



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

**ANNUAL FINANCIAL REPORT**

**JUNE 30, 2023**

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## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Financial Statements

#### ***Opinions***

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

Millburn Community Consolidated School District No. 24

as of and for the year ended June 30, 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Millburn Community Consolidated School District No. 24 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Change in Accounting Principle***

As described in Note 17 to the financial statements during the year, the District implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

## ***Responsibilities of Management for the Financial Statements***

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

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Millburn Community Consolidated School District No. 24's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Millburn Community Consolidated School District No. 24's ability to continue as a going concern for a reasonable period of time.

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

## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial

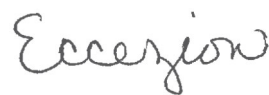
statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information as listed in the table of contents and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information, except for the average daily attendance figure included in the computation of operating expense per pupil and per capita tuition charges, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2023 on our consideration of Millburn Community Consolidated School District No. 24's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Millburn Community Consolidated School District No. 24's internal control over financial reporting and compliance.



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McHenry, Illinois  
December 5, 2023



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS

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

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

Millburn Community Consolidated School District No. 24

as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Millburn Community Consolidated School District No. 24's basic financial statements, and have issued our report thereon dated December 5, 2023.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Millburn Community Consolidated School District No. 24's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Millburn Community Consolidated School District No. 24's internal control. Accordingly, we do not express an opinion on the effectiveness of Millburn Community Consolidated School District No. 24's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies.



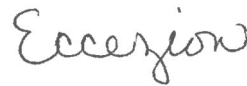
Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Millburn Community Consolidated School District No. 24's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001.

### ***Purpose of this Report***

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



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McHenry, Illinois  
December 5, 2023

## REQUIRED SUPPLEMENTARY INFORMATION

**MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2023**

The Management's Discussion and Analysis of Millburn Community Consolidated School District No. 24's (District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 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.

**Overview of the Financial Statements**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### **Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$12,607,355 at the close of the most recent fiscal year.

The following table presents a summary of the District's net position for the years ended June 30, 2023 and 2022:

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

	Governmental Activities	
	2023	2022
<b>Assets</b>		
Current and Other Assets	\$ 25,322,980	\$ 23,685,180
Capital/Lease Assets	22,419,538	23,166,578
<b>Total Assets</b>	<b>\$ 47,742,518</b>	<b>\$ 46,851,758</b>
<b>Deferred Outflow s of Resources</b>		
Deferred Outflow s Related to OPEB - THIS	\$ 209,620	\$ 260,004
Deferred Outflow s Related to OPEB - Other	37,334	36,800
Deferred Outflow s Related to Pensions - IMRF	1,165,958	366,286
Deferred Outflow s Related to Pensions - TRS	55,757	54,760
<b>Total Deferred Outflow s of Resources</b>	<b>\$ 1,468,669</b>	<b>\$ 717,850</b>
<b>Liabilities</b>		
Other Liabilities	\$ 1,541,264	\$ 1,549,150
Long-Term Liabilities Outstanding	5,422,013	10,674,528
Net OPEB Liability - THIS	2,061,186	6,708,885
Total OPEB Liability - Other	603,183	635,455
Net Pension Liability - IMRF	2,330,244	262,884
Net Pension Liability - TRS	681,016	687,094
<b>Total Liabilities</b>	<b>\$ 12,638,906</b>	<b>\$ 20,517,996</b>
<b>Deferred Inflow s of Resources</b>		
Unavailable Revenue - Property Taxes	\$ 17,002,756	\$ 16,747,443
Deferred Inflow s Related to OPEB - THIS	6,704,105	3,049,284
Deferred Inflow s Related to OPEB - Other	141,476	113,137
Deferred Inflow s Related to Pensions - TRS	100,981	121,044
Deferred Inflow s Related to Pensions - IMRF	15,608	1,055,071
<b>Total Deferred Inflow s of Resources</b>	<b>\$ 23,964,926</b>	<b>\$ 21,085,979</b>
<b>Net Position</b>		
Net Investment in Capital Assets	\$ 17,231,084	\$ 12,928,043
Restricted	1,428,033	1,252,793
Unrestricted	(6,051,762)	(8,215,203)
<b>Total Net Position</b>	<b>\$ 12,607,355</b>	<b>\$ 5,965,633</b>

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

An additional portion of the District's net position (11.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (a deficit of \$6,051,762) represents the amounts to be funded by future sources.

**Governmental Activities.** Governmental activities increased the District's net position by \$6,641,722. Key elements of this increase are as follows:

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

	Governmental Activities	
	2023	2022
Revenues:		
Program Revenues:		
Charges for Services	\$ 1,701,714	\$ 1,452,912
Operating Grants and Contributions	6,534,152	6,550,786
Capital Grants and Contributions	75,507	67,183
General Revenues:		
Property Taxes	16,695,113	16,166,125
Other Taxes	64,584	61,947
Grants and Contributions not Restricted to Specific Activities	4,489,361	3,738,000
Other	453,213	28,990
Total Revenues	<u>\$ 30,013,644</u>	<u>\$ 28,065,943</u>
Expenses:		
Instruction		
Regular Programs	\$ 6,696,510	\$ 7,249,215
Special Education Programs	2,403,300	2,388,977
Other Instructional Programs	556,161	555,394
Student Activities	15,865	4,799
State Retirement Contributions	4,716,071	4,228,878
Support Services		
Pupil	1,472,861	1,295,038
Instructional Staff	694,246	717,560
General Administration	760,865	732,327
School Administration	787,879	821,687
Business	453,067	427,698
Facilities Acquisition and Construction Services	611	7,962
Operations and Maintenance	2,318,589	2,446,995
Transportation	1,337,928	1,260,847
Food Services	332,490	385,761
Central	223,391	184,484
Community Services	168,244	213,369
Debt Services		
Interest and Fees	4,603	165,834
Intergovernmental Payments		
Payments to Other Districts and Governmental Units	429,241	241,841
Total Governmental Activities	<u>\$ 23,371,922</u>	<u>\$ 23,328,666</u>
Change in Net Position	\$ 6,641,722	\$ 4,737,277
Net Position - Beginning of Fiscal Year	5,965,633	1,205,514
Net Position Adjustment	-	22,842
Net Position - End of Fiscal Year	<u>\$ 12,607,355</u>	<u>\$ 5,965,633</u>

- The District's total revenue increased \$1,947,701 (6.94%) compared to the prior year. The revenue increase was mainly a result of an increase in Evidence Based Funding general state-aid (included in Grants and Contributions not Restricted to Specific Activities), an increase in property taxes, and an increase in other revenues due to increased interest earnings.
- Overall expenses increased \$43,253 (0.19%) compared to the prior year. Significant factors were an increase in state retirement contributions, offset by a decrease in instruction – regular programs.

### Financial Analysis of the District's Funds

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

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

As of the end of the current fiscal year, the District's seven governmental funds reported combined ending fund balances of \$6,778,960, an increase of \$1,390,373 in comparison with the prior year.

The General Fund is the chief operating fund of the District. At June 30, 2023, unassigned fund balance was \$4,256,869. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 21.52% of the total General Fund expenditures. The General Fund's balance increased by \$1,438,161 in comparison with the prior year. The increase is mainly due to an increase in property taxes, state aid, and earnings on investments offset by an increase in instructional expenditures (regular programs and other instructional programs).

The Operations and Maintenance Fund's balance increased by \$240,192 in comparison with the prior year. The increase is mainly due to an increase in property taxes and a decrease in operational costs.

The Debt Services Fund's balance decreased by \$99,630 in comparison with the prior year. The decrease is mainly due to higher debt service payments (principal and interest) and offset by an increase in property taxes.

The Transportation Fund's balance increased by \$60,769 in comparison with the prior year. This increase is consistent with prior years.

The Illinois Municipal Retirement/Social Security Fund's balance increased by \$52,628 in comparison with the prior year. This increase is consistent with prior years.

The Capital Projects Fund's balance decreased by \$293,125 in comparison with the prior year. The decrease was due to increased capital outlay expenditures.

The Fire Prevention and Safety Fund's balance decreased by \$8,622 in comparison with the prior year.

### **General Fund Budgetary Highlights**

The District's budget for the year ended June 30, 2023 was approved on September 26, 2022 and an amended budget was approved on May 22, 2023.

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

- The difference between budgeted revenues and actual revenues in the General Fund was \$1,237,971 (unfavorable). The primary reason for the revenue variance was the budgeted amount being higher than the actual amounts for state retirement contributions. The unfavorable variance was offset by higher revenue than budgeted in earnings on investments and general state aid.
- The difference between budgeted expenditures and actual expenditures in the General Fund was \$2,698,417 (favorable). The primary reason for the expenditure variance was the budgeted amounts being higher than the actual amounts for state retirement payments.

## Capital Asset and Debt Administration

**Capital Assets.** At June 30, 2023 the District had invested \$22,419,538 (net of accumulated depreciation) in a broad range of capital assets, including land, building and building improvements, site improvements and infrastructure, capitalized equipment, vehicles, right of use assets, and construction in progress. Total depreciation and amortization expense for the year was \$1,155,685.

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

	Governmental Activities	
	2023	2022
Land	\$ 826,414	\$ 826,414
Construction in Progress	55,114	-
Building and Building Improvements	19,350,084	19,928,631
Site Improvements and Infrastructure	1,470,944	1,282,305
Capitalized Equipment	716,982	873,372
Total	<u>\$ 22,419,538</u>	<u>\$ 22,910,722</u>

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

- Floor replacement projects at MES - \$343,423
- Asbestos removal project - \$47,800
- House Roof Replacement - \$19,838

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

**Long-Term Liabilities.** At June 30, 2023 the District's long-term obligations consisted of the following:

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

	Governmental Activities	
	2023	2022
Bonds and Financed Purchase Payable	\$ 1,602,761	\$ 3,516,819
Accreted Interest	3,805,799	6,856,650
Total	<u>\$ 5,408,560</u>	<u>\$ 10,373,469</u>

The decrease in debt was due to scheduled debt repayments.

