,461	27,981	137,314	44,084
Total	24,929,834	150,461	912,981	24,167,314	969,084
Unamortized bond premium	2,365,314	-	226,276	2,139,038	216,191
Pensions	262,619	615,999	-	878,618	-
Other post-employment benefits (OPEB)	2,797,336	-	1,897,213	900,123	-
Grand Total	$ 30,355,103	$ 766,460	$ 3,036,470	$ 28,085,093	$ 1,185,275

Bonds Payable

On October 3, 2012, the District issued $1,270,000 in limited refunding school bonds with interest rates of 2.00% to 3.00%. This issue has been partially refunded. At June 30, 2023, $220,000 remains outstanding.

On June 4, 2014, the District issued $2,390,000 in limited school bonds with interest rates of 4.00% to 4.95%. Working Cash Bonds were in included in the issue in the amount of $1,475,000. At June 30, 2023, $2,000,000 remains outstanding.

On April 27, 2017, the District issued $1,850,000 in limited refunding school bonds with interest rates of 4.125% to 4.375%. Working Cash Bonds were included in the issued in the amount of $1,000,000. At June 30, 2023, $1,850,000 remains outstanding.

On July 27, 2020, the District issued $20,085,000 in school building bonds with interest rates of 4.00% to 5.00%. At June 30, 2023, $19,050,000 remains outstanding.

On December 15, 2020, the District issued $1,255,000 in limited taxable school bonds with interest rates of 0.70% to 3.20%. At June 30, 2023, $910,000 remains outstanding.

Leases Payable

During the year ended June 30, 2021, the District entered into a lease agreement in the amount of $35,235 for the purchase of computers. This lease is to be paid in annual amounts of $7,971 per year at an interest rate of 4.95%. These devices were not capitalized. At June 30, 2023, $7,597 remains outstanding.

During the year ended June 30, 2023, the District entered into a lease agreement in the amount of $150,461 for the purchase of computers. This lease is to be paid in installments of $3,347 per month at an interest rate of 3.25%. Accumulated depreciation on these assets at June 30, 2023, was $21,942. At June 30, 2023, $129,717 remains outstanding.

Prior Year Defeasement of Debt

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2023, $515,000 of bonds outstanding is considered defeased.

NOTE 5 – LONG-TERM OBLIGATIONS (Cont'd)

Annual Debt Service Requirements

As of June 30, 2023, the annual debt service requirements to service bonds payable and leases payable are:

Year Ending June 30,	Principal	Interest	Total
2024	$ 969,084	$ 998,283	$ 1,967,367
2025	1,002,694	952,780	1,955,474
2026	1,053,936	904,160	1,958,096
2027	1,081,600	852,923	1,934,523
2028	1,115,000	799,846	1,914,846
2029	1,165,000	744,077	1,909,077
2030	1,230,000	689,832	1,919,832
2031	1,275,000	637,450	1,912,450
2032	1,330,000	583,081	1,913,081
2033	1,385,000	527,545	1,912,545
2034	1,445,000	470,536	1,915,536
2035	1,505,000	410,670	1,915,670
2036	1,565,000	347,927	1,912,927
2037	1,625,000	282,733	1,907,733
2038	1,515,000	220,100	1,735,100
2039	1,575,000	160,080	1,735,080
2040	1,635,000	97,700	1,732,700
2041	1,695,000	41,273	1,736,273
Total	$ 24,167,314	$ 9,720,996	$ 33,888,310

General obligation bonds are liquidated by the Debt Service Fund. Leases, pensions, and other post-employment obligations are liquidated by the General Fund.

Legal Debt Margin

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent (2022) available equalized assessed valuation of the district, which is $181,850,942. As of June 30, 2023, the statutory debt limit for the District was $12,547,715; the outstanding debt to which the legal debt margin applies is $24,167,314.

NOTE 6 – RETIREMENT FUND COMMITMENTS

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

General Information about the Pension Plan

Plan Description

The employer participates in the Teachers' Retirement System (TRS) of the State of Illinois. 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 nonannuitants 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 **https://www.trsil.org/financial/cafrs/fy2022;** by writing to TRS at 2815 W. Washington Street, P. O. 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 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

Tier II members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the highest four. Disability provisions for Tier 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 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Public Act 100-0023, enacted in 2017, creates an optional Tier 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 programs that expire on June 30, 2026. 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 will begin in 2019 and will be funded by bonds issued by the state of Illinois.

Contributions

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

NOTE 6 – RETIREMENT FUND COMMITMENTS (Cont'd)

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2022, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2023, State of Illinois contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of $2,254,542 in pension contributions from the State of Illinois.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2023, were $20,994, and are deferred because they were paid after the June 30, 2022, 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, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling $795 were paid from federal and special trust funds that required employer contributions of $83. These contributions are deferred because they were paid after the June 30, 2022, measurement date.

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2023, the employer paid $-0- to TRS for employer contributions due on salary increases in excess of 6 percent, and $-0- for sick leave days granted in excess of the normal annual allotment.

NOTE 6 – RETIREMENT FUND COMMITMENTS (Cont'd)

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

At June 30, 2022, the employer reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. The state's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the employer were as follows below:

Employer's proportionate share of the net pension liability	$ 330,879
State's proportionate share of the net pension liability associated with the employer	28,701,520
Total	$ 29,032,399

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2022, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2022, the employer's proportion was .0003946532 percent, which was an increase of .0000580109 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the employer recognized pension expense of $2,243,132 and revenue of $2,254,542 for support provided by the state. At June 30, 2023, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods		
Differences between expected and actual experience	$ 665	$ 1,824
Net difference between projected and actual earnings on pension plan investments	303	-
Changes of assumptions	1,526	632
Changes in proportion and differences between employer contributions and proportionate share of contributions	39,520	72,192
Total deferred amounts to be recognized in pension expense in future periods	42,014	74,648
Pension contributions made subsequent to the measurement date	21,077	-
Total	$ 63,091	$ 74,648

NOTE 6 – RETIREMENT FUND COMMITMENTS (Cont'd)

$21,077 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2024. 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 June 30,	Net Deferred Outflows (Inflows) Of Resources
2024	$ (22,365)
2025	(10,722)
2026	(9,446)
2027	5,923
2028	3,977
Total	$ (32,633)

Actuarial Assumptions

The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	Varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

In the June 30, 2022 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, 2021 actuarial valuation, mortality rates were also based on the PubT-2010 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2020.

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:

NOTE 6 – RETIREMENT FUND COMMITMENTS (Cont'd)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	16.3%	5.73%
U.S. equities small/mid cap	1.9%	6.78%
International equities developed	14.1%	6.56%
Emerging market equities	4.7%	8.55%
U.S. bonds core	6.9%	1.15%
Cash equivalents	1.2%	-0.32%
TIPS	0.5%	0.33%
International debt developed	1.2%	6.56%
Emerging international debt	3.7%	3.76%
Real estate	16.0%	5.42%
Private debt	12.5%	5.29%
Hedge funds	4.0%	3.48%
Private equity	15.0%	10.04%
Infrastructure	2.0%	5.86%
Total	100%	

Discount Rate

At June 30, 2022, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2021, 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, 2022, 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 Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) 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	$ 404,667	$ 330,879	$ 269,690

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2022, is available in the separately issued TRS *Comprehensive Annual Financial Report*.

NOTE 6 – RETIREMENT FUND COMMITMENTS (Cont'd)

B. Illinois Municipal Retirement Fund (IMRF)

IMRF Plan Description

The employer'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 employer's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information (RSI). 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 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

- 3% of the original pension amount, or

- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

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

December 31,	2022
Retirees and Beneficiaries currently receiving benefits	24
Inactive Plan Members entitled to but not yet receiving benefits	56
Active Plan Members	25
Total	105

NOTE 6 – RETIREMENT FUND COMMITMENTS (Cont'd)

Contributions

As set by statute, the employer'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 employer's annual required contribution rate for calendar year 2022 was 8.52%. For the fiscal year ended June 30, 2023, the employer contributed $78,311 to the plan. The employer 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 employer's net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2022:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the experience-based table of rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study of the period 2017 to 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.
- For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

NOTE 6 – RETIREMENT FUND COMMITMENTS (Cont'd)

- 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, 2022:

			Projected Returns/Risks	
Asset Class	Target Allocation	Return 12/31/2022	One Year Arithmetic	Ten Year Geometric
Equities	35.5%	-19.12%	7.82%	6.50%
International Equities	18.0%	-17.86%	9.23%	7.60%
Fixed Income	25.5%	-11.83%	5.01%	4.90%
Real Estate	10.5%	12.83%	7.10%	6.20%
Alternatives	9.5%	3.99%		
Private Equity		N/A	13.43%	9.90%
Hedge Funds		N/A	N/A	N/A
Commodities		N/A	7.42%	6.25%
Cash Equivalents	1.0%	31.18%	4.00%	4.00%
Total	100.0%			

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. 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).

NOTE 6 – RETIREMENT FUND COMMITMENTS (Cont'd)

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.05%; and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2021	$ 4,520,285	$ 4,992,215	$ (471,930)
Changes for the year:			
Service Cost	85,420	-	85,420
Interest on the Total Pension Liability	322,358	-	322,358
Differences Between Expected and Actual Experience of the Total Pension Liability	154,482	-	154,482
Changes of Assumptions	-	-	-
Contributions - Employer	-	84,209	(84,209)
Contributions - Employees	-	56,122	(56,122)
Net Investment Income	-	(635,678)	635,678
Benefits Payments, including Refunds of Employee Contributioins	(233,365)	(233,365)	-
Other (Net Transfer)	-	37,938	(37,938)
Net Changes	328,895	(690,774)	1,019,669
Balances at December 31, 2022	$ 4,849,180	$ 4,301,441	$ 547,739

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:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Total Pension Liability	$ 5,377,906	$ 4,849,180	$ 4,415,595
Plan Fiduciary Net Position	4,301,441	4,301,441	4,301,441
Net Pension Liability/(Asset)	$ 1,076,465	$ 547,739	$ 114,154

NOTE 6 – RETIREMENT FUND COMMITMENTS (Cont'd)

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

For the year ended June 30, 2023, the employer recognized pension expense of $138,387. At June 30, 2023, the employer reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods		
Differences between expected and actual experience	$ 85,895	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	796,493	426,144
Total deferred amounts to be recognized in pension expense in future periods	882,388	426,144
Pension contributions made subsequent to the measurement date	35,314	-
Total Deferred Amounts Related to Pensions	$ 917,702	$ 426,144

Amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Ouflows of Resources
2023	$ 64,466
2024	78,761
2025	113,893
2026	199,124
2027	-
Thereafter	-
Total	$ 456,244

C. Aggregate Pension Amounts

For the year ended June 30, 2023, aggregate pension amounts are as follows:

	TRS	IMRF	Total
Deferred Outflows of Resources	$ 63,091	$ 917,702	$ 980,793
Net Pension Liability/(Asset)	330,879	547,739	878,618
Deferred Inflows of Resources	74,648	426,144	500,792
Pension Expense/(Revenue), Net of State Support	(11,410)	138,387	126,977

NOTE 6 – RETIREMENT FUND COMMITMENTS (Cont'd)

D. Social Security/Medicare

Employees not qualifying for coverage under the Illinois Teacher's Retirement System or the Illinois Municipal Retirement Fund are considered "nonparticipating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security/Medicare.

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS

A. Teachers' Health Insurance Security (THIS) Fund

General Information about the Plan

Plan Description

The employer participates in the Teachers' Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago.

Benefits Provided

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 State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund.

Contributions

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

- *On-Behalf Contributions to the THIS Fund*

  The State of Illinois makes employer retiree health insurance contributions on behalf of the employer. State contributions are intended to match contributions to the THIS Fund from active members which were 0.90 percent of pay during the year ended June 30, 2022. State of Illinois contributions were $32,576 and the employer recognized revenue and expenditures of this amount during the year.

- *Employer Contributions to the THIS Fund*

  The employer also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2022. For the year ended June 30, 2022, the employer paid $24,251 to the THIS Fund, which was 100 percent of the required contribution. The contributions are deferred because they were paid after the June 30, 2022 measurement date.

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (Cont'd)

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

At June 30, 2022, the employer reported a liability for its proportionate share of the net THIS liability (first amount shown below). The state's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net THIS liability, the related state support, and the total portion of the net THIS liability that was associated with the employer were as follows:

Employer's proportionate share of the net THIS liability	$	856,613
State's proportionate share of the net THIS liability associated with the employer		1,165,338
Total	$	2,021,951

The net THIS liability was measured as of June 30, 2022, and the total THIS liability used to calculate the net THIS liability was determined by an actuarial valuation as of June 30, 2021, and rolled forward to June 30, 2022. The employer's proportion of the net THIS liability was based on the employer's share of contributions to THIS for the measurement year ended June 30, 2022, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2022, the employer's proportion was 0.012515 percent, which was a decrease of 0.000058 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the employer recognized THIS expense of ($386,507) and revenue of $32,576 for support provided by the state. At June 30, 2023, the employer reported deferred outflows of resources and deferred inflows of resources related to THIS from the following sources:

Deferred Amounts Related to THIS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 560,285
Net difference between projected and actual earnings on pension plan investments	124	20
Changes of assumptions	773	2,113,102
Changes in proportion and differences between employer contributions and proportionate share of contributions	77,351	436,901
Total deferred amounts to be recognized as THIS expense in future periods	78,248	3,110,308
Employer contributions subsequent to the measurement date	32,576	-
Total	$ 110,824	$ 3,110,308

$32,576 reported as deferred outflows of resources related to THIS resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the THIS 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 THIS will be recognized in THIS expense as follows:

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (Cont'd)

Year Ending June 30,	Net Deferred (Inflows) of Resources
2024	$ (497,498)
2025	(464,309)
2026	(414,300)
2027	(401,134)
2028	(396,053)
Thereafter	(858,765)
Total	$ (3,032,059)

Actuarial Assumptions

The total THIS liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified:

Inflation	2.25 percent
Salary increases	Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.
Investment rate of return	2.75 percent, net of THIS plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Trend rates for plan year 2023 are based on actual premium increases. Fornon-medicare costs, trend rates start at 8.00% for plan year 2024 and decrease gradually to an ultimate rate of 4.25% in 2039. For MAPD costs, trend rates are 0.00% in 2024 to 2028, 19.42% in 2029 to 2033 and 5.81% in 2034, declining gradually to an ultimate rate of 4.25% in 2039.

Mortality rates for retirement and beneficiary annuitants were based on the PubT-2010 Retiree Mortality Table, adjusted for TRS experience. For disabled annuitants mortality rates were based on the PubNS-2010 Non-Safety Disabled Retiree Table. Mortality rates for pre-retirement were based on the PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.

The actuarial valuation was based on the Entry Age Normal cost method. Under this method, the normal cost and actuarial accrued liability are directly proportional to the employee's salary. The normal cost rate equals the present value of future benefits at entry age divided by the present value of future salary at entry age. The normal cost at the member's attained age equals the normal cost rate at entry age multiplied by the salary at attained age. The actuarial accrued liability equals the present value of benefits at attained age less present value of future salaries at attained age multiplied by normal cost rate at entry age.

Since THIS is financed on a pays-as-you-go basis, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index.

Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). The discount rates are 1.92 percent as of June 30, 2021, and 3.69 percent as of June 30, 2022.

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (Cont'd)

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

The following table shows the plan's net THIS liability as of June 30, 2022, using the current single discount rate of 3.69 percent and sensitivity single discount rates that are either one percentage point higher or lower:

	1% Decrease (2.69%)	Current Discount Rate (3.69%)	1% Increase (4.69%)
Employer's proportionate share of the net THIS liability	$ 952,011	$ 856,613	$ 758,596

Sensitivity of the Employer's Proportionate Share of the Net THIS Liability to Changes in the Health Care Trend Rate

The following table shows the plan's net THIS liability as of June 30, 2022, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Employer's proportionate share of the net THIS liability	$ 723,862	$ 856,613	$ 1,002,305

Further information on the THIS Fund

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

B. Health Benefit Plan (HBP)

General Information about the Plan

Plan Description

The District's Other Post Employment Benefit Plan (OPEB) is single-employer defined benefit healthcare plan that is administered by the District. The District provides post-employment medical and prescription drug coverage benefits for eligible participants enrolled in the District sponsored plans.

Benefits Provided

For Tier 1 employees, the District pays the cost of single medical coverage on the District plan for 10 years after retirement at the same rate as provided for non-retired employees. For Tier 2 employees, the District pays up to $7,000 per year for single medical coverage on the District plan for 10 years after retirement. If the retiree reaches Medicare eligibility during the payment period, the District pays for Medicare Supplement coverage for the remainder of the period. Eligible dependents may continue coverage on the District plan at their own expense until the earlier of 10 years after retirement of the retiree or dependent reaching Medicare eligibility. For Certified Teachers who retired under the July 1, 2007 – June 30, 2010 contracts, the District pays up to $1,600 per year towards Teachers' Retirement Insurance Program ("TRIP") coverage for the life of the retiree. For Certified Teachers who retired under the July 1, 2010 – June 30, 2012 contracts, the District pays up to $1,600 per year towards Teachers' Retirement Insurance Program ("TRIP") coverage until the earlier of Medicare eligibility or attainment of age 65.