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

## Economic Factors and Next Year's Budget

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

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



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

### **Requests for Information**

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

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

## BASIC FINANCIAL STATEMENTS

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF NET POSITION  
JUNE 30, 2023

	Governmental Activities
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 16,210,017
Other Accounts Receivable, net of allowance of \$0	12,271
Property Taxes Receivable, net of allowance of \$59,716	8,743,281
Due from Other Governments, net of allowance of \$0	329,775
Prepaid Items	27,636
Capital/Lease Assets:	
Land	826,414
Construction in Progress	55,114
Depreciable Buildings, Property, and Equipment, net of depreciation	21,538,010
<b>Total Assets</b>	<b>\$ 47,742,518</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflows Related to OPEB - THIS	\$ 209,620
Deferred Outflows Related to OPEB - Other	37,334
Deferred Outflows Related to Pensions - IMRF	1,165,958
Deferred Outflows Related to Pensions - TRS	55,757
<b>Total Deferred Outflows of Resources</b>	<b>\$ 1,468,669</b>
<b>LIABILITIES</b>	
Accounts Payable and Accrued Expenses	\$ 428,566
Payroll Liabilities	1,026,232
Unearned Revenue - Registration Fees	86,466
Non-Current Liabilities	
Due Within One Year	5,304,832
Due in More Than One Year	117,181
Net OPEB Liability - THIS	2,061,186
Total OPEB Liability - Other	603,183
Net Pension Liability - IMRF	2,330,244
Net Pension Liability - TRS	681,016
<b>Total Liabilities</b>	<b>\$ 12,638,906</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable Revenue - Property Taxes	\$ 17,002,756
Deferred Inflows Related to OPEB - THIS	6,704,105
Deferred Inflows Related to OPEB - Other	141,476
Deferred Inflows Related to Pensions - TRS	100,981
Deferred Inflows Related to Pensions - IMRF	15,608
<b>Total Deferred Inflows of Resources</b>	<b>\$ 23,964,926</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	\$ 17,231,084
Restricted for:	
Student Activity	14,603
Tort	35,816
Transportation	441,357
Retirement	685,148
Fire Prevention/Life Safety	251,109
Unrestricted/(Deficit)	(6,051,762)
<b>Total Net Position</b>	<b>\$ 12,607,355</b>

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Instruction					
Regular Programs	\$ 6,696,510	\$ 255,389	\$ 398,287	\$ -	\$ (6,042,834)
Special Education Programs	2,097,784	137,522	310,345	-	(1,649,917)
Special Education Programs Pre-K	305,516	-	-	-	(305,516)
Other Instructional Programs	556,161	529,662	933	-	(25,566)
Student Activities	15,865	18,697	-	-	2,832
State Retirement Contributions	4,716,071	-	4,716,071	-	-
Support Services					
Pupil	1,472,861	-	208,339	-	(1,264,522)
Instructional Staff	694,246	-	-	-	(694,246)
General Administration	760,865	-	-	-	(760,865)
School Administration	787,879	-	-	-	(787,879)
Business	453,067	-	-	-	(453,067)
Facilities Acquisition and Construction Services	611	-	-	50,000	49,389
Operations and Maintenance	2,318,589	619,558	-	25,507	(1,673,524)
Transportation	1,328,096	-	731,975	-	(596,121)
Food Services	332,490	140,886	168,202	-	(23,402)
Central	223,391	-	-	-	(223,391)
Community Services	168,244	-	-	-	(168,244)
Debt Services					
Interest and Fees	14,435	-	-	-	(14,435)
Intergovernmental Payments					
Payments to Other Districts and Governmental Units	429,241	-	-	-	(429,241)
Total Governmental Activities	<u>\$ 23,371,922</u>	<u>\$ 1,701,714</u>	<u>\$ 6,534,152</u>	<u>\$ 75,507</u>	<u>\$ (15,060,549)</u>
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes					\$ 11,883,760
Property Taxes, Levied for Debt Service					4,811,353
Personal Property Replacement Taxes					64,584
Grants and Contributions not Restricted to Specific Activities					4,489,361
Unrestricted Investment Earnings					453,213
Total General Revenues					<u>\$ 21,702,271</u>
Change in Net Position					\$ 6,641,722
Net Position - July 1, 2022					<u>5,965,633</u>
Net Position - June 30, 2023					<u>\$ 12,607,355</u>

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
FUND FINANCIAL STATEMENTS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ 10,449,103	\$ 1,172,467	\$ 2,717,679	\$ 646,774	\$ 472,871	\$ 480,564	\$ 270,559	\$ 16,210,017
Other Accounts Receivable, net of allowance of \$0	7,635	4,636	-	-	-	-	-	12,271
Property Taxes Receivable, net of allowance of \$59,716	5,125,374	705,796	2,214,677	323,062	319,552	54,820	-	8,743,281
Due from Other Governments, net of allowance of \$0	143,381	-	-	176,248	10,146	-	-	329,775
Prepaid Items	27,414	222	-	-	-	-	-	27,636
<b>Total Assets</b>	<b>\$ 15,752,907</b>	<b>\$ 1,883,121</b>	<b>\$ 4,932,356</b>	<b>\$ 1,146,084</b>	<b>\$ 802,569</b>	<b>\$ 535,384</b>	<b>\$ 270,559</b>	<b>\$ 25,322,980</b>
<b>LIABILITIES</b>								
Accounts Payable and Accrued Expenditures	\$ 361,379	\$ 38,855	\$ -	\$ 28,332	\$ -	\$ -	\$ -	\$ 428,566
Payroll Liabilities	1,004,247	16,942	-	5,043	-	-	-	1,026,232
Unearned Revenue - Registration Fees	86,466	-	-	-	-	-	-	86,466
<b>Total Liabilities</b>	<b>\$ 1,452,092</b>	<b>\$ 55,797</b>	<b>\$ -</b>	<b>\$ 33,375</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,541,264</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable Revenue - Property Taxes	\$ 9,966,113	\$ 1,374,146	\$ 4,306,362	\$ 628,183	\$ 621,357	\$ 106,595	\$ -	\$ 17,002,756
<b>Total Deferred Inflows of Resources</b>	<b>\$ 9,966,113</b>	<b>\$ 1,374,146</b>	<b>\$ 4,306,362</b>	<b>\$ 628,183</b>	<b>\$ 621,357</b>	<b>\$ 106,595</b>	<b>\$ -</b>	<b>\$ 17,002,756</b>
<b>FUND BALANCE</b>								
Nonspendable								
Prepaid Items	\$ 27,414	\$ 222	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,636
Restricted								
Transportation	-	-	-	441,357	-	-	-	441,357
Retirement	-	-	-	-	685,148	-	-	685,148
Student Activities	14,603	-	-	-	-	-	-	14,603
Tort	35,816	-	-	-	-	-	-	35,816
Fire Prevention and Safety	-	-	-	-	-	-	251,109	251,109
Assigned								
Operations and Maintenance	-	452,956	-	-	-	-	-	452,956
Debt Service	-	-	625,994	-	-	-	-	625,994
Transportation	-	-	-	43,169	-	-	-	43,169
Capital Projects	-	-	-	-	-	428,789	19,450	448,239
Unassigned	4,256,869	-	-	-	(503,936)	-	-	3,752,933
<b>Total Fund Balance</b>	<b>\$ 4,334,702</b>	<b>\$ 453,178</b>	<b>\$ 625,994</b>	<b>\$ 484,526</b>	<b>\$ 181,212</b>	<b>\$ 428,789</b>	<b>\$ 270,559</b>	<b>\$ 6,778,960</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 15,752,907</b>	<b>\$ 1,883,121</b>	<b>\$ 4,932,356</b>	<b>\$ 1,146,084</b>	<b>\$ 802,569</b>	<b>\$ 535,384</b>	<b>\$ 270,559</b>	<b>\$ 25,322,980</b>

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
FUND FINANCIAL STATEMENTS  
RECONCILIATION OF THE BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2023

Total Fund Balances - Governmental Funds \$ 6,778,960

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

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

Deferred Outflows - IMRF	\$ 1,165,958	
Deferred Inflows - IMRF	(15,608)	
Deferred Outflows - TRS	55,757	
Deferred Inflows - TRS	(100,981)	
Deferred Outflows - OPEB - THIS	209,620	
Deferred Inflows - OPEB - THIS	(6,704,105)	
Deferred Outflows - OPEB - IMRF and TRS	37,334	
Deferred Inflows - OPEB - IMRF and TRS	<u>(141,476)</u>	
		(5,493,501)

Capital assets used in governmental activities are not financial resources  
and therefore are not reported in the funds. 22,419,538

Long-term liabilities applicable to the District's governmental activities  
are not due and payable in the current period and accordingly are not  
reported as fund liabilities. All liabilities, both current and long-term,  
are reported in the Statement of Net Position.

Bonds Payable	\$ (1,369,202)	
Financed Purchase Payable	(233,559)	
Accreted and Accrued Interest Payable	(3,805,799)	
Unamortized Bond Premiums	<u>(13,453)</u>	
		(5,422,013)

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

Net OPEB Obligation-THIS	\$ (2,061,186)	
Total OPEB Liability - IMRF and TRS	(603,183)	
Net Pension (Liability)/Asset - TRS	(681,016)	
Net Pension (Liability)/Asset - IMRF	<u>(2,330,244)</u>	
		<u>(5,675,629)</u>

Net Position of Governmental Activities \$ 12,607,355

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
FUND FINANCIAL STATEMENTS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2023

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
<b>REVENUES</b>								
Property Taxes	\$ 9,408,206	\$ 1,300,503	\$ 4,811,353	\$ 506,606	\$ 617,176	\$ 50,252	\$ 1,017	\$ 16,695,113
Payments in Lieu of Taxes	-	-	-	-	64,584	-	-	64,584
Tuition	330,214	-	-	-	-	-	-	330,214
Earnings on Investments	360,943	31,191	-	19,819	13,729	17,684	9,847	453,213
Food Services	140,886	-	-	-	-	-	-	140,886
District/School Activity Income	193,059	-	-	-	-	-	-	193,059
Student Activity	18,697	-	-	-	-	-	-	18,697
Textbooks	796	-	-	-	-	-	-	796
Other Local Sources	704,002	469,044	-	16,068	-	-	-	1,189,114
State Aid	4,561,133	-	-	731,975	-	50,000	-	5,343,108
Federal Aid	868,789	-	-	-	-	-	-	868,789
State Retirement Contributions	4,716,071	-	-	-	-	-	-	4,716,071
<b>Total Revenues</b>	<b>\$ 21,302,796</b>	<b>\$ 1,800,738</b>	<b>\$ 4,811,353</b>	<b>\$ 1,274,468</b>	<b>\$ 695,489</b>	<b>\$ 117,936</b>	<b>\$ 10,864</b>	<b>\$ 30,013,644</b>
<b>EXPENDITURES</b>								
Current								
Instruction								
Regular Programs	\$ 6,954,532	\$ -	\$ -	\$ -	\$ 105,332	\$ -	\$ -	\$ 7,059,864
Special Education Programs	2,156,443	-	-	-	102,012	-	-	2,258,455
Special Education Programs Pre-K	290,754	-	-	-	14,762	-	-	305,516
Other Instructional Programs	560,325	-	-	-	11,706	-	-	572,031
Student Activity	15,865	-	-	-	-	-	-	15,865
State Retirement Contributions	4,716,071	-	-	-	-	-	-	4,716,071
Support Services								
Pupil	1,486,615	-	-	-	62,580	-	-	1,549,195
Instructional Staff	569,366	-	-	-	21,128	-	-	590,494
General Administration	732,576	-	-	-	5,212	-	-	737,788
School Administration	826,962	-	-	-	38,745	-	-	865,707
Business	412,573	611	-	-	50,001	-	-	463,185
Facilities Acquisition and Construction Services	-	611	-	-	-	-	-	611
Operations and Maintenance	806	1,528,038	-	-	107,460	-	19,486	1,655,790
Transportation	-	-	-	943,169	89,984	-	-	1,033,153
Food Services	303,156	-	-	-	2,113	-	-	305,269
Central	215,271	-	-	-	-	-	-	215,271
Community Services	153,481	-	-	-	18,273	-	-	171,754
Debt Services								
Principal	-	-	1,914,058	260,698	-	-	-	2,174,756
Interest and Fees	-	-	3,082,362	9,832	-	-	-	3,092,194
Capital Outlay	-	-	-	-	-	411,061	-	411,061
Intergovernmental Payments								
Payments to Other Districts and Governmental Units	384,402	31,286	-	-	13,553	-	-	429,241
<b>Total Expenditures</b>	<b>\$ 19,779,198</b>	<b>\$ 1,560,546</b>	<b>\$ 4,996,420</b>	<b>\$ 1,213,699</b>	<b>\$ 642,861</b>	<b>\$ 411,061</b>	<b>\$ 19,486</b>	<b>\$ 28,623,271</b>
<b>EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 1,523,598</b>	<b>\$ 240,192</b>	<b>\$ (185,067)</b>	<b>\$ 60,769</b>	<b>\$ 52,628</b>	<b>\$ (293,125)</b>	<b>\$ (8,622)</b>	<b>\$ 1,390,373</b>