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (Cont'd)

Employees Covered by Benefit Terms

As of June 30, 2023, the following employees were covered by the benefit terms:

June 30,	2023
Retirees and Beneficiaries currently receiving benefits	-
Inactive Plan Members entitled to but not yet receiving benefits	2
Active Plan Members	21
Total	23

Contributions

Contribution requirements are established through contractual agreements and may only be amended through negotiations with the District and union representatives. The retiree is responsible for paying the full monthly premium. However, the District provides an annual reimbursement toward the premium cost at established rates. The District currently pays for postemployment health care benefits on a pay-as-you-go basis. The employer contributed $17,224 for the year ending June 30, 2023.

Net HBP Liability

The employer's net HBP liability was measured as of July 30, 2023. The total HBP liability used to calculate the HBP liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determined total HBP liability at June 30, 2021:

- The *Actuarial Cost Method* used was Entry Age Normal.
- The *Actuarial Valuation Date* is June 1, 2022.
- The *Discount Rate* was 4.13%.
- The *Salary Increase Rate* was 3.00% per year.
- The *Inflation Rate* was 3.00% per year.
- The *Health Care Trend Rate* was 7.40% (HMO) and 7.00% (PPO) at the current rate; 4.50% at the ultimate rate with year reached 2038.
- The *Medicare Eligibility* was all participants are assumed to be eligible for Medicare upon attainment of age 65.
- The *Marriage Assumption* was 25% of active employees are assumed to be married and elect spousal coverage upon retirement. Males are assumed to be three years older than females. Actual spouse data was used for current retirees.
- PubG.H-2010-General Table with future mortality improvements using Scale MP-2020.

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (Cont'd)

Discount Rate

A discount rate of 4.13% was used to measure the total HBP liability. The discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Rates were taken from the S&P municipal bond 20-year high grade rate index as of the measurement dates.

Changes in the Net HBP Liability

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A) - (B)
Balances at June 30, 2022	$ 24,421	$ -	$ 24,421
Changes for the year:			
Service Cost	3,771	-	3,771
Interest	647	-	647
Difference Between Expected and Actual Experience	22,516	-	22,516
Contributions - Employer	-	-	-
Benefits Payments	(17,224)	-	(17,224)
Other Changes	-	-	-
Changes of Assumptions	9,379	-	9,379
Net Changes	19,089	-	19,089
Balances at June 30, 2023	$ 43,510	$ -	$ 43,510

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

The following presents the plan's net HBP liability, calculated using a Discount Rate of 4.13%, as well as what the plan's net HBP liability would be if it were calculated using a Discount Rate that is 1% lower or 1% higher:

	1% Lower (3.13%)	Current Discount (4.13%)	1% Higher (5.13%)
Net HBP Liability	$ 42,368	$ 43,510	$ 44,755

Sensitivity of the Net HBP Liability to Changes in the Health Care Trend Rate

The following presents the plan's net HBP liability, calculated using a variable health care trend rate, as well as what the plan's net HBP liability would be if it were calculated using a Trend Rate that is 1% lower or 1% higher:

	1% Lower	Current Discount Rate	1% Higher
Net HBP Liability	$ 45,145	$ 43,510	$ 42,079

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (Cont'd)

HBP Expense/(Revenue), Deferred Outflows of Resources, and Deferred Inflows of Resources Related to HBP

For the year ended June 30, 2023, the employer recognized HBP expense of $90,874. At June 30, 2023, the employer reported deferred outflows or resources and deferred inflows of resources related to HBP from the following sources:

Deferred Amounts Related to HBP	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 26,999	$ 16,036
Changes of Assumptions and Other Inputs	18,496	3,733
Total	$ 45,495	$ 19,769

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

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2024	$ 3,679
2025	3,679
2026	3,680
2027	2,765
2028	3,529
Thereafter	10,393
Total	$ 27,725

C. Aggregate OPEB Amounts

For the year ended June 30, 2023, aggregate OPEB amounts are as follows:

	THIS	(HBP)	Total
Deferred Outflows of Resources	$ 110,824	$ 45,495	$ 156,319
Net OPEB Liability*	856,613	43,510	900,123
Deferred Inflows of Resources	3,110,308	119,769	3,230,077
OPEB Expense/(Revenue)	(419,080)	90,874	(328,206)

NOTE 8 – JOINT VENTURE – LAGRANGE AREA DEPARTMENT OF SPECIAL EDUCATION (LADSE)

The District and fourteen other school districts within Cook and DuPage Counties have entered into a joint agreement to provide special education services to the students enrolled. Each member district has a financial responsibility for annual and special assessments as established by the Directing Board.

Complete financial statements for LADSE can be obtained from the Administrative Offices at 1301 West Cossitt, LaGrange, Illinois 60525.

NOTE 9 – RISK MANAGEMENT

The District has purchased insurance from various insurance risk pools (see Notes 10 and 11). Risks covered include general liability, workers compensation, and other. Premiums have been reported as expenditures in appropriate funds. There were no significant changes in insurance coverage from the prior year and the number of settlements did not exceed insurance coverage for the last three years.

NOTE 10 – SCHOOL EMPLOYEES LOSS FUND (SELF)

The District is a member of SELF, which has been formed to reduce local school districts' workers' compensation costs. SELF is controlled by a Board of Directors which is composed of representatives designated by each school district. The day-to-day operations of SELF are managed through an Executive Board elected by the Board of Directors. Each member district has a financial responsibility for annual membership contributions, which are calculated to provide for administrative expenses, specific and aggregate excess insurance coverage, and the funding of a portion of anticipated losses and loss adjustment expenses to be borne by the membership are those which must be incurred prior to the attachment of excess insurance coverage.

Complete financial statements for SELF can be obtained from their accountant at Two Pierce Place, Itasca, Illinois 60143.

NOTE 11 – SUBURBAN SCHOOL COOPERATIVE INSURANCE POOL (SSCIP)

The District is a member of SSCIP, which has been formed to provide casualty, property, and liability protections and to administer some or all insurance coverages and protection other than health, life and accident coverages procured by the member districts. SSCIP is controlled by a Board of Directors which is composed of representatives designated by each member. The day-to-day operations of SSCIP are managed through an Executive Board elected by the Board of Directors. It is intended, by the creation of SSCIP to allow a member District to equalize annual fluctuations in insurance costs by establishing a program whereby reserves may be created and temporary deficits of individual districts covered and to ultimately equalize the risks and stabilize the costs of providing casualty, property and liability protections. If, during the fiscal year, the funds on hand in the account of SSCIP are not sufficient to pay expenses of administration, the Board of Directors shall require supplementary payment from all members. Such payment shall be made in the same proportion as prior payments during the year to SSCIP.

Complete financial statements for SSCIP can be obtained from their accountant at Two Pierce Place, Itasca, Illinois 60143.

NOTE 12 – TORT EXPENDITURES

The District spent tort monies on Workers' Compensation $38,822 and Liability/cyber Insurance $79,328 during the fiscal year ended June 30, 2023.

NOTE 13 – STATE AND FEDERAL AID CONTINGENCIES

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

NOTE 14 – COMMITMENTS

As of June 30, 2023, the District has an active construction project for school construction. At year end, the District commitments with contractors are approximately $19,835,082.

NOTE 15 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or available to be issued. There are two types of subsequent events: recognized (events that relate to conditions present at the balance sheet date) and non-recognized (events or conditions that did not exist at the balance sheet date but arose after that date).

There have been no recognized or non-recognized subsequent events that have occurred between June 30, 2023, and the date of this audit report requiring disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

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KOMAREK SCHOOL DISTRICT NO. 94
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE EMPOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' RETIREMENT SYSTEM (TRS) OF THE STATE OF ILLINOIS
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,*	2023	2022	2021
Employer's proportion of the net pension liability	0.000395%	0.000337%	0.000420%
Employer's proportionate share of the net pension liability	$ 330,879	$ 262,619	$ 362,306
State's proportionate share of the net pension liability associated with the employer	28,701,520	22,010,263	28,377,723
Total	$ 29,032,399	$ 22,272,882	$ 28,740,029
Employer's covered-employee payroll	$ 3,439,273	$ 3,134,352	$ 3,374,068
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	9.62%	8.38%	10.74%
Plan fiduciary net position as a percentage of the total pension liability	42.80%	45.10%	37.80%

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

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

2020	2019	2018	2017	2016	2015
0.000457%	0.000473%	0.000660%	0.000485%	0.000498%	0.000766%
$ 370,366	$ 368,561	$ 504,062	$ 382,761	$ 325,967	$ 466,207
26,358,562	25,247,968	23,647,690	25,452,607	19,096,119	18,528,847
$ 26,728,928	$ 25,616,529	$ 24,151,752	$ 25,835,368	$ 19,422,086	$ 18,995,054
$ 3,523,767	$ 3,374,123	$ 3,223,249	$ 3,187,857	$ 2,961,494	$ 2,990,077
10.51%	10.92%	15.64%	12.01%	11.01%	15.59%
39.60%	40.00%	39.30%	36.40%	41.50%	43.00%

KOMAREK SCHOOL DISTRICT NO. 94
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM (TRS) OF THE STATE OF ILLINOIS
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,	2023	2022	2021
Contractually-required contribution	$ 20,994	$ 19,948	$ 18,179
Contributions in relation to the contractually-required contribution	20,909	16,389	18,445
Contribution deficiency/(excess)	$ 85	$ 3,559	$ (266)
Employer's covered-employee payroll	$ 3,619,581	$ 3,439,273	$ 3,134,352
Contributions as a percentage of covered-employee payroll	0.58%	0.48%	0.59%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

2020		2019		2018		2017		2016		2015	
$	19,570	$	20,537	$	21,691	$	26,064	$	18,851	$	17,507
	20,502		20,537		21,881		27,096		18,733		17,498
$	(932)	$	-	$	(190)	$	(1,032)	$	118	$	9
$	3,374,068	$	3,523,767	$	3,374,123	$	3,223,249	$	3,187,857	$	2,961,494
	0.61%		0.58%		0.65%		0.84%		0.59%		0.59%

KOMAREK SCHOOL DISTRICT NO. 94
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)
MOST RECENT CALENDAR YEARS

Calendar year ending December 31,	2022	2021	2020
Total pension liability			
Service cost	$ 85,420	$ 86,617	$ 96,609
Interest on the total pension liability	322,358	308,657	291,015
Difference between expected and actual experience	154,482	19,177	112,020
Changes of assumptions	-	-	(16,341)
Benefit payments	(233,365)	(216,397)	(253,542)
Net change in pension liability	328,895	198,054	229,761
Total pension liability - beginning	4,520,285	4,322,231	4,092,470
Total pension liability - ending (A)	$ 4,849,180	$ 4,520,285	$ 4,322,231
Plan fiduciary net position			
Contributions - employer	$ 84,209	$ 86,135	$ 79,557
Contributions - employees	56,122	41,899	41,726
Net investment income	(635,678)	739,079	524,442
Benefit payments and refunds	(233,365)	(216,397)	(253,542)
Other	37,938	(37,888)	139,313
Net change in plan fiduciary net position	(690,774)	612,828	531,496
Plan fiduciary net position - beginning	4,992,215	4,379,387	3,847,891
Plan fiduciary net position - ending (B)	$ 4,301,441	$ 4,992,215	$ 4,379,387
Net pension liability/(asset) - ending (A) - (B)	$ 547,739	$ (471,930)	$ (57,156)
Plan fiduciary net position as a percentage of total pension liability	88.70%	110.44%	101.32%
Covered valuation payroll	$ 988,361	$ 882,537	$ 927,235
Net pension liability as a percentage of covered valuation payroll	55.42%	-53.47%	-6.16%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

2019	2018	2017	2016	2015	2014
$ 107,162	$ 93,290	$ 98,271	$ 88,795	$ 85,563	$ 90,274
275,070	258,767	260,203	238,988	224,551	207,906
42,428	34,149	(98,420)	116,903	37,008	(16,652)
-	107,447	(105,724)	(4,192)	3,796	122,937
(145,365)	(168,122)	(173,839)	(159,414)	(152,156)	(208,198)
279,295	325,531	(19,509)	281,080	198,762	196,267
3,813,175	3,487,644	3,507,153	3,226,073	3,027,311	2,831,044
$ 4,092,470	$ 3,813,175	$ 3,487,644	$ 3,507,153	$ 3,226,073	$ 3,027,311
$ 78,126	$ 92,135	$ 85,863	$ 82,754	$ 83,736	$ 73,810
45,073	86,904	41,369	39,389	36,337	34,598
597,847	(183,291)	545,785	202,635	14,491	167,043
(145,365)	(168,122)	(173,839)	(159,414)	(152,156)	(208,198)
11,628	(55,058)	(117,166)	26,428	17,572	58,670
587,309	(227,432)	382,012	191,792	(20)	125,923
3,260,582	3,488,014	3,106,002	2,914,210	2,914,230	2,788,307
$ 3,847,891	$ 3,260,582	$ 3,488,014	$ 3,106,002	$ 2,914,210	$ 2,914,230
$ 244,579	$ 552,593	$ (370)	$ 401,151	$ 311,863	$ 113,081
94.02%	85.51%	100.01%	88.56%	90.33%	96.26%
$ 1,001,625	$ 950,824	$ 919,299	$ 856,380	$ 807,493	$ 751,530
24.42%	58.12%	-0.04%	46.84%	38.62%	15.05%

KOMAREK SCHOOL DISTRICT NO. 94
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)
MOST RECENT CALENDAR YEARS

Calendar Year Ending December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2022	$ 84,208	$ 84,209	$ (1)	$ 988,361	8.52%
2021	86,136	86,135	1	882,537	9.76%
2020	89,015	79,557	9,458	927,235	8.58%
2019	78,127	78,126	1	1,001,625	7.80%
2018	92,135	92,135	-	950,824	9.69%
2017	85,863	85,863	-	919,299	9.34%
2016	82,898	82,754	144	856,380	9.66%
2015	83,737	83,736	1	807,493	10.37%
2013	72,147	73,810	(1,663)	751,530	9.82%

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contribution Rate*

Valuation Date

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

Methods and Assumptions Used to Determine 2022 Contribution Rates

Actuarial Cost Method	Aggregate entry age normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	21-year closed period
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	2.75%
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%, 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 2020 valuation pursuant to an experience study of the period 2017 to 2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes	There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

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KOMAREK SCHOOL DISTRICT NO. 94
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE THIS LIABILITY
OTHER POST-EMPLOYMENT BENEFITS (OPEB) - TEACHERS' HEALTH INSURANCE SECURITY (THIS) FUND
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,*	2023	2022	2021
Employer's proportion of the net THIS liability	0.0125%	0.0126%	0.0133%
Employer's proportionate share of the net THIS liability	$ 856,613	$ 2,772,915	$ 3,560,956
State's proportionate share of the net THIS liability associated with the employer	1,165,338	3,759,668	4,824,025
Total	$ 2,021,951	$ 6,532,583	$ 8,384,981
Employer's covered-employee payroll	$ 3,439,273	$ 3,134,352	$ 3,374,068
Employer's proportionate share of the net THIS liability as a percentage of its covered-employee payroll	24.91%	88.47%	105.54%
Plan fiduciary net position as a percentage of the total THIS liability	5.24%	1.40%	0.70%

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

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

2020	2019	2018
0.0145%	0.0143%	0.0140%
$ 4,017,647	$ 3,755,664	$ 3,630,384
5,440,407	5,043,047	4,767,596
$ 9,458,054	$ 8,798,711	$ 8,397,980
$ 3,523,767	$ 3,374,123	$ 3,223,249
114.02%	111.31%	112.63%
0.25%	-0.07%	-0.17%

KOMAREK SCHOOL DISTRICT NO. 94
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS (OPEB) - TEACHERS' HEALTH INSURANCE SECURITY (THIS) FUND
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,	2023	2022	2021
Contractually-required contribution	$ 24,251	$ 23,043	$ 28,836
Contributions in relation to the contractually-required contribution	24,251	23,043	28,836
Contribution deficiency/(excess)	$ -	$ -	$ -
Employer's covered-employee payroll	$ 3,619,581	$ 3,439,273	$ 3,134,352
Contributions as a percentage of covered-employee payroll	0.67%	0.67%	0.92%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

2020		2019		2018	
$	31,041	$	32,419	$	29,692
	31,041		32,419		29,692
$	-	$	-	$	-
$	3,374,068	$	3,523,767	$	3,374,123
	0.92%		0.92%		0.88%

KOMAREK SCHOOL DISTRICT NO. 94
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS (OPEB) - HEALTH BENEFIT PLAN (HBP)
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,*	2023	2022	2021
Total HBP liability			
Service cost	$ 3,771	$ 1,160	$ 1,556
Interest on the total HBP liability	647	25	1,175
Difference between expected and actual experience	22,516	(1,483)	(26,245)
Changes of assumptions	(17,224)	(4,527)	-
Benefit payments	-	558	-
Other changes	9,379	1,589	6,457
Net change in HBP liability	19,089	(2,678)	(17,057)
Total HBP liability - beginning	24,421	27,099	44,156
Total HBP liability - ending	$ 43,510	$ 24,421	$ 27,099
Covered valuation payroll	$ 902,051	$ 862,973	$ 862,973
Net HBP liability as a percentage of covered valuation payroll	4.82%	2.83%	3.14%

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

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

2020		2019		2018	
$	2,046	$	2,239	$	782
	1,755		2,445		3,091
	-		16,610		-
	(45,769)		(45,769)		(31,407)
	89		13,604		-
	230		(4,330)		(1,223)
	(41,649)		(15,201)		(28,757)
	85,805		101,006		129,763
$	44,156	$	85,805	$	101,006
$	1,002,793	$	1,002,793		N/A
	4.40%		8.56%		N/A