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
FUND FINANCIAL STATEMENTS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2023

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Capital Projects Fund	Fire Prevention and Safety Fund	Total Governmental Funds
Continued								
OTHER FINANCING SOURCES (USES)								
Interfund Transfers	(85,437)	-	85,437	-	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ 1,438,161	\$ 240,192	\$ (99,630)	\$ 60,769	\$ 52,628	\$ (293,125)	\$ (8,622)	\$ 1,390,373
FUND BALANCE - JULY 1, 2022	2,896,541	212,986	725,624	423,757	128,584	721,914	279,181	5,388,587
FUND BALANCE - JUNE 30, 2023	<u>\$ 4,334,702</u>	<u>\$ 453,178</u>	<u>\$ 625,994</u>	<u>\$ 484,526</u>	<u>\$ 181,212</u>	<u>\$ 428,789</u>	<u>\$ 270,559</u>	<u>\$ 6,778,960</u>

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



MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
FUND FINANCIAL STATEMENTS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2023

Net Change in Fund Balances - Total Governmental Funds \$ 1,390,373

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

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

Depreciation Expense	\$ (899,829)	
Right of Use Amortization	(255,856)	
Capital Outlays	411,061	(744,624)

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

Gain/(Loss) on Sale of Capital Assets	(2,416)
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Repayment of bond, financed purchases and Right of Use liability principal is an expenditure in the governmental funds, but the repayment reduces liabilities in the Statement of Net Position.

2,174,756

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

Pension Expense - IMRF	\$ (529,770)	
Pension Expense - TRS	(22,753)	
OPEB Expenses - IMRF and TRS	(48,122)	
OPEB Expenses - THIS	884,859	
Amortization of Bond Premiums	26,908	
Accreted Interest on Bonds	3,050,851	3,361,973

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

Employer Contributions - IMRF	\$ 301,545	
Employer Contributions - TRS	49,891	
Employer Contributions - OPEB - THIS	57,635	
Employer Contributions - OPEB - IMRF and TRS	52,589	461,660

Change in Net Position of Governmental Activities	\$ 6,641,722
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The Notes to Financial Statements are an integral part of this statement.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**A. *Reporting Entity***

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

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

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

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

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

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

The District does not allocate indirect costs.

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

## NOTES TO FINANCIAL STATEMENTS (Continued)

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

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

### *C. Basic Financial Statements – Fund Financial Statements*

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

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

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

The following fund types are used by the District:

#### **Governmental Funds**

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

**General Fund** – The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The Educational, Tort and Working Cash levies are included in this fund.

This fund also includes student activity funds held and controlled by the District, under the direction of district personnel, and administrative involvement of the board of education.

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

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

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

### *D. Basis of Accounting*

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

## NOTES TO FINANCIAL STATEMENTS (Continued)

### 1. Accrual

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which levied. Other nonexchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses when incurred.

### 2. Modified Accrual

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

### *E. Cash and Cash Equivalents and Investments*

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

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

No District fund had a cash overdraft at June 30, 2023.

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

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

The District currently holds no investments.

### *F. Receivables*

All receivables are reported net of estimated uncollectible amounts.

### *G. Prepaid Items*

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

### *H. Inventories*

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

NOTES TO FINANCIAL STATEMENTS (Continued)

I. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

J. *Capital Assets*

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

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

K. *Deferred Outflows and Inflows of Resources*

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

L. *Compensated Absences*

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

M. *Long-Term Obligations*

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

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

## NOTES TO FINANCIAL STATEMENTS (Continued)

### N. *Lease Arrangements*

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

The District recognizes a right-to-use liability and asset for various lease and subscription-based IT agreements right-to-use assets (right-to-use asset) in the government-wide financial statements.

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

The term includes the noncancellable period of the lease or subscription-based IT agreement. Payments included in the measurement of the right-to-use liability are composed of fixed payments and purchase option prices that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease or subscription-based IT agreements and will remeasure the right-to-use asset and liability if certain changes occur that are expected to significantly affect the amount of the right-to-use liability. Right-to-use assets are reported with Capital Assets and right-to-use liabilities are reported with Long Term Liabilities on the Statement of Net Position.

### O. *Government-Wide Fund Net Position*

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

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

### P. *Governmental Fund Balances*

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

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

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

## NOTES TO FINANCIAL STATEMENTS (Continued)

- **Restricted** – Restricted fund balances are restricted when constraints are placed on the use by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.
- **Committed** – Committed fund balances are amounts that can only be used for specific purposes as a result of a resolution of the Board of Education. Committed amounts cannot be used for any other purpose unless the Board of Education removes those constraints by way of resolution. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- **Assigned** – Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by an appointed body (e.g. a budget or finance committee) or official to which the Board of Education has delegated the authority to assign, modify or rescind amounts to be used for specific purposes.

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

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

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

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

### *Q. Property Tax Calendar and Revenues*

Property taxes are levied each calendar year on all taxable real property located in the District on or before the last Tuesday in December. The 2022 tax levy was passed by the Board on December 12, 2022. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year and are payable in two installments early in June and early in September of the following calendar year. The District receives significant distributions of tax receipts approximately one month after these dates.

### *R. Estimates*

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

## **NOTE 2 - DEPOSITS AND INVESTMENTS**

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

## NOTES TO FINANCIAL STATEMENTS (Continued)

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

### NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance July 1, 2022	Increases	Decreases	Balance June 30, 2023
<b>Governmental Activities</b>				
Capital Assets not being depreciated				
Land	\$ 826,414	\$ -	\$ -	\$ 826,414
Construction in Progress	-	55,114	-	55,114
Total Capital Assets not being depreciated	\$ 826,414	\$ 55,114	\$ -	\$ 881,528
Other Capital Assets				
Building and Building Improvements	\$ 34,235,885	\$ 67,638	\$ -	\$ 34,303,523
Site Improvements and Infrastructure	2,889,635	288,309	115,731	3,062,213
Capitalized Equipment	4,117,593	-	28,974	4,088,619
Vehicles	153,231	-	-	153,231
Total Other Capital Assets at historical cost	\$ 41,396,344	\$ 355,947	\$ 144,705	\$ 41,607,586
Less Accumulated Depreciation for				
Building and Improvements	\$ 14,307,254	\$ 646,185	\$ -	\$ 14,953,439
Site Improvements and Infrastructure	1,607,330	99,670	115,731	1,591,269
Capitalized Equipment	3,244,221	153,974	26,558	3,371,637
Vehicles	153,231	-	-	153,231
Total Accumulated Depreciation	\$ 19,312,036	\$ 899,829	\$ 142,289	\$ 20,069,576
Total Capital Assets, Net	\$ 22,910,722	\$ (488,768)	\$ 2,416	\$ 22,419,538
Total Lease Assets, Net	255,856	-	255,856	-
<b>Total Governmental Activities Capital Assets/Lease Assets, Net</b>	<b>\$ 23,166,578</b>	<b>\$ (488,768)</b>	<b>\$ 258,272</b>	<b>\$ 22,419,538</b>

Depreciation expense was charged to functions as follows:

Governmental Activities	
Regular Programs	\$ 29,180
Other Instructional Programs	5,306
Instructional Staff	165,355
General Administration	35,370
Operations and Maintenance	622,918
Transportation	7,074
Food Services	26,528
Central	8,098
Total Governmental Activities Depreciation Expense	<u>\$ 899,829</u>

### NOTE 4 - LONG-TERM LIABILITY ACTIVITY

Long-term liability activity for the year ended June 30, 2023 was as follows:



## NOTES TO FINANCIAL STATEMENTS (Continued)

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023	Amounts Due Within One Year
<b>Governmental Activities</b>					
Long-Term Liabilities					
General Obligation School Bonds, Series 2004B	\$ 3,085,667	\$ -	\$ 1,716,465	\$ 1,369,202	\$ 1,369,202
Financed Purchase Apple iPads	431,152	-	197,593	233,559	116,378
Accreted Interest	6,856,650	27,683	3,078,534	3,805,799	3,805,799
Total Long-Term Liabilities Payable	\$ 10,373,469	\$ 27,683	\$ 4,992,592	\$ 5,408,560	\$ 5,291,379
Other Long-Term Liabilities					
Unamortized Bond Premium	\$ 40,361	\$ -	\$ 26,908	\$ 13,453	\$ 13,453
Right-to-Use Liabilities	260,698	-	260,698	-	-
Total Other Long-Term Liabilities	\$ 301,059	\$ -	\$ 287,606	\$ 13,453	\$ 13,453
<b>Governmental Activities</b>					
<b>Long-Term Liabilities</b>	<b>\$ 10,674,528</b>	<b>\$ 27,683</b>	<b>\$ 5,280,198</b>	<b>\$ 5,422,013</b>	<b>\$ 5,304,832</b>

Long-term liabilities consisted of the following at June 30, 2023:

	Date of Issuance	Maturity Date	Interest Rate	Face Amount	Carrying Amount
General Obligation School Bonds, Series 2004B	5/1/2004	6/1/2024	3.25% - 5.00%	\$ 15,984,547	\$ 1,369,202
Financed Purchase-Apple iPads	7/15/2020	7/15/2022	1.24%	246,045	-
Financed Purchase-Apple iPads	7/10/2021	7/10/2024	0.69%	466,978	233,559

At June 30, 2023, the annual debt services (excluding accreted interest) requirements to cover all outstanding debt are:

Year Ending June 30	Principal	Interest	Total
2024	\$ 1,485,580	\$ 3,807,410	\$ 5,292,990
2025	117,181	809	117,990
	<u>\$ 1,602,761</u>	<u>\$ 3,808,219</u>	<u>\$ 5,410,980</u>

Long-term liabilities are being repaid from the Debt Services Fund. Right of Use Liabilities are paid from the Transportation Fund.

### NOTE 5 - LEASE ARRANGEMENTS

#### Lessee

The District has the following lease arrangements:

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

A summary of the lease asset activity during the year ended June 30, 2023 is as follows:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
<b>Governmental Activities</b>				
Lease Assets:				
Vehicles	\$ 511,712	\$ -	\$ -	\$ 511,712
Total Lease Assets	\$ 511,712	\$ -	\$ -	\$ 511,712
Less Accumulated Amortization:				
Vehicles	\$ 255,856	\$ 255,856	\$ -	\$ 511,712
Total Accumulated Amortization	\$ 255,856	\$ 255,856	\$ -	\$ 511,712
Total Lease Assets, Net	\$ 255,856	\$ 255,856	\$ -	\$ -

## NOTES TO FINANCIAL STATEMENTS (Continued)

Amortization expense was charged to functions as follows:

### Governmental Activities

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

A summary of the changes in the lease liabilities during the year ended June 30, 2023 is as follows:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year
<b>Governmental Activities</b>					
Vehicles	\$ 260,698	\$ -	\$ 260,698	\$ -	\$ -
Total Lease Liabilities	<u>\$ 260,698</u>	<u>\$ -</u>	<u>\$ 260,698</u>	<u>\$ -</u>	<u>\$ -</u>

## NOTE 6 - INTERFUND LOANS

There were no interfund loans outstanding at June 30, 2023.

## NOTE 7 - DEFICIT FUND BALANCE

At June 30, 2023, no District fund had a deficit balance.

## NOTE 8 - PROPERTY TAXES

Property taxes receivable and unavailable revenue recorded in these financial statements are from the 2022 tax levy. The unavailable revenue is 100% of the 2022 tax levy net of estimated uncollectible amounts. These taxes are unavailable as only a portion of the taxes are collected near the end of the fiscal year and the District does not consider the amounts to be available and does not budget for their use in fiscal year 2023. The District has determined that 100% of the amounts collected for the 2021 levy are allocable for use in fiscal year 2023. Therefore, 100% of the amounts collected for the 2021 and prior levies (\$16,695,113) are recorded in these financial statements as property tax revenue. A summary of the assessed valuations and extensions for tax years 2022, 2021, and 2020 is as follows:

ASSESSED VALUATION	2022		2021		2020	
	Rate	Extension	Rate	Extension	Rate	Extension
Educational	3.4815	\$ 8,938,681	3.5405	\$ 8,477,812	3.5384	\$ 8,301,179
Special Education	0.3414	876,634	0.3477	832,592	0.3526	827,217
Operations and Maintenance	0.5371	1,378,972	0.5471	1,309,998	0.5343	1,253,358
Bond and Interest	1.6832	4,321,487	2.0226	4,842,951	1.9115	4,484,400
Transportation	0.2455	630,389	0.2130	510,002	0.2137	501,343
Municipal Retirement	0.1151	295,494	0.0450	107,747	0.0043	10,027
Social Security	0.1228	315,194	0.2088	500,000	0.2564	601,612
SEDOL IMRF	0.0050	12,850	0.0057	13,533	0.0058	13,581
Liability Insurance	0.0480	123,124	0.0418	100,001	0.0427	100,269
Fire Prevention and Safety	0.0000	-	0.0005	1,089	0.0275	64,424
Working Cash	0.0244	62,677	0.0251	60,002	0.0215	50,486
Revenue Recapture	0.0417	106,969	0.0211	50,539	0.0000	-
	<u>6.6456</u>	<u>\$ 17,062,471</u>	<u>7.0189</u>	<u>\$ 16,806,266</u>	<u>6.9087</u>	<u>\$ 16,207,896</u>

## NOTE 9 - EXCESS OF EXPENDITURES OVER BUDGET

The following District funds had expenditures that exceeded the budget for the year ended June 30, 2023:

## NOTES TO FINANCIAL STATEMENTS (Continued)

Fund	Budget	Actual	Excess of Actual Over Budget
Debt Services Fund	\$ 4,913,492	\$ 4,996,420	\$ 82,928
Fire Prevention & Safety Fund	19,000	19,486	486

Excess expenditures were covered with available fund balance.

### NOTE 10 - RETIREMENT FUND COMMITMENTS

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

##### *General Information About the Pension Plan*

##### Plan Description

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

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

##### Benefits Provided

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

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

Essentially all Tier I retirees receive an annual 3% increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of 3% of the original benefit or ½% of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout program that expire on June 30, 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 began in 2019 and will be funded by bonds issued by the state of Illinois.

## NOTES TO FINANCIAL STATEMENTS (Continued)

### Contributions

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

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

On-Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2023, State of Illinois contributions recognized by the District were based on the State's proportionate share of the pension expense associated with the District, and the District recognized revenue and expenditures of \$4,640,316 in pension contributions from the State of Illinois.

2.2 Formula Contributions. Districts contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2023, were \$49,900 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 District pension contribution was 10.49% of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$42,847 were paid from federal and special trust funds that required District contributions of \$4,495.

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2023, the District paid \$1,624 to TRS for employer contributions due on salary increases in excess of 6% and \$0 for sick leave days granted in excess of the normal annual allotment.

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

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

## NOTES TO FINANCIAL STATEMENTS (Continued)

District's proportionate share of the net pension liability	\$ 681,016
State's proportionate share of the net pension liability associated with the District	59,073,690
Total	<u>\$ 59,754,706</u>

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 District'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 District's proportion was 0.0008123%, which was a decrease of 0.0000685% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense of \$4,640,316 and revenue of \$4,640,316 for support provided by the State. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows of Resources
Differences between expected and actual experience	\$ 1,369	\$ (3,755)	\$ (2,386)
Net difference between projected and actual earnings on pension plan investments	623	-	623
Changes of assumptions	3,140	(1,300)	1,840
Changes in proportion and differences between employer contributions and proportionate share of contributions	725	(95,926)	(95,201)
Employer contributions subsequent to the measurement date	49,900	-	49,900
	<u>\$ 55,757</u>	<u>\$ (100,981)</u>	<u>\$ (45,224)</u>

\$49,900 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 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 in these reporting years:

Year Ended June 30	
2024	\$ (27,742)
2025	(27,761)
2026	(28,297)
2027	(6,825)
2028	(4,499)
	<u>\$ (95,124)</u>

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

In the June 30, 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 RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2020.

## NOTES TO FINANCIAL STATEMENTS (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. 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%
International debt emerging	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	100.0%	

### Discount Rate

At June 30, 2022, the discount rate used to measure total pension liability was 7.00%, 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 District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Employer's proportionate share of the net pension liability	\$ 832,889	\$ 681,016	\$ 555,079

### 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 *Annual Comprehensive Financial Report*.

B. *Illinois Municipal Retirement Fund*

Plan Description

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

Benefits Provided

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

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

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

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

Employees Covered by Benefit Terms

All appointed employees of a participating employer who are employed in a position normally requiring 600 hours (1,000 hours for certain employees hired after 1981) or more of work in a year are required to participate. As of December 31, 2022, the following employees were covered by the benefit terms:

Inactive plan members and beneficiaries currently receiving benefits	60
Inactive plan members entitled to but not yet receiving benefits	132
Active plan members	85
Total	<u>277</u>

## NOTES TO FINANCIAL STATEMENTS (Continued)

### Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rates for calendar years 2022 and 2023 were 10.56% and 10.10%, respectively. For the fiscal year ended June 30, 2023, the District contributed \$301,545 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

### Net Pension (Asset)/Liability

The components of the net pension liability of the IMRF actuarial valuation performed as of December 31, 2022, and a measurement date as of that date, calculated in accordance with GASB Statement No. 68, were as follows:

Total Pension Liability	\$ 10,796,326
IMRF Fiduciary Net Position	8,466,082
District's Net Pension (Asset)/Liability	2,330,244
IMRF Fiduciary Net Position as a Percentage of the Total Pension Liability	78.42%

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

### Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2022 using the following actuarial methods and assumptions:

Assumptions:	
Inflation	2.25%
Salary Increases	2.85-13.75% including inflation
Interest Rate	7.25%
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market value of assets
Projected Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study for the period 2017-2019.

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



## NOTES TO FINANCIAL STATEMENTS (Continued)

### Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2022:

Asset Class	Target Allocation	Projected Return
Equities	35.5%	6.50%
International Equities	18.0%	7.60%
Fixed Income	25.5%	4.90%
Real Estate	10.5%	6.20%
Alternatives	9.5%	
Private Equity		9.90%
Hedge Funds		N/A
Commodities		6.25%
Cash Equivalents	1.0%	4.00%
	<u>100.0%</u>	

### Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2022. 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. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The Single Discount Rate reflects:

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.05%; and resulting single discount rate is 7.25%. The prior year single discount rate was 7.25% and increased 0.00% to the current year single discount rate.

## NOTES TO FINANCIAL STATEMENTS (Continued)

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

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset)/Liability (A)-(B)
Balances at December 31, 2021	\$ 9,731,843	\$ 9,468,959	\$ 262,884
Changes for the year:			
Service Cost	\$ 270,562	\$ -	\$ 270,562
Interest on the Total Pension Liability	702,840	-	702,840
Differences Between Expected and Actual Experience of the Total Pension Liability	436,629	-	436,629
Contributions - Employer	-	301,809	(301,809)
Contributions - Employee	-	128,617	(128,617)
Net Investment Income	-	(1,053,190)	1,053,190
Benefit Payments, including Refunds of Employee Contributions	(345,548)	(345,548)	-
Other (Net Transfer)	-	(34,565)	34,565
Net Changes	\$ 1,064,483	\$ (1,002,877)	\$ 2,067,360
Balances at December 31, 2022	\$ 10,796,326	\$ 8,466,082	\$ 2,330,244

### Sensitivity of the Net Pension (Asset)/Liability to Changes in the Discount Rate

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

	1% Lower 6.25%	Current Discount Rate 7.25%	1% Higher 8.25%
Net Pension Liability/(Asset)	\$ 3,645,649	\$ 2,330,244	\$ 1,274,261

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

For the year ended June 30, 2023, the District recognized pension expense/(income) of \$529,770. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Expense in Future Periods	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Net Outflow s of Resources
Differences between expected and actual experience	\$ 368,363	\$ 11,636	\$ 356,727
Changes of assumptions	-	3,972	(3,972)
Net difference between projected and actual earnings on pension plan investments	645,380	-	645,380
Total deferred amounts to be recognized in pension expense in future periods	\$ 1,013,743	\$ 15,608	\$ 998,135
Pension contributions made subsequent to the measurement date	152,215	-	152,215
Total deferred amounts related to pensions	\$ 1,165,958	\$ 15,608	\$ 1,150,350

\$152,215 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2024. Other 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:

## NOTES TO FINANCIAL STATEMENTS (Continued)

Year Ending December 31	Net Deferred Outflow s of Resources
2023	\$ 225,582
2024	223,174
2025	201,078
2026	348,301
Total	<u>\$ 998,135</u>

### C. Social Security

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

## NOTE 11 - POST EMPLOYMENT BENEFIT COMMITMENTS

### A. Teacher Health Insurance Security Fund (THIS)

#### *General Information About the OPEB Plan*

#### Plan Description

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

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

#### Benefits Provided

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

- Teachers' Choice Health Plan (TCHP) benefit recipients can choose any physician or hospital for medical services; however, benefit recipients receive enhanced benefits, resulting in lower out-of-pocket costs, when receiving services from a TCHP in-network provider. TCHP has a nationwide network and includes CVS/Caremark for prescription drug benefits and Magellan Behavioral Health for behavioral health services.
- Health Maintenance Organizations (HMO) benefit recipients are required to stay within the health plan provider network. No out-of-network services are available. Benefit recipients will need to select a primary care physician (PCP) from a network of participating providers. The PCP will direct all healthcare services and make referrals to specialists and hospitalization.

NOTES TO FINANCIAL STATEMENTS (Continued)

- Open Access Plan (OAP) benefit recipients will have three tiers of providers from which to choose to obtain services. The benefit level is determined by the tier in which the healthcare provider is contracted.
  - Tier I offers a managed care network which provides enhanced benefits and operates like an HMO.
  - Tier II offers an expanded network of providers and is a hybrid plan operating like an HMO and PPO.
  - Tier III covers all providers which are not in the managed care networks of Tiers I or II (i.e., out-of-network providers). Using Tier III can offer benefit recipients flexibility in selecting healthcare providers but involves higher out-of-pocket costs. Furthermore, benefit recipients who use out-of-network providers will be responsible for any amount that is over and above the charges allowed by the plan for services (i.e., allowable charges), which could result in substantial out-of-pocket costs. Benefit recipients enrolled in an OAP can mix and match providers and tiers.