KOMAREK SCHOOL DISTRICT NO. 94
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS (OPEB) - HEALTH BENEFIT PLAN (HBP)
MOST RECENT FISCAL YEARS

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Actual Contribution as a % of Covered Valuation Payroll
6/30/2023	$ -	$ 17,224	$ (17,224)	1.91%
6/30/2020	-	45,769	(45,769)	4.56%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

KOMAREK SCHOOL DISTRICT NO. 94
GENERAL FUND
COMBINING BALANCE SHEET
JUNE 30, 2023

	Educational Account	Working Cash Account	Total
ASSETS			
Cash and investments	$ 3,154,734	$ 5,926	$ 3,160,660
Receivables, net of allowance for uncollectibles			
Property taxes	2,688,965	-	2,688,965
Replacement taxes	254,773	-	254,773
Intergovernmental	97,641	-	97,641
Interfund receivables	-	840,000	840,000
Prepaid items	18,191	-	18,191
Total Assets	$ 6,214,304	$ 845,926	$ 7,060,230
LIABILITIES			
Accounts payable	$ 42,309	$ -	$ 42,309
Interfund payables	840,000	-	840,000
Flex benefit	7,962	-	7,962
Salaries and wages payable	479,699	-	479,699
Total Liabilities	1,369,970	-	1,369,970
DEFERRED INFLOWS OF RESOURCES			
Unavailable - property tax revenue	2,595,327	-	2,595,327
Total Deferred Inflows of Resources	2,595,327	-	2,595,327
FUND BALANCES			
Nonspendable	18,191	-	18,191
Restricted	7,028	-	7,028
Unassigned	2,223,788	845,926	3,069,714
Total Fund Balances	2,249,007	845,926	3,094,933
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 6,214,304	$ 845,926	$ 7,060,230

KOMAREK SCHOOL DISTRICT NO. 94
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		
	Original and Final Budget	Educational Account	Working Cash Account
REVENUES			
Local sources	$ 6,044,650	$ 6,342,794	$ 1,944
State sources	694,250	742,374	-
State on-behalf retirement	-	2,287,118	-
Federal sources	1,033,346	660,574	-
Total Revenues	7,772,246	10,032,860	1,944
EXPENDITURES			
Current			
Instruction	4,051,989	3,892,476	-
State on-behalf retirement	-	2,287,118	-
Support services	1,870,415	1,835,933	-
Community services	43,300	26,072	-
Payments to other governmental units	1,088,000	1,037,851	-
Capital outlay	386,670	244,219	-
Total Expenditures	7,440,374	9,323,669	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	331,872	709,191	1,944
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(31,400)	-
Sale of capital assets	3,000	-	-
Leases issued	-	150,461	-
Total Other Financing Sources (Uses)	3,000	119,061	-
NET CHANGE IN FUND BALANCES	$ 334,872	828,252	1,944
FUND BALANCE, BEGINNING		1,420,755	843,982
FUND BALANCE, ENDING		$ 2,249,007	$ 845,926

	2022
Total	Total
$ 6,344,738	$ 7,232,690
742,374	686,540
2,287,118	1,609,661
660,574	877,198
10,034,804	10,406,089
3,892,476	3,854,270
2,287,118	1,609,661
1,835,933	1,865,062
26,072	27,009
1,037,851	1,163,306
244,219	133,174
9,323,669	8,652,482
711,135	1,753,607
(31,400)	(27,554)
-	-
150,461	-
119,061	(27,554)
830,196	1,726,053
2,264,737	538,684
$ 3,094,933	$ 2,264,737

KOMAREK SCHOOL DISTRICT NO. 94
OPERATIONS AND MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	$ 462,230	$ 465,704	$ 495,562
Personal property replacement taxes	-	372	39,898
Rentals	3,300	-	-
Earnings on investments	200	4,839	244
Other	-	3,216	-
Total Local Sources	465,730	474,131	535,704
State Sources			
Other	-	723,440	876,560
Total State Sources	-	723,440	876,560
Federal Sources			
Other	10,000	-	-
Total Federal Sources	10,000	-	-
Total Revenues	475,730	1,197,571	1,412,264
EXPENDITURES			
Support Services			
Facility Acquisition and Construction Services			
Purchased services	-	79,328	-
Total	-	79,328	-
Operations and Maintenance of Plant Services			
Salaries	284,521	302,306	274,389
Employee benefits	46,000	36,463	36,797
Purchased services	155,200	98,970	134,325
Supplies and materials	160,000	119,029	184,736
Capital outlay	13,000	1,951	26,760
Other objects	-	-	(1,094)
Non-capitalized outlay	3,000	805	-
Total	661,721	559,524	655,913
Total Support Services	661,721	638,852	655,913
Total Expenditures	661,721	638,852	655,913

(Continued)

SCHEDULE 3
(Concluded)

KOMAREK SCHOOL DISTRICT NO. 94
OPERATIONS AND MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (185,991)	$ 558,719	$ 756,351
OTHER FINANCING (USES)			
Transfers out	(830,000)	(1,500,000)	-
Total Other Financing (Uses)	(830,000)	(1,500,000)	-
NET CHANGE IN FUND BALANCES	$ (1,015,991)	(941,281)	756,351
FUND BALANCE, BEGINNING OF YEAR		1,391,790	635,439
FUND BALANCE, END OF YEAR		$ 450,509	$ 1,391,790

KOMAREK SCHOOL DISTRICT NO. 94
TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	$ 107,590	$ 77,701	$ 101,158
Earnings on investments	200	3,214	247
Total Local Sources	107,790	80,915	101,405
State Sources			
Transportation aid - regular	300	-	227
Transportation - special education	60,000	64,085	37,363
Total State Sources	60,300	64,085	37,590
Federal Sources			
Other	2,420	-	-
Total Federal Sources	2,420	-	-
Total Revenues	170,510	145,000	138,995
EXPENDITURES			
Support Services			
Pupil Transportation Services			
Purchased services	170,420	243,456	150,179
Total	170,420	243,456	150,179
Total Support Services	170,420	243,456	150,179
Total Expenditures	170,420	243,456	150,179
NET CHANGE IN FUND BALANCES	$ 90	(98,456)	(11,184)
FUND BALANCE, BEGINNING OF YEAR		261,364	272,548
FUND BALANCE, END OF YEAR		$ 162,908	$ 261,364

SCHEDULE 5

KOMAREK SCHOOL DISTRICT NO. 94
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	$ 208,000	$ 182,932	$ 216,046
Personal property replacement taxes	100,000	100,000	50,008
Earnings on investments	100	1,020	90
Total Local Sources	308,100	283,952	266,144
Total Revenues	308,100	283,952	266,144
EXPENDITURES			
Employee Benefits			
Instruction			
Regular programs	27,312	32,515	39,496
Pre-K programs	7,530	9,555	7,284
Special education programs	40,874	38,268	37,767
Interscholastic programs	2,563	2,514	2,455
Summer school programs	145	234	117
Bilingual programs	1,472	1,176	1,284
Total Instruction	79,896	84,262	88,403
Support Services			
Pupil Services			
Attendance and social work services	1,558	1,508	1,581
Health services	12,122	11,301	11,462
Speech pathology and audiology services	1,300	1,581	1,520
Total Pupil Services	14,980	14,390	14,563
Instructional Staff			
Educational media services	884	961	851
Total Instructional Staff	884	961	851
General Administration			
Board services	9,850	10,660	11,008
Executive administration services	2,275	2,698	2,550
Total General Administration	12,125	13,358	13,558

(Continued)

SCHEDULE 5
(Concluded)

KOMAREK SCHOOL DISTRICT NO. 94
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
EXPENDITURES			
Employee Benefits			
Support Services			
School Administration			
Office of the principal services	$ 6,964	$ 9,610	$ 7,689
Total School Administration	6,964	9,610	7,689
Business			
Fiscal services	20,400	29,671	25,610
Operation and maintenance of plant services	42,050	46,491	45,123
Food services	6,175	6,042	4,273
Total Business	68,625	82,204	75,006
Total Support Services	103,578	120,523	111,667
Community Services	1,725	2,828	4,075
Total Employee Benefits	185,199	207,613	204,145
Total Expenditures	185,199	207,613	204,145
NET CHANGE IN FUND BALANCES	$ 122,901	76,339	61,999
FUND BALANCE, BEGINNING OF YEAR		82,351	20,352
FUND BALANCE, END OF YEAR		$ 158,690	$ 82,351

NOTE 1 – TEACHERS' RETIREMENT SYSTEM (TRS) OF THE STATE OF ILLINOIS

Changes of Assumptions

For the 2022 measurement year, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated Sept. 30, 2021.

For the 2021-2017 measurement years, the assumed investment rate of return was 7.0, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively.