Contributions

For the fiscal year ended June 30, 2023, the State Employees Group Insurance Act of 1971 (5 ILCS 375/6.6) requires that all active contributors of the THIS make contributions to the plan at a rate of 0.90% of salary and for every employer of a teacher to contribute an amount equal to 0.67% of each teacher's salary. For the fiscal year ended June 30, 2022, the employee contribution was 0.90% of salary and the employer contribution was 0.67% of each teacher's salary. The Department of Central Management Services determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the Teachers' Health Insurance Security Fund (THISF), an amount equal to the amount certified by the Board of Trustees of THIS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year. The member contribution, which may be paid on behalf of employees by the employer, is submitted to THIS by the employer.

On-Behalf Contributions to THIS. The State of Illinois makes employer benefit contributions on behalf of the District. For the year ended June 30, 2023, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net OPEB liability associated with the District, and the District recognized revenue and expenditures of \$75,755 in benefit contributions from the State of Illinois.

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

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

District's proportionate share of the net OPEB liability	\$ 2,061,186
State's proportionate share of the net OPEB liability associated with the District	2,804,065
Total	<u>\$ 4,865,251</u>

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021 and rolled forward to June 30, 2022. The District's proportion of the net OPEB liability was based on the District's share of

## NOTES TO FINANCIAL STATEMENTS (Continued)

contributions to THIS for the measurement year ended June 30, 2022, relative to the contributions of all participating THIS employers and the State during that period. At June 30, 2022, the District's proportion was 0.030114% which was a decrease of 0.000304% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized benefit income of \$884,859 and on-behalf revenue/expense of \$75,755 for support provided by the State. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Net Outflow s of Resources
Differences between expected and actual experience	\$ -	\$ (1,348,118)	\$ (1,348,118)
Net difference between projected and actual earnings on pension plan investments	298	(48)	250
Changes of assumptions	1,859	(5,084,403)	(5,082,544)
Changes in proportion and differences between employee contributions and proportionate share of contributions	149,818	(271,536)	(121,718)
Employer contributions subsequent to the measurement date	57,645	-	57,645
	<u>\$ 209,620</u>	<u>\$ (6,704,105)</u>	<u>\$ (6,494,485)</u>

\$57,645 reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows in these reporting years:

Year Ending June 30	
2024	\$ (1,910,846)
2025	(1,912,154)
2026	(1,949,074)
2027	(470,100)
2028	(309,956)
	<u>\$ (6,552,130)</u>

### Actuarial Assumptions

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

Inflation	2.25%
Salary Increases	Depends on service and ranges from 8.50% at 1 year of service to 3.5% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment Rate of Return	2.75%, net of OPEB plan investment expense, including inflation
Healthcare Cost Trend Costs	Trend for fiscal year 2023 based on expected increases used to develop average costs. For fiscal years ending on or after 2023, trend starts at 8.00% for non-Medicare costs and post-Medicare costs, and gradually decreases to an ultimate trend of 4.25%. For MAPD costs, trend rates are 0% 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.

## NOTES TO FINANCIAL STATEMENTS (Continued)

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

The actuarial assumptions that were used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2020.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Illinois Public Treasurers' Investment Pool	100.0%	0.33%
	100.0%	

### Discount Rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since TRIP (Teachers' Retirement Insurance Program) is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 3.69% as of June 30, 2022, and 1.92% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily required rates.

Based on those assumptions, THIS's fiduciary net position at June 30, 2022 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on THIS investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

At June 30, 2022, the discount rate used to measure the total OPEB liability was 3.69%.

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

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 3.69%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.69%) or 1 percentage-point higher (4.69%) than the current rate.

NOTES TO FINANCIAL STATEMENTS (Continued)

	1% Decrease 2.69%	Current Discount Rate 3.69%	1% Increase 4.69%
Employer's proportionate share of the net OPEB liability	\$ 2,290,753	\$ 2,061,186	\$ 1,825,353

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

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher. The key trend rates are 6.00% in 2023, 8.00% in 2024 decreasing to an ultimate trend rate of 4.25% in 2039. The Aetna MAPD plan (Medicare retirees) has a trend rate of 0% from 2024 to 2028, 19.42% for 2029 to 2033, 5.81% in 2034 and then decreasing to the same ultimate trend rate of 4.25% in 2039.

	1% Decrease (a)	Healthcare Cost Valuation Rate	1% Increase (b)
Employer's proportionate share of the net OPEB liability	\$ 1,741,775	\$ 2,061,186	\$ 2,411,773

- (a) One percentage point decrease in healthcare trend rates are 5.00% in 2023, 7.00% in 2024, decreasing to an ultimate trend rate of 3.25% in 2039 for Pre-Medicare per capita costs. One percentage point decrease in healthcare trend rates are 2.22% in 2023, 0% in 2024 to 2028, 18.42% from 2029 to 2033, 4.81% in 2034, decreasing to an ultimate trend rate of 3.25% in 2039 for Post-Medicare per capita costs.
- (b) One percentage point increase in healthcare trend rates are 7.00% in 2023, 9.00% in 2024, decreasing to an ultimate trend rate of 5.25% in 2039 for Pre-Medicare per capita costs. One percentage point decrease in healthcare trend rates are 4.22% in 2023, 1% in 2024 to 2028, 20.42% from 2029 to 2033, 6.81% in 2034, decreasing to an ultimate trend rate of 5.25% in 2039 for Post-Medicare per capita costs.

*B. Retiree Insurance Plan*

Plan Overview

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

Benefits Provided

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

IMRF:

*Eligibility Provisions:*

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

*Medical Coverage Provisions:*

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

## NOTES TO FINANCIAL STATEMENTS (Continued)

### TRS:

#### *Eligibility Provisions:*

- Tier I full-time district employees age 55 with at least 20 years of service, age 60 with at least 10 years of service and age 62 with at least 5 years of service are covered.
- Tier II full-time district employees age 62 with at least 10 years of service are covered.

#### *Medical Coverage Provisions:*

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

#### Dental, Vision & Life Insurance:

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

## Membership

Membership in the plan consisted of the following at July 1, 2023, the date of the latest actuarial valuation:

Active Employees	186
Inactive Employees Entitled to but not yet Receiving Benefits	-
Inactive Employees Currently Receiving Benefits	13
Total	<u>199</u>

## Total OPEB Liability

The District's total OPEB liability was measured as of June 30, 2023, and the total OPEB liability was determined by an actuarial valuation as of July 1, 2023.

## Actuarial Assumptions

The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Method	Entry Age Normal
Discount rate	3.65%
Inflation	2.25%
Salary Rate Increase	2.25%
Health Care Trend	
Initial Trend Rate	5.75%-6.00%
Ultimate Trend Rate	4.75%-5.00%
FY the Ultimate Rate is Reached	2027

### Mortality

#### *IMRF:*

PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study Report dated December 14, 2020

#### *TRS:*

PubT-2010 Improved Generationally using MP-2020, weighted per TRS Experience Study Report dated September 30, 2021

### Election at Retirement

30% of IMRF employees are assumed to elect coverage at retirement. 100% of TRS employees are assumed to elect the stipend at retirement.

### Spousal Election

Of those employees assumed to elect coverage in retirement, 50% are assumed to elect spousal coverage. Female spouses are assumed to be 3 years younger than male spouses.



## NOTES TO FINANCIAL STATEMENTS (Continued)

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of recent actuarial experience studies performed by IMRF and TRS. Assumption changes reflect a change in the discount rate of 0.11% from 3.54% for the beginning of the year values and 3.65% for the disclosure date.

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

### Discount Rate

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

A rate of 3.65% is used, which is the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2023.

### Changes in the Total OPEB Liability

	Increase/(Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at July 1, 2022	\$ 635,455	\$ -	\$ 635,455
Changes for the year:			
Service Cost	\$ 37,195	\$ -	\$ 37,195
Interest on Total OPEB Liability	21,564	-	21,564
Actuarial Experience	(44,584)	-	(44,584)
Assumption Changes	6,142	-	6,142
Contributions - Employer	-	52,589	(52,589)
Benefit Payments	(52,589)	(52,589)	-
Net Changes	\$ (32,272)	\$ -	\$ (32,272)
Balances at June 30, 2023	\$ 603,183	\$ -	\$ 603,183

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

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

Plan's Total OPEB Liability/(Asset)		
1% Decrease 2.65%	Valuation Rate	1% Increase 4.65%
\$ 629,514	\$ 603,183	\$ 577,514

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

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

Plan's Total OPEB Liability/(Asset)		
Healthcare Cost		
1% Decrease	Valuation Rate	1% Increase
\$ 594,220	\$ 603,183	\$ 613,280

## NOTES TO FINANCIAL STATEMENTS (Continued)

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

For the fiscal year ended June 30, 2023, the District recognized OPEB expense of \$48,122. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow s of Resources	Deferred Inflow s of Resources	Net Inflow s of Resources
Differences Between Expected and Actual Experience	\$ -	\$ (119,944)	\$ (119,944)
Changes of Assumptions	37,334	(21,532)	15,802
Total	<u>\$ 37,334</u>	<u>\$ (141,476)</u>	<u>\$ (104,142)</u>

Changes in total OPEB liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in OPEB expense over the expected remaining service life of all employees (11.43 years, active and retired) in the postretirement plan.

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

Year ending June 30	Net Inflow s of Resources
2024	\$ (10,637)
2025	(10,637)
2026	(10,637)
2027	(10,637)
2028	(11,503)
Thereafter	(50,091)
	<u>\$ (104,142)</u>

### **NOTE 12 - INTERFUND TRANSFERS**

Interfund transfers during the year ended June 30, 2023 were as follows:

Transfer from	Transfer To	Amount
General Fund	Debt Services Fund	\$ 85,437

The transfer from the General Fund to the Debt Services Fund is for payments on financed purchases (principal and interest).

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

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

A summary of the Statement of Net Position of SEDOL at June 30, 2022 (most recent information available) is as follows:

## NOTES TO FINANCIAL STATEMENTS (Continued)

Assets	\$ 80,706,449
Deferred Outflows of Resources	1,684,836
	<u>\$ 82,391,285</u>
Liabilities	\$ 26,072,335
Deferred Inflows of Resources	22,917,725
Net Position	33,401,225
	<u>\$ 82,391,285</u>
Revenues	\$ 60,038,859
Expenses	53,139,707
Net Increase/(Decrease) in Net Position	<u>\$ 6,899,152</u>

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

### NOTE 14 - RISK MANAGEMENT

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

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

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

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

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

During the year ended June 30, 2023, there were no significant reductions in insurance coverage. Also, there have been no settlement amounts that have exceeded insurance coverage for each of the past three years, including the current year. During the year ended June 30, 2023, there were no significant adjustments in premiums based on actual experience.

### NOTE 15 - CONTINGENCIES

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

### NOTE 16 - LEGAL DEBT LIMITATION

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

## NOTES TO FINANCIAL STATEMENTS (Continued)

2022 EAV	\$ 256,748,272
Rate	6.90%
Debt Margin	<u>\$ 17,715,631</u>
Current Debt	5,408,560
Remaining Debt Margin	<u><u>\$ 12,307,071</u></u>

### NOTE 17 - CHANGE IN ACCOUNTING PRINCIPLE

The District has implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. These statements establish financial reporting standards related to subscription-based information technology arrangements. Implementation of these standards resulted in recognizing the fair market value of the liability and asset at the commencement of the agreement. There have been no changes to the previously issued audited financial statements which would be required on a retrospective basis.

### NOTE 18 - NET INVESTMENT IN CAPITAL ASSETS CALCULATION

Net investment in capital assets calculation as of June 30, 2023 was as follows:

#### Governmental Activities

Capital Assets, Net of Accumulated Depreciation	\$ 22,419,538
Less:	
Capital Related Debt	<u>(5,188,454)</u>
Investment in Capital Assets	<u><u>\$ 17,231,084</u></u>

### NOTE 19 - CONSTRUCTION COMMITMENTS

The District has an on-going floor replacement project which is anticipated to be completed in the following fiscal year. Additional costs to complete this project are estimated to total approximately \$56,341.

## REQUIRED SUPPLEMENTARY INFORMATION

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION  
LIABILITY AND RELATED RATIOS  
JUNE 30, 2023

	6/30/2023 *	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
<b>TOTAL PENSION LIABILITY</b>									
Service Cost	\$ 270,562	\$ 230,802	\$ 266,327	\$ 250,749	\$ 219,496	\$ 236,076	\$ 245,646	\$ 230,920	\$ 229,710
Interest on the Total Pension Liability	702,840	641,704	618,577	560,131	511,227	491,193	467,170	421,385	364,946
Differences Between Expected and Actual Experience	436,629	278,456	(178,436)	263,106	157,652	(78,634)	(216,745)	106,283	39,209
Changes of Assumptions	-	-	(60,918)	-	228,495	(185,258)	(34,168)	16,846	257,103
Benefit Payments, Including Refunds of Member Contributions	(345,548)	(309,605)	(308,005)	(243,239)	(202,578)	(173,367)	(167,043)	(140,856)	(120,194)
Net Change in Total Pension Liability	\$ 1,064,483	\$ 841,357	\$ 337,545	\$ 830,747	\$ 914,292	\$ 290,010	\$ 294,860	\$ 634,578	\$ 770,774
Total Pension Liability - Beginning	9,731,843	8,890,486	8,552,941	7,722,194	6,807,902	6,517,892	6,223,032	5,588,454	4,817,680
Total Pension Liability - Ending	<u>\$ 10,796,326</u>	<u>\$ 9,731,843</u>	<u>\$ 8,890,486</u>	<u>\$ 8,552,941</u>	<u>\$ 7,722,194</u>	<u>\$ 6,807,902</u>	<u>\$ 6,517,892</u>	<u>\$ 6,223,032</u>	<u>\$ 5,588,454</u>
<b>PLAN FIDUCIARY NET POSITION</b>									
Contributions - Employer	\$ 301,809	\$ 301,492	\$ 260,339	\$ 253,258	\$ 255,158	\$ 243,576	\$ 252,228	\$ 248,313	\$ 219,930
Contributions - Member	128,617	116,959	107,297	111,034	103,164	95,280	96,681	102,456	90,297
Net Investment Income	(1,053,190)	1,328,365	985,083	1,043,027	(255,785)	854,220	317,440	22,735	250,138
Benefit Payments, Including Refunds of Member Contributions	(345,548)	(309,605)	(308,005)	(243,239)	(202,578)	(173,367)	(167,043)	(140,856)	(120,194)
Other (Net Transfers)	(34,565)	(165,301)	(17,541)	2,072	39,970	(68,262)	8,310	(70,049)	(3,638)
Net Change in Plan Fiduciary Net Position	\$ (1,002,877)	\$ 1,271,910	\$ 1,027,173	\$ 1,166,152	\$ (60,071)	\$ 951,447	\$ 507,616	\$ 162,599	\$ 436,533
Plan Net Position - Beginning	9,468,959	8,197,049	7,169,876	6,003,724	6,063,795	5,112,348	4,604,732	4,442,133	4,005,600
Plan Net Position - Ending	<u>\$ 8,466,082</u>	<u>\$ 9,468,959</u>	<u>\$ 8,197,049</u>	<u>\$ 7,169,876</u>	<u>\$ 6,003,724</u>	<u>\$ 6,063,795</u>	<u>\$ 5,112,348</u>	<u>\$ 4,604,732</u>	<u>\$ 4,442,133</u>
District's Net Pension (Asset)/Liability	<u>\$ 2,330,244</u>	<u>\$ 262,884</u>	<u>\$ 693,437</u>	<u>\$ 1,383,065</u>	<u>\$ 1,718,470</u>	<u>\$ 744,107</u>	<u>\$ 1,405,544</u>	<u>\$ 1,618,300</u>	<u>\$ 1,146,321</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	78.42%	97.30%	92.20%	83.83%	77.75%	89.07%	78.44%	73.99%	79.49%
Covered Payroll	\$ 2,859,229	\$ 2,599,078	\$ 2,353,876	\$ 2,467,407	\$ 2,292,518	\$ 2,099,787	\$ 2,148,452	\$ 2,127,786	\$ 1,996,751
Employer's Net Pension (Asset)/Liability as a percentage of Covered Payroll	81.50%	10.11%	29.46%	56.05%	74.96%	35.44%	65.42%	76.06%	57.41%

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

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

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF EMPLOYER CONTRIBUTION  
JUNE 30, 2023

	6/30/2023 *	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
Actuarially-Determined Contribution	\$ 301,935	\$ 301,493	\$ 260,339	\$ 242,546	\$ 255,157	\$ 243,575	\$ 252,228	\$ 248,313	\$ 220,441
Contributions in relation to Actuarially-Determined Contribution	301,809	301,492	260,339	253,258	255,158	243,576	252,228	248,313	219,930
Contribution Deficiency/(Excess)	<u>\$ 126</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ (10,712)</u>	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 511</u>
Covered Payroll	\$ 2,922,383	\$ 2,744,798	\$ 2,393,732	\$ 2,372,598	\$ 2,320,974	\$ 2,351,737	\$ 2,148,452	\$ 2,127,786	\$ 1,996,751
Contributions as a Percentage of Covered Payroll	10.33%	10.98%	10.88%	10.67%	10.99%	10.36%	11.74%	11.67%	11.01%

**Notes to Schedule:**

**Actuarial Method and Assumptions Used on the Calculation of the 2022 Contribution Rate \***

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

**Actuarial Cost Method:** Aggregate Entry Age Normal

**Amortization Method:** Level percentage of payroll, closed

**Remaining Amortization Period:** 21-year closed period

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

**Wage Growth:** 2.75%

**Price Inflation:** 2.25%, approximate; No explicit price inflation assumption is used in this valuation.

**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 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.

\*Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation; note two year lag between valuation and rate setting.

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

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS  
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY  
JUNE 30, 2023

	6/30/2023 *	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
Employer's proportion of the Net Pension Liability	0.0008123%	0.0008808%	0.0009360%	0.0009711%	0.0010081%	0.0009963%	0.0010434%	0.0010417%	0.0010934%
Employer's proportionate share of the Net Pension Liability	\$ 681,016	\$ 687,093	\$ 806,941	\$ 787,613	\$ 785,771	\$ 761,135	\$ 823,613	\$ 682,398	\$ 665,447
State's proportionate share of the Net Pension Liability associated with the employer	59,073,690	57,585,695	63,203,848	56,053,532	53,828,636	52,398,094	55,298,874	40,748,081	41,497,929
Total	<u>\$ 59,754,706</u>	<u>\$ 58,272,788</u>	<u>\$ 64,010,789</u>	<u>\$ 56,841,145</u>	<u>\$ 54,614,407</u>	<u>\$ 53,159,229</u>	<u>\$ 56,122,487</u>	<u>\$ 41,430,479</u>	<u>\$ 42,163,376</u>
Employer's Covered Payroll	\$ 8,313,038	\$ 7,899,492	\$ 7,859,186	\$ 7,577,291	\$ 7,208,882	\$ 7,076,920	\$ 6,970,454	\$ 6,300,222	\$ 6,300,172
Employer's proportionate share of the Net Pension Liability as a percentage of Covered Payroll	8.19%	8.70%	10.27%	10.39%	10.90%	10.76%	11.82%	10.83%	10.56%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	42.80%	45.10%	37.80%	39.60%	40.00%	39.30%	36.40%	41.50%	43.00%

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

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

**Changes of Assumptions:**

For the 2022 measurement year, the assumed investment rate of return was of 7.0%, including an inflation rate of 2.50% and a real return of 4.50%. 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 of 7.0%, including an inflation rate of 2.25% and a real return of 4.75%. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015 respectively.

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



MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS  
SCHEDULE OF EMPLOYER CONTRIBUTION  
JUNE 30, 2023

	<u>6/30/2023 *</u>	<u>6/30/2022 *</u>	<u>6/30/2021 *</u>	<u>6/30/2020 *</u>	<u>6/30/2019 *</u>	<u>6/30/2018 *</u>	<u>6/30/2017 *</u>	<u>6/30/2016 *</u>	<u>6/30/2015 *</u>
Statutorily-Required Contribution	\$ 48,216	\$ 45,817	\$ 45,627	\$ 43,977	\$ 41,812	\$ 41,046	\$ 40,428	\$ 38,630	\$ 36,541
Contributions in relation to the Statutorily-Required Contribution	<u>48,204</u>	<u>44,292</u>	<u>45,583</u>	<u>43,948</u>	<u>41,812</u>	<u>41,046</u>	<u>40,428</u>	<u>38,613</u>	<u>36,541</u>
Contribution deficiency/(excess)	<u>\$ 12</u>	<u>\$ 1,525</u>	<u>\$ 44</u>	<u>\$ 29</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ -</u>
Employer's Covered Payroll	\$ 8,603,790	\$ 8,313,038	\$ 7,899,492	\$ 7,859,186	\$ 7,577,291	\$ 7,208,882	\$ 6,970,454	\$ 6,300,222	\$ 6,300,172
Contributions as a percentage of Covered Payroll	0.56%	0.53%	0.58%	0.56%	0.55%	0.57%	0.58%	0.61%	0.58%

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

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

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
TEACHER HEALTH INSURANCE SECURITY FUND OF THE STATE OF ILLINOIS  
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE  
OF THE NET OPEB LIABILITY  
JUNE 30, 2023

	6/30/2023 *	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *
Employer's proportion of the Net OPEB Liability	0.0301139%	0.0304180%	0.0310800%	0.0307930%	0.0304980%	0.0307650%
Employer's proportionate share of the Net OPEB Liability	\$ 2,061,186	\$ 6,708,885	\$ 8,309,406	\$ 8,522,679	\$ 8,034,964	\$ 7,983,417
State's proportionate share of the Net OPEB Liability associated with the employer	2,804,065	9,096,249	11,257,003	11,540,807	10,789,224	10,484,168
Total	<u>\$ 4,865,251</u>	<u>\$ 15,805,134</u>	<u>\$ 19,566,409</u>	<u>\$ 20,063,486</u>	<u>\$ 18,824,188</u>	<u>\$ 18,467,585</u>
Employer's Covered Payroll	\$ 8,313,038	\$ 7,899,492	\$ 7,859,186	\$ 7,577,291	\$ 7,208,882	\$ 7,076,920
Employer's proportionate share of the Net OPEB Liability as a percentage of Covered Payroll	24.79%	84.93%	105.73%	112.48%	111.46%	112.81%
OPEB Plan Net Position as a percentage of the Total OPEB Liability	5.24%	1.40%	0.70%	0.25%	-0.07%	-0.17%