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

NOTE 2 – TEACHERS' HEALTH INSURANCE SECURITY (THIS) FUND

Changes of Assumptions

The discount rate was changed from 1.92 percent at June 30, 2021, to 3.69 percent at June 30, 2022. The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2021, projected plan cost for plan year end June 30, 2022, premium changes through plan year end 2023, and expectation of future trend increases after June 30, 2022. Per capita claim costs for plan year end June 30, 2022, were updated based on projected claims and enrollment experience through June 30, 2022, and updated premium rates through plan year 2023. Effective as of January 1, 2023, projected per capita costs reflect the newly established zero premium MAPD plan. Healthcare plan participation rates by plan were updated based on observed experience.

Amounts reported in 2022 reflect an investment rate of return of 2.75 percent, an inflation rate of 2.25 percent, and salary increases that vary by service credit. Amounts reported in 2021 reflect an investment rate of return of 2.75 percent, an inflation rate of 2.50 percent, and salary increases that vary by service credit. Amounts reported in 2020 reflect an investment rate of return of 2.75 percent, an inflation rate of 2.50 percent, and salary increases that vary by service credit. Amounts reported in 2019 reflect an investment rate of return of 0.00 percent, an inflation rate of 2.50 percent and salary increases that vary by amount of service credit. Amounts reported in 2018 reflect an investment rate of return of 0.00 percent, an inflation rate of 2.50, and salary increases that vary by service credit. In 2017, assumptions used were an investment rate of return of 0.00 percent, and inflation rate of 2.75 percent, and salary increases that vary by amount of service. In 2016, assumptions used were an investment rate of return of 0.00 percent, and inflation rate of 2.75 percent, and salary increases that vary by amount of service. In 2015 and 2014, assumptions used were an investment rate of return of 4.50 percent, and inflation rate of 3.00 percent, and salary increases that vary by amount of service.

NOTE 3 – HEALTH BENEFIT PLAN (HBP)

Changes in Assumptions

The discount rate was changed from 4.09% to 4.13% for the current year.

NOTE 4 – BUDGETS AND BUDGETARY ACCOUNTING

The budget is prepared on the accrual basis of accounting which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. The original budget was passed September 13, 2022.

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

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

1. After July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures disbursed and the means of financing them.

2. Public hearings are conducted at a public meeting to obtain taxpayer comments.

3. Prior to October 1, the budget is legally adopted through passage of a resolution.

4. The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund; however, any revisions that alter the total expenditures disbursed of any fund must be approved by the Board of Education after a public hearing.

5. Formal budgetary integration is employed as a management control device during the year. The District adopts an interim budget for the period of July 1 through September 30 at which time an annual budget is adopted.

6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

EXPENDITURES IN EXCESS OF BUDGET

For the year ended June 30, 2023, actual expenditures exceeded budgeted expenditures in the Educational Account (General Fund) by $1,883,295. The over-expenditures in the General Fund were mainly due to non-budgeted on-behalf payments of $2,287,118. The Municipal Retirement Fund over-expended by $22,414 was covered by existing fund balances. The Transportation Fund over-expended by $73,036 was covered by existing fund balances.

BUDGET AND BOOK BASIS OF ACCOUNTING

The major differences between the budget and the modified accrual basis are as follows:

1. Revenues, primarily property tax revenues, are recorded when received in cash (budget) as opposed to when susceptible to accrual (modified accrual).

2. Expenditures, primarily payroll expenditures, are recorded when cash is disbursed as determined by the date of the check (budget) as opposed to when the liability is incurred (modified accrual).

Adjustments necessary to convert the results of operations and fund balances as of June 30, 2023, on the modified accrual basis for governmental funds to the budget basis are as follows:

NOTE 4 – BUDGETS AND BUDGETARY ACCOUNTING (Cont'd)

Net Change in Fund Balances as of June 30, 2023		
Modified accrual basis:		
General Fund	$ 830,196	
Operations and Maintenance Fund	(941,281)	
Transportation Fund	(98,456)	
Municipal Retirement Fund	76,339	
Debt Service Fund	72,540	
Capital Projects Fund	(4,203,394)	
Fire Prevention and Safety Fund	20	$ (4,264,036)
Due to revenues:		
Received in cash during year but accrued as receivables, net of deferred revenue (modified accrual) at June 30, 2022		769,766
Accrued as receivables net of deferred revenue (modified accrual) at June 30, 2023, but not recognized in budget		(1,482,795)
Due to expenditures:		
Paid in cash during year but accrued as liability (modified accrual) at June 30, 2022		(1,317,829)
Accrued as liability (modified accrual) at June 30, 2022, but not recognized in budget		1,562,412
Budget basis		$ (4,732,482)

Fund Balance as of June 30, 2023	
Modified accrual basis	$ 5,769,022
Due to revenues:	
Accrued as receivables net of deferred revenue (modified accrual) at June 30, 2022, but not recognized in budget	(1,482,795)
Due to expenditures:	
Accrued as liability (modified accrual) at June 30, 2022, but not recognized in budget	1,562,412
Budget basis	$ 5,848,639

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SUPPLEMENTARY INFORMATION

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KOMAREK SCHOOL DISTRICT NO. 94
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	$ 4,382,582	$ 4,212,100	$ 4,662,317
Special education levy	433,768	448,599	476,090
Personal property replacement taxes	1,100,000	1,564,940	1,974,380
Earnings on investments	1,100	33,446	1,326
Gain or (loss) on sale of investments	-	-	1,028
Preschool tuition	6,500	-	5,375
Summer school tuition	2,000	836	3,080
Before/after tuition	10,000	10,325	51,583
Sales to pupils - lunch	30,200	3,057	(350)
Sales to pupils - a la carte	500	-	5,116
Pupil activities	5,000	11,022	3,657
Student activities revenues	-	10,706	16,439
Rentals - regular textbooks	24,500	25,644	23,600
Technology fees	-	16,989	12,788
Rentals - other	-	-	2,113
Contributions and donations	7,500	1,500	-
Other	40,000	3,630	(6,155)
Total Local Sources	6,043,650	6,342,794	7,232,387
State Sources			
Evidence based funding formula	550,850	558,193	547,411
Special education - private facility	41,000	54,906	42,675
Special education - orphanage	5,000	18,033	(5,832)
State on-behalf revenue	-	2,287,118	1,609,661
Bilingual education	4,400	-	4,380
State free lunch and breakfast	3,000	281	3,349
Early childhood - block grant	85,000	110,961	78,169
Other	5,000	-	16,388
Total State Sources	694,250	3,029,492	2,296,201

(Continued)

KOMAREK SCHOOL DISTRICT NO. 94
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
REVENUES			
Federal Sources			
Title I - low income	$ 58,302	$ 55,377	$ 80,837
Title II -teacher quality	14,500	17,771	11,805
Title III - english language acquisition	-	4,314	-
Title IV - student support and academic enrichment	10,000	12,455	10,000
School breakfast program	7,000	5,353	7,420
Summer food service	-	-	34,965
National school lunch program	100,000	98,088	133,786
Federal special education - preschool flow through	5,000	4,789	4,152
Federal special education - flow through	100,000	107,162	102,366
Federal special education - room and board	5,000	-	-
Commodities	-	13,290	16,123
Medicaid matching - administrative outreach	10,000	13,554	12,622
Medicaid matching - fee-for-service	25,000	16,438	10,883
Other	698,544	311,983	452,239
Total Federal Sources	1,033,346	660,574	877,198
Total Revenues	7,771,246	10,032,860	10,405,786
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	2,088,554	2,126,122	2,096,741
Employee benefits	367,995	248,736	339,861
State on-behalf expenditures	-	2,287,118	1,609,661
Purchased services	79,800	11,234	40,569
Supplies and materials	159,746	90,171	141,996
Capital outlay	18,000	-	7,405
Other	53,500	37,623	41,517
Total	2,767,595	4,801,004	4,277,750
Pre-K Programs			
Salaries	112,401	151,365	104,349
Employee benefits	24,852	41,636	27,087
Purchased services	1,000	1,495	283
Supplies and materials	4,000	8,419	1,950
Capital outlay	8,000	1,949	-
Total	150,253	204,864	133,669

(Continued)

KOMAREK SCHOOL DISTRICT NO. 94
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
EXPENDITURES			
Instruction			
Special Programs			
Salaries	$ 648,452	$ 640,954	$ 564,339
Employee benefits	154,000	174,099	143,842
Purchased services	4,000	24,597	3,142
Supplies and materials	12,000	6,942	7,888
Capital outlay	500	530	-
Total	818,952	847,122	719,211
Interscholastic Programs			
Salaries	176,797	172,453	170,507
Employee benefits	18,210	30,035	20,074
Purchased services	3,200	3,205	2,770
Supplies and materials	1,500	6,623	1,294
Total	199,707	212,316	194,645
Summer School Programs			
Salaries	15,000	7,969	8,228
Employee benefits	100	164	137
Supplies and materials	500	-	-
Total	15,600	8,133	8,365
Bilingual Programs			
Salaries	101,492	80,634	98,283
Employee benefits	12,790	12,848	13,979
Purchased services	2,300	180	987
Supplies and materials	9,800	2,713	9,883
Total	126,382	96,375	123,132
Student Activities			
Other	-	12,259	14,564
Total	-	12,259	14,564
Total Instruction	4,078,489	6,182,073	5,471,336

(Continued)

KOMAREK SCHOOL DISTRICT NO. 94
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
EXPENDITURES			
Support Services			
Pupils			
Attendance and Social Work Services			
Salaries	$ 107,451	$ 102,539	$ 109,487
Employee benefits	10,343	22,011	11,953
Supplies and materials	4,175	3,566	3,303
Total	121,969	128,116	124,743
Health Services			
Salaries	78,708	78,946	73,867
Employee benefits	9,914	11,604	11,238
Purchased services	5,000	-	8,700
Supplies and materials	4,000	257	4,548
Total	97,622	90,807	98,353
Speech Pathology and Audiology Services			
Salaries	110,333	111,085	106,450
Employee benefits	22,695	23,746	22,226
Supplies and materials	750	394	668
Total	133,778	135,225	129,344
Total Pupils	353,369	354,148	352,440
Instructional Staff			
Improvement of Instruction Services			
Employee benefits	3,000	3,690	2,700
Purchased services	32,000	9,403	10,208
Total	35,000	13,093	12,908
Education Media Services			
Salaries	109,041	82,676	66,247
Employee benefits	21,222	21,349	10,216
Purchased services	55,920	79,443	56,169
Supplies and materials	146,501	78,793	214,265
Capital outlay	358,170	91,279	123,752
Total	690,854	353,540	470,649

(Continued)

KOMAREK SCHOOL DISTRICT NO. 94
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
EXPENDITURES			
Support Services			
Assessment and Testing Services			
Supplies and materials	$ 11,000	$ 4,940	$ 5,000
Total	11,000	4,940	5,000
Total Instructional Staff	736,854	371,573	488,557
General Administration			
Board of Education Services			
Salaries	72,928	75,305	71,129
Benefits	11,000	11,046	12,192
Purchased services	87,000	88,587	108,226
Supplies and materials	4,000	1	795
Capital outlay	-	150,461	-
Other	6,500	12,113	6,599
Total	181,428	337,513	198,941
Executive Administration Services			
Salaries	169,601	169,592	160,317
Employee benefits	62,500	54,084	51,294
Purchased services	2,000	954	1,283
Other	1,800	2,758	2,945
Total	235,901	227,388	215,839
Total General Administration	417,329	564,901	414,780
School Administration			
Office of the Principal Services			
Salaries	237,627	238,067	209,504
Employee benefits	67,718	79,493	72,531
Purchased services	500	64	-
Supplies and materials	700	178	25
Other	500	608	-
Total	307,045	318,410	282,060
Total School Administration	307,045	318,410	282,060

(Continued)

KOMAREK SCHOOL DISTRICT NO. 94
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
EXPENDITURES			
Support Services			
Business			
Fiscal Services			
Salaries	$ 183,958	$ 242,142	$ 180,454
Employee benefits	20,000	28,802	20,346
Purchased services	21,500	28,412	19,910
Supplies and materials	100	232	121
Other	350	855	-
Total	225,908	300,443	220,831
Operation and Maintenance of Plant Services			
Supplies and materials	-	-	1,775
Total	-	-	1,775
Food Services			
Salaries	80,000	84,019	76,262
Employee benefits	780	(1,876)	-
Purchased services	-	1,667	771
Supplies and materials	107,300	84,388	151,338
Capital outlay	2,000	-	2,017
Total	190,080	168,198	230,388
Total Business	415,988	468,641	452,994
Total Support Services	2,230,585	2,077,673	1,990,831
Community Services			
Salaries	39,000	25,723	26,053
Employee benefits	-	-	1
Purchased services	4,000	173	874
Supplies and materials	300	176	81
Total Community Services	43,300	26,072	27,009

(Continued)

KOMAREK SCHOOL DISTRICT NO. 94
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
EXPENDITURES			
Payments to Other Gov't Units			
Payments for Special Education Programs			
Purchased services	$ 625,000	$ 395,762	$ 640,381
Tuition	63,000	-	10,172
Other Payments to Gov't Units			
Other	400,000	642,089	512,753
Total Payments to Other Gov't Units	1,088,000	1,037,851	1,163,306
Total Expenditures	7,440,374	9,323,669	8,652,482
EXCESS OF REVENUES OVER EXPENDITURES	330,872	709,191	1,753,304
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(31,400)	(27,554)
Sale of capital assets	3,000	-	-
Leases issued	-	150,461	-
Total Other Financing Sources (Uses)	3,000	119,061	(27,554)
NET CHANGE IN FUND BALANCES	$ 333,872	828,252	1,725,750
FUND BALANCE/(DEFICIT), BEGINNING OF YEAR		1,420,755	(304,995)
FUND BALANCE, END OF YEAR		$ 2,249,007	$ 1,420,755

KOMAREK SCHOOL DISTRICT NO. 94
WORKING CASH ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
REVENUES			
Local Sources			
General levy	$ -	$ -	$ (508)
Earnings on investments	1,000	1,944	811
Total Local Sources	1,000	1,944	303
Total Revenues	1,000	1,944	303
EXPENDITURES	-	-	-
NET CHANGE IN FUND BALANCES	$ 1,000	1,944	303
FUND BALANCE, BEGINNING OF YEAR		843,982	843,679
FUND BALANCE, END OF YEAR		$ 845,926	$ 843,982

KOMAREK SCHOOL DISTRICT NO. 94
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
REVENUES			
Local Sources			
General tax levy	$ 2,110,000	$ 1,988,392	$ 2,210,164
Earnings on investments	-	6,006	912
Total Local Sources	2,110,000	1,994,398	2,211,076
Total Revenues	2,110,000	1,994,398	2,211,076
EXPENDITURES			
Debt Service			
Principal	1,203,000	912,981	934,467
Interest	850,000	1,038,602	1,086,893
Other	-	1,675	3,625
Total Debt Service	2,053,000	1,953,258	2,024,985
Total Expenditures	2,053,000	1,953,258	2,024,985
EXCESS OF REVENUES OVER EXPENDITURES	57,000	41,140	186,091
OTHER FINANCING SOURCES			
Transfers in	-	31,400	27,554
Total Other Financing Sources	-	31,400	27,554
NET CHANGE IN FUND BALANCES	$ 57,000	72,540	213,645
FUND BALANCE, BEGINNING OF YEAR		629,478	415,833
FUND BALANCE, END OF YEAR		$ 702,018	$ 629,478

KOMAREK SCHOOL DISTRICT NO. 94
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
REVENUES			
Local Sources			
Personal property replacement taxes	$ -	$ 488,909	$ -
Earnings on investments	50,000	(33,239)	49,102
Total Local Sources	50,000	455,670	49,102
State Sources			
Other	670,000	-	-
Total State Sources	670,000	-	-
Total Revenues	720,000	455,670	49,102
EXPENDITURES			
Support Services			
Facilities Acquisition and Construction Services			
Salaries	28,000	-	26,698
Purchased services	-	150,616	727,344
Capital outlay	7,625,000	6,008,448	14,976,211
Total Support Services	7,653,000	6,159,064	15,730,253
Total Expenditures	7,653,000	6,159,064	15,730,253
(DEFICIENCY) OF REVENUES (UNDER) EXPENDITURES	(6,933,000)	(5,703,394)	(15,681,151)
OTHER FINANCING SOURCES			
Transfers in	830,000	1,500,000	-
Total Other Financing Sources	830,000	1,500,000	-
NET CHANGE IN FUND BALANCES	$ (6,103,000)	(4,203,394)	(15,681,151)
FUND BALANCE, BEGINNING OF YEAR		5,401,867	21,083,018
FUND BALANCE, END OF YEAR		$ 1,198,473	$ 5,401,867

KOMAREK SCHOOL DISTRICT NO. 94
FIRE PREVENTION AND SAFETY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		2022
	Original and Final Budget	Actual	Actual
REVENUES			
Local Sources			
Earnings on investments	$ 2	$ 20	$ 2
Total Local Sources	2	20	2
Total Revenues	2	20	2
EXPENDITURES	-	-	-
NET CHANGE IN FUND BALANCES	$ 2	20	2
FUND BALANCE, BEGINNING OF YEAR		1,471	1,469
FUND BALANCE, END OF YEAR		$ 1,491	$ 1,471