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

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

**Changes of Assumptions:**

For the 2022 measurement year, projected per capita costs were adjusted to reflect the newly established zero premium MAPD plan and the discount rate was changed from 1.92% to 3.69%

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
TEACHER HEALTH INSURANCE SECURITY FUND OF THE STATE OF ILLINOIS  
SCHEDULE OF EMPLOYER CONTRIBUTION  
JUNE 30, 2023

	<u>6/30/2023 *</u>	<u>6/30/2022 *</u>	<u>6/30/2021 *</u>	<u>6/30/2020 *</u>	<u>6/30/2019 *</u>	<u>6/30/2018 *</u>
Statutorily-Required Contribution	\$ 55,686	\$ 72,639	\$ 72,332	\$ 69,629	\$ 63,622	\$ 59,450
Contributions in relation to the Statutorily-Required Contribution	<u>55,697</u>	<u>72,702</u>	<u>72,305</u>	<u>69,711</u>	<u>63,438</u>	<u>59,446</u>
Contribution deficiency/(excess)	<u>\$ (11)</u>	<u>\$ (63)</u>	<u>\$ 27</u>	<u>\$ (82)</u>	<u>\$ 184</u>	<u>\$ 4</u>
Employer's Covered Payroll	\$ 8,603,790	\$ 8,313,038	\$ 7,899,492	\$ 7,859,186	\$ 7,577,291	\$ 7,208,882
Contributions as a percentage of Covered Payroll	0.65%	0.87%	0.92%	0.89%	0.84%	0.82%

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

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

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
OTHER POST-EMPLOYMENT BENEFIT  
SCHEDULE OF CHANGES IN THE EMPLOYER'S TOTAL OPEB  
LIABILITY AND RELATED RATIOS  
JUNE 30, 2023

	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
TOTAL OPEB LIABILITY						
Service Cost	\$ 37,195	\$ 61,656	\$ 61,364	\$ 28,849	\$ 31,561	\$ 30,385
Interest	21,564	14,222	13,737	22,065	23,374	22,869
Differences Between Expected and Actual Experience	(44,584)	(49,168)	-	(61,233)	-	-
Benefit Payments	(52,589)	(46,941)	(32,271)	(41,294)	(43,064)	(37,366)
Changes in Assumptions	6,142	(26,240)	1,407	38,218	13,714	-
Net Change in Total OPEB Liability	\$ (32,272)	\$ (46,471)	\$ 44,237	\$ (13,395)	\$ 25,585	\$ 15,888
Total OPEB Liability - Beginning	635,455	681,926	637,689	651,084	625,499	609,611
Total OPEB Liability - Ending	<u>\$ 603,183</u>	<u>\$ 635,455</u>	<u>\$ 681,926</u>	<u>\$ 637,689</u>	<u>\$ 651,084</u>	<u>\$ 625,499</u>
Covered-Employee Payroll	\$ 11,228,288	\$ 10,506,352	\$ 10,373,896 *	\$ 10,373,896	\$ 9,894,172	\$ 9,177,241
Employer's Net OPEB Liability as a Percentage of Covered-Valuation Payroll	5.37%	6.05%	6.57%	6.15%	6.58%	6.82%

**Notes to Schedule:**

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

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

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

The following are the discount rates used in each period:                      3.65%                      3.54%                      2.16%                      2.21%                      3.50%                      2.98%

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

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

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 9,470,404	\$ 9,470,404	\$ 9,408,206
Tuition	388,170	388,170	330,214
Earnings on Investments	18,575	18,575	360,943
Food Services	193,872	193,872	140,886
District/School Activity Income	166,748	166,748	193,059
Student Activity	900	900	18,697
Textbooks	820	820	796
Other Local Sources	635,886	635,886	704,002
State Aid			
General State Aid	3,771,500	3,771,500	4,489,361
Special Education	200,000	200,000	69,809
Career and Technical Education	950	950	933
State Free Lunch and Breakfast	500	500	1,030
Federal Aid			
Food Service	128,506	128,506	167,172
Title I	36,792	36,792	71,010
Federal Special Education	255,520	255,520	240,536
Title II - Teacher Quality	26,624	26,624	26,957
Medicaid Matching Funds - Administrative Outreach	24,000	24,000	10,542
Medicaid Matching Funds - Fee-for-Service Program	27,000	27,000	52,252
Other Federal Aid	194,000	194,000	300,320
State Retirement Contributions	7,000,000	7,000,000	4,716,071
Total Revenues	<u>\$ 22,540,767</u>	<u>\$ 22,540,767</u>	<u>\$ 21,302,796</u>
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	\$ 5,572,893	\$ 5,572,893	\$ 5,472,654
Employee Benefits	1,234,457	1,232,757	1,051,390
Purchased Services	108,545	96,507	184,482
Supplies and Materials	207,795	207,795	201,319
Other Objects	1,135	1,135	1,181
Non-Capitalized Equipment	12,189	12,189	15,701
Termination Benefits	25,151	25,151	27,805
	<u>\$ 7,162,165</u>	<u>\$ 7,148,427</u>	<u>\$ 6,954,532</u>
Tuition Payments to Charter Schools			
Purchased Services	<u>\$ 117,786</u>	<u>\$ 117,786</u>	<u>\$ -</u>
	<u>\$ 117,786</u>	<u>\$ 117,786</u>	<u>\$ -</u>
Special Education Programs			
Salaries	\$ 1,465,416	\$ 1,465,416	\$ 1,420,279
Employee Benefits	436,748	436,748	446,563
Purchased Services	19,575	19,575	21,974
Supplies and Materials	63,397	63,397	24,088
Other Objects	2,650	2,650	2,300
Non-Capitalized Equipment	13,200	13,200	41,840
	<u>\$ 2,000,986</u>	<u>\$ 2,000,986</u>	<u>\$ 1,957,044</u>
Special Education Programs Pre-K			
Salaries	\$ 237,707	\$ 237,707	\$ 235,646
Employee Benefits	54,211	54,211	47,737
Purchased Services	-	-	1,914
Supplies and Materials	9,090	9,090	4,632
Non-Capitalized Equipment	980	980	825
	<u>\$ 301,988</u>	<u>\$ 301,988</u>	<u>\$ 290,754</u>
Interscholastic Programs			
Salaries	\$ 133,294	\$ 133,294	\$ 139,437
Employee Benefits	1,662	1,662	1,576
Purchased Services	11,000	11,000	10,939
Supplies and Materials	5,800	5,800	3,616
Other Objects	2,550	2,550	2,743
Non-Capitalized Equipment	1,770	1,770	1,000
	<u>\$ 156,076</u>	<u>\$ 156,076</u>	<u>\$ 159,311</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Instruction (Continued)			
Gifted Programs			
Salaries	\$ 180,951	\$ 180,951	\$ 180,952
Employee Benefits	28,505	28,505	36,628
Supplies and Materials	2,100	2,100	1,730
	<u>\$ 211,556</u>	<u>\$ 211,556</u>	<u>\$ 219,310</u>
Bilingual Programs			
Salaries	\$ 153,035	\$ 153,035	\$ 155,914
Employee Benefits	25,260	25,260	23,774
Purchased Services	270	270	659
Supplies and Materials	1,300	1,300	1,357
	<u>\$ 179,865</u>	<u>\$ 179,865</u>	<u>\$ 181,704</u>
Private Tuition			
Special Education Programs K-12			
Other Objects	\$ 230,000	\$ 230,000	\$ 199,399
	<u>\$ 230,000</u>	<u>\$ 230,000</u>	<u>\$ 199,399</u>
Student Activity			
Other Objects	\$ -	\$ -	\$ 15,865
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,865</u>
State Retirement Contributions	\$ 7,000,000	\$ 7,000,000	\$ 4,716,071
Total Instruction	<u>\$ 17,360,422</u>	<u>\$ 17,346,684</u>	<u>\$ 14,693,990</u>
Support Services			
Pupil			
Attendance and Social Work Services			
Salaries	\$ 267,590	\$ 267,590	\$ 268,721
Employee Benefits	65,162	65,162	61,621
Supplies and Materials	2,150	2,150	2,616
	<u>\$ 334,902</u>	<u>\$ 334,902</u>	<u>\$ 332,958</u>
Health Services			
Salaries	\$ 278,827	\$ 278,827	\$ 333,183
Employee Benefits	72,930	72,930	51,285
Purchased Services	36,250	36,250	45,151
Supplies and Materials	19,724	19,724	11,488
Other Objects	384	384	565
Non-Capitalized Equipment	4,500	4,500	6,524
	<u>\$ 412,615</u>	<u>\$ 412,615</u>	<u>\$ 448,196</u>
Psychological Services			
Salaries	\$ 146,137	\$ 146,137	\$ 149,418
Employee Benefits	40,406	40,406	36,947
Supplies and Materials	5,700	5,700	4,237
	<u>\$ 192,243</u>	<u>\$ 192,243</u>	<u>\$ 190,602</u>
Speech Pathology and Audiology Services			
Salaries	\$ 356,966	\$ 356,966	\$ 360,611
Employee Benefits	82,458	82,458	90,845
Purchased Services	1,100	1,100	7,015
Supplies and Materials	2,500	2,500	3,516
	<u>\$ 443,024</u>	<u>\$ 443,024</u>	<u>\$ 461,987</u>
Other Support Services - Pupil			
Salaries	\$ 26,284	\$ 26,284	\$ 44,380
Employee Benefits	197	197	312
Purchased Services	2,000	2,000	2,325
Supplies and Materials	3,850	3,850	5,855
	<u>\$ 32,331</u>	<u>\$ 32,331</u>	<u>\$ 52,872</u>
Total Support Services - Pupil	<u>\$ 1,415,115</u>	<u>\$ 1,415,115</u>	<u>\$ 1,486,615</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Instructional Staff			
Improvement of Instruction Services			
Salaries	\$ 103,805	\$ 139,339	\$ 135,754
Employee Benefits	20,524	20,524	121,825
Purchased Services	82,337	82,337	72,583
Supplies and Materials	1,425	1,425	908
Other Objects	-	-	700
	<u>\$ 208,091</u>	<u>\$ 243,625</u>	<u>\$ 331,770</u>
Educational Media Services			
Salaries	\$ 149,279	\$ 149,279	\$ 150,253
Employee Benefits	18,456	18,456	48,227
Purchased Services	5,321	5,321	15,022
Supplies and Materials	14,450	14,450	9,919
Other Objects	75	75	-
	<u>\$ 187,581</u>	<u>\$ 187,581</u>	<u>\$ 223,421</u>
Assessment and Testing			
Purchased Services	\$ 21,000	\$ 21,000	\$ 14,175
Supplies and Materials	100	100	-
	<u>\$ 21,100</u>	<u>\$ 21,100</u>	<u>\$ 14,175</u>
Total Support Services - Instructional Staff	<u>\$ 416,772</u>	<u>\$ 452,306</u>	<u>\$ 569,366</u>
General Administration			
Board of Education Services			
Salaries	\$ 3,139	\$ 3,139	\$ 2,747
Employee Benefits	8	8	262
Purchased Services	56,450	56,450	51,738
Supplies and Materials	5,800	5,800	7,215
Other Objects	9,000	9,000	8,193
	<u>\$ 74,397</u>	<u>\$ 74,397</u>	<u>\$ 70,155</u>
Executive Administration Services			
Salaries	\$ 405,827	\$ 370,293	\$ 358,249
Employee Benefits	103,957	103,957	34,555
Purchased Services	400	400	48
Supplies and Materials	150	150	109
Other Objects	2,700	2,700	3,422
	<u>\$ 513,034</u>	<u>\$ 477,500</u>	<u>\$ 396,383</u>
Tort Immunity Services			
Purchased Services	\$ 162,716	\$ 162,716	\$ 177,781
	<u>\$ 162,716</u>	<u>\$ 162,716</u>	<u>\$ 177,781</u>
Claims Paid from Self Insurance Fund			
Purchased Services	\$ 76,750	\$ 76,750	\$ 71,741
	<u>\$ 76,750</u>	<u>\$ 76,750</u>	<u>\$ 71,741</u>
Risk Management and Claims Services Payments			
Purchased Services	\$ 40,000	\$ 40,000	\$ 16,516
	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 16,516</u>
Total Support Services - General Administration	<u>\$ 866,897</u>	<u>\$ 831,363</u>	<u>\$ 732,576</u>
School Administration			
Office of the Principal Services			
Salaries	\$ 653,502	\$ 653,502	\$ 594,209
Employee Benefits	244,537	244,537	223,951
Purchased Services	12,415	12,415	6,857
Supplies and Materials	3,800	3,800	1,945
Other Objects	1,000	1,000	-
Non-Capitalized Equipment	500	500	-
	<u>\$ 915,754</u>	<u>\$ 915,754</u>	<u>\$ 826,962</u>
Total Support Services - School Administration	<u>\$ 915,754</u>	<u>\$ 915,754</u>	<u>\$ 826,962</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Business			
Direction of Business Support Services			
Salaries	\$ 15,000	\$ 15,000	\$ -
Purchased Services	-	-	225
Supplies and Materials	-	-	202
Other Objects	-	-	615
	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 1,042</u>
Fiscal Services			
Salaries	\$ 280,572	\$ 280,572	\$ 285,999
Employee Benefits	52,824	71,112	68,199
Purchased Services	42,116	39,816	51,630
Supplies and Materials	1,550	1,550	3,707
Other Objects	3,500	1,250	1,416
Non-Capitalized Equipment	1,500	1,500	580
	<u>\$ 382,062</u>	<u>\$ 395,800</u>	<u>\$ 411,531</u>
Total Support Services - Business	<u>\$ 397,062</u>	<u>\$ 410,800</u>	<u>\$ 412,573</u>
Operations and Maintenance			
Employee Benefits	\$ 28,733	\$ 28,733	\$ -
Supplies and Materials	1,100	1,100	239
Non-Capitalized Equipment	4,000	4,000	567
Total Support Services - Operations and Maintenance	<u>\$ 33,833</u>	<u>\$ 33,833</u>	<u>\$ 806</u>
Food Services			
Salaries	\$ 9,894	\$ 9,894	\$ 26,358
Employee Benefits	25	25	316
Purchased Services	326,000	326,000	257,597
Supplies and Materials	3,050	3,050	3,802
Other Objects	-	-	688
Non-Capitalized Equipment	2,870	2,870	14,395
Total Support Services - Food Services	<u>\$ 341,839</u>	<u>\$ 341,839</u>	<u>\$ 303,156</u>
Central			
Staff Services			
Purchased Services	\$ -	\$ -	\$ 140
Supplies and Materials	-	-	58
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198</u>
Data Processing Services			
Purchased Services	\$ 148,880	\$ 148,880	\$ 142,071
Supplies and Materials	20,500	20,500	14,937
Non-Capitalized Equipment	63,000	63,000	58,065
	<u>\$ 232,380</u>	<u>\$ 232,380</u>	<u>\$ 215,073</u>
Total Support Services - Central	<u>\$ 232,380</u>	<u>\$ 232,380</u>	<u>\$ 215,271</u>
Total Support Services	<u>\$ 4,619,652</u>	<u>\$ 4,633,390</u>	<u>\$ 4,547,325</u>
Community Services			
Salaries	\$ 132,724	\$ 132,724	\$ 105,733
Employee Benefits	13,407	13,407	24,463
Purchased Services	6,210	6,210	4,299
Supplies and Materials	4,200	4,200	18,986
Total Community Services	<u>\$ 156,541</u>	<u>\$ 156,541</u>	<u>\$ 153,481</u>
Intergovernmental Payments			
Payments to Other Districts and Governmental Units			
Payments for Special Education Programs			
Purchased Services	\$ 42,000	\$ 42,000	\$ 33,822
Other Objects	283,000	285,000	325,809
	<u>\$ 325,000</u>	<u>\$ 327,000</u>	<u>\$ 359,631</u>