KOMAREK SCHOOL DISTRICT NO. 94
SCHEDULE OF ASSESSED VALUATIONS AND TAX EXTENSIONS
JUNE 30, 2023

	TAX LEVY YEAR		
	2022	2021	2020
Assessed Valuation	$ 181,850,942	$ 187,110,918	$ 199,468,104
Tax Extensions By Levy			
Educational	$ 4,560,840	$ 4,186,034	$ 4,125,305
Levy adj. PA 102-0519	133,612	75,022	-
Special Education	498,520	461,183	429,768
Operations and Maintenance	335,579	472,770	454,230
Bond and Interest	2,037,166	2,037,218	2,039,441
Transportation	82,400	81,370	106,090
Municipal Retirement	189,520	195,700	206,000
Working Cash	-	-	1
Total	$ 7,837,637	$ 7,509,297	$ 7,360,835
Tax Rates			
Educational	2.5080	2.2372	2.0682
Levy adj. PA 102-0519	0.0735	0.0401	-
Special Education	0.2741	0.2465	0.2155
Operations and Maintenance	0.1845	0.2527	0.2277
Bond and Interest	1.1203	1.0888	1.0224
Transportation	0.0453	0.0435	0.0532
Municipal Retirement	0.1042	0.1046	0.1033
Working Cash	-	-	-
Total	4.3099	4.0134	3.6903

KOMAREK SCHOOL DISTRICT NO. 94
SCHEDULE OF BONDED DEBT MATURITIES AND INTEREST
JUNE 30, 2023

LIMITED REFUNDING SCHOOL BONDS - ISSUE OCTOBER 3, 2012

Bond maturity:	December 1
Interest date:	June and December 1
Interest rate:	2.00% - 3.00%
Paying agent:	Wells Fargo Bank

FISCAL YEAR	BONDS ISSUED	BONDS DEFEASED	INTEREST PAYABLE	TOTAL
2024	$ 345,000	$ 125,000	$ 3,300	$ 223,300
Total	$ 345,000	$ 125,000	$ 3,300	$ 223,300

KOMAREK SCHOOL DISTRICT NO. 94
SCHEDULE OF BONDED DEBT MATURITIES AND INTEREST
JUNE 30, 2023

LIMITED SCHOOL BONDS - ISSUE JUNE 4, 2014

Bond maturity: December 1
Interest date: June and December 1
Interest rate: 4.00% - 4.95%
Paying agent: Wells Fargo Bank

FISCAL YEAR	BONDS ISSUED	BONDS DEFEASED	INTEREST PAYABLE	TOTAL
2024	$ -	$ -	$ 90,338	$ 90,338
2025	275,000	50,000	85,838	310,838
2026	285,000	50,000	76,461	311,461
2027	295,000	50,000	66,318	311,318
2028	310,000	55,000	55,376	310,376
2029	325,000	60,000	43,608	308,608
2030	340,000	60,000	30,862	310,862
2031	355,000	65,000	17,180	307,180
2032	205,000	-	5,074	210,074
Total	$ 2,390,000	$ 390,000	$ 471,055	$ 2,471,055

KOMAREK SCHOOL DISTRICT NO. 94
SCHEDULE OF BONDED DEBT MATURITIES AND INTEREST
JUNE 30, 2023

LIMITED SCHOOL BONDS - ISSUE APRIL 27, 2017

Bond maturity:	December 1
Interest date:	June and December 1
Interest rate:	4.125% - 4.375%
Paying agent:	Wells Fargo Bank

FISCAL YEAR	BONDS ISSUED	BONDS DEFEASED	INTEREST PAYABLE	TOTAL
2024	$ -	$ -	$ 79,050	$ 79,050
2025	-	-	79,050	79,050
2026	-	-	79,050	79,050
2027	-	-	79,050	79,050
2028	-	-	79,050	79,050
2029	-	-	79,050	79,050
2030	-	-	79,050	79,050
2031	-	-	79,050	79,050
2032	100,000	-	76,988	176,988
2033	320,000	-	68,325	388,325
2034	335,000	-	54,816	389,816
2035	350,000	-	40,250	390,250
2036	365,000	-	24,607	389,607
2037	380,000	-	8,314	388,314
Total	$ 1,850,000	$ -	$ 905,700	$ 2,755,700

KOMAREK SCHOOL DISTRICT NO. 94
SCHEDULE OF BONDED DEBT MATURITIES AND INTEREST
JUNE 30, 2023

SCHOOL BUILDING BONDS - ISSUE JULY 27, 2020

Bond maturity:	December 1
Interest date:	June and December 1
Interest rate:	4.00% - 5.00%
Paying agent:	Zions Bancorporation, N.A.

FISCAL YEAR	BONDS ISSUED	BONDS DEFEASED	INTEREST PAYABLE	TOTAL
2024	$ 705,000	$ -	$ 792,425	$ 1,497,425
2025	740,000	-	756,300	1,496,300
2026	780,000	-	718,300	1,498,300
2027	820,000	-	678,300	1,498,300
2028	860,000	-	636,300	1,496,300
2029	900,000	-	592,300	1,492,300
2030	950,000	-	550,800	1,500,800
2031	985,000	-	512,100	1,497,100
2032	1,025,000	-	471,900	1,496,900
2033	1,065,000	-	430,100	1,495,100
2034	1,110,000	-	386,600	1,496,600
2035	1,155,000	-	341,300	1,496,300
2036	1,200,000	-	294,200	1,494,200
2037	1,245,000	-	245,300	1,490,300
2038	1,295,000	-	194,500	1,489,500
2039	1,350,000	-	141,600	1,491,600
2040	1,405,000	-	86,500	1,491,500
2041	1,460,000	-	29,200	1,489,200
Total	$ 19,050,000	$ -	$ 7,858,025	$ 26,908,025

KOMAREK SCHOOL DISTRICT NO. 94
SCHEDULE OF BONDED DEBT MATURITIES AND INTEREST
JUNE 30, 2023

LIMITED TAXABLE BONDS - ISSUE DECEMBER 15, 2020

Bond maturity: December 1
Interest date: June and December 1
Interest rate: 0.70% - 3.20%
Paying agent: Zions Bancorporation, N.A.

FISCAL YEAR	BONDS ISSUED	BONDS DEFEASED	INTEREST PAYABLE	TOTAL
2024	$ -	$ -	$ 29,120	$ 29,120
2025	-	-	29,120	29,120
2026	-	-	29,120	29,120
2027	-	-	29,120	29,120
2028	-	-	29,120	29,120
2029	-	-	29,120	29,120
2030	-	-	29,120	29,120
2031	-	-	29,120	29,120
2032	-	-	29,120	29,120
2033	-	-	29,120	29,120
2034	-	-	29,120	29,120
2035	-	-	29,120	29,120
2036	-	-	29,120	29,120
2037	-	-	29,120	29,120
2038	220,000	-	25,600	245,600
2039	225,000	-	18,480	243,480
2040	230,000	-	11,200	241,200
2041	235,000	-	3,760	238,760
Total	$ 910,000	$ -	$ 466,720	$ 1,376,720

SCHEDULE 17

KOMAREK SCHOOL DISTRICT NO. 94
SCHEDULE OF PER CAPITA TUITION CHARGE
AND AVERAGE DAILY ATTENDANCE
MOST RECENT FISCAL YEARS

	Year Ended June 30,		
	2023	2022	2021
Average Daily Attendance	416.98	417.91	468.60
Operating costs			
Educational	$ 7,011,002	$ 7,012,134	$ 6,086,132
Operations and maintenance	638,852	655,913	535,808
Bond and interest	1,953,258	2,024,985	1,210,465
Transportation	243,456	150,179	68,658
Municipal retirement/social security	207,613	204,145	191,465
Subtotal	10,054,181	10,047,356	8,092,528
Less revenues/expenditures of non-regular programs			
Pre-K	212,470	140,953	126,765
Summer school	8,367	8,482	14,431
Capital outlay	246,170	159,934	115,982
Non-capitalized equipment	805	-	211
Debt principal retired	912,981	934,467	225,677
Payments to other districts & gov't units	1,037,851	1,163,306	815,985
Community services	28,900	31,084	355
Subtotal	2,447,544	2,438,226	1,299,406
Operating Costs	7,606,637	7,609,130	6,793,122
Operating Costs Per Pupil	18,242	18,208	14,497
Tuition Charge			
Operating costs	7,606,637	7,609,130	6,793,122
Less-revenues from specific programs	1,791,888	2,109,569	838,193
Net Operating Costs	5,814,749	5,499,561	5,954,929
Depreciation Allowance	175,326	163,289	153,377
Allowable Tuition Costs	5,990,075	5,662,850	6,108,306
Tuition Charge Per Pupil - Based on ADA	$ 14,365	$ 13,550	$ 13,035

KOMAREK SCHOOL DISTRICT NO. 94
STUDENT ACTIVITIES (INCLUDED IN EDUCATIONAL ACCOUNT)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2023

	Beginning Balance	Revenues	Expenditures	Ending Balance
Komarek School	$ 8,581	$ 10,706	$ 12,259	$ 7,028
Total	$ 8,581	$ 10,706	$ 12,259	$ 7,028