See Accompanying Independent Auditor's Report



MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Payments to Other Districts and Governmental Units (Continued)			
Other Payments to In-State Govt Units			
Purchased Services	\$ -	\$ -	\$ 3,552
Other Objects	-	-	21,219
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,771</u>
Total Payments to Other Districts and Governmental Units (In-State)	\$ 325,000	\$ 327,000	\$ 384,402
Total Intergovernmental Payments	<u>\$ 325,000</u>	<u>\$ 327,000</u>	<u>\$ 384,402</u>
Capital Outlay			
Instruction			
Special Education Programs	\$ 4,000	\$ 4,000	\$ -
Support Services			
Food Services	2,500	2,500	-
Central	7,500	7,500	-
Total Capital Outlay	<u>\$ 14,000</u>	<u>\$ 14,000</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 22,475,615</u>	<u>\$ 22,477,615</u>	<u>\$ 19,779,198</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 65,152	\$ 63,152	\$ 1,523,598
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	<u>(84,045)</u>	<u>-</u>	<u>(85,437)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (18,893)</u>	<u>\$ 63,152</u>	<u>\$ 1,438,161</u>
FUND BALANCE - JULY 1, 2022			<u>2,896,541</u>
FUND BALANCE - JUNE 30, 2023			<u><u>\$ 4,334,702</u></u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - OPERATIONS AND MAINTENANCE FUND  
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 1,309,998	\$ 1,300,503
Earnings on Investments	3,700	31,191
Other Local Sources	456,900	469,044
Total Revenues	<u>\$ 1,770,598</u>	<u>\$ 1,800,738</u>
EXPENDITURES		
Support Services		
Pupil		
Other Support Services		
Purchased Services	\$ 1,400	\$ -
Total Support Services - Pupil	<u>\$ 1,400</u>	<u>\$ -</u>
Business		
Direction of Business Support Services		
Employee Benefits	\$ -	\$ 611
Total Support Services - Business	<u>\$ -</u>	<u>\$ 611</u>
Facilities Acquisition and Construction Services		
Supplies and Materials	\$ 250	\$ 611
Total Support Services - Facilities Acquisition and Construction Services	<u>\$ 250</u>	<u>\$ 611</u>
Operations and Maintenance		
Salaries	\$ 666,634	\$ 612,805
Employee Benefits	146,116	150,900
Purchased Services	410,370	411,039
Supplies and Materials	383,300	306,818
Other Objects	2,375	97
Non-Capitalized Equipment	44,500	46,379
Total Support Services - Operations and Maintenance	<u>\$ 1,653,295</u>	<u>\$ 1,528,038</u>
Total Support Services	<u>\$ 1,654,945</u>	<u>\$ 1,529,260</u>
Intergovernmental Payments		
Payments to Other Government Units (In-State)		
Payments for Special Education Programs		
Other Objects	\$ 27,500	\$ 31,286
	<u>\$ 27,500</u>	<u>\$ 31,286</u>
Total Payments to Other Governmental Units (In-State)	<u>\$ 27,500</u>	<u>\$ 31,286</u>
Total Intergovernmental Payments	<u>\$ 27,500</u>	<u>\$ 31,286</u>
Capital Outlay		
Support Services		
Operations and Maintenance	\$ 70,000	\$ -
Total Capital Outlay	<u>\$ 70,000</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 1,752,445</u>	<u>\$ 1,560,546</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 18,153</u>	<u>\$ 240,192</u>
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 18,153</u>	<u>\$ 240,192</u>
FUND BALANCE - JULY 1, 2022		<u>212,986</u>
FUND BALANCE - JUNE 30, 2023		<u>\$ 453,178</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - TRANSPORTATION FUND  
YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
REVENUES		
Property Taxes	\$ 510,002	\$ 506,606
Earnings on Investments	1,400	19,819
Other Local Sources	1,000	16,068
State Aid		
Transportation	745,235	731,975
Total Revenues	<u>\$ 1,257,637</u>	<u>\$ 1,274,468</u>
EXPENDITURES		
Support Services		
Transportation		
Salaries	\$ 618,433	\$ 513,824
Employee Benefits	149,778	134,855
Purchased Services	180,525	195,816
Supplies and Materials	113,150	96,567
Other Objects	42,160	-
Non-Capitalized Equipment	5,000	2,107
Total Support Services - Transportation	<u>\$ 1,109,046</u>	<u>\$ 943,169</u>
Total Support Services	<u>\$ 1,109,046</u>	<u>\$ 943,169</u>
Debt Services		
Interest		
Interest on Long-Term Debt		
Other Objects	\$ -	\$ 9,832
Total Debt Services - Interest	<u>\$ -</u>	<u>\$ 9,832</u>
Debt Services		
Payments of Principal on Long-Term Debt		
Other Objects	\$ -	\$ 260,698
Total Debt Services - Payment of Principal on Long-Term Debt	<u>\$ -</u>	<u>\$ 260,698</u>
Total Debt Services	<u>\$ -</u>	<u>\$ 270,530</u>
Capital Outlay		
Support Services		
Transportation	\$ 228,771	\$ -
Total Capital Outlay	<u>\$ 228,771</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 1,337,817</u>	<u>\$ 1,213,699</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (80,180)	\$ 60,769
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (80,180)</u>	\$ 60,769
FUND BALANCE - JULY 1, 2022		<u>423,757</u>
FUND BALANCE - JUNE 30, 2023		<u>\$ 484,526</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
REVENUES		
Property Taxes	\$ 621,282	\$ 617,176
Payments in Lieu of Taxes	61,430	64,584
Earnings on Investments	714	13,729
Federal Aid		
Other Federal Aid	3,500	-
Total Revenues	<u>\$ 686,926</u>	<u>\$ 695,489</u>
EXPENDITURES		
Instruction		
Regular Programs		
Employee Benefits	\$ 90,921	\$ 105,332
Special Education Programs		
Employee Benefits	109,339	102,012
Special Education Programs Pre-K		
Employee Benefits	15,700	14,762
Interscholastic Programs		
Employee Benefits	3,579	3,338
Gifted Programs		
Employee Benefits	2,623	2,558
Driver's Education Programs		
Employee Benefits	5,423	5,810
Total Instruction	<u>\$ 227,585</u>	<u>\$ 233,812</u>
Support Services		
Pupil		
Attendance and Social Work Services		
Employee Benefits	\$ 3,312	\$ 2,985
Health Services		
Employee Benefits	50,842	49,480
Psychological Services		
Employee Benefits	2,379	1,848
Speech Pathology and Audiology Services		
Employee Benefits	5,175	4,622
Other Support Services - Pupil		
Employee Benefits	2,185	3,645
Total Support Services - Pupil	<u>\$ 63,893</u>	<u>\$ 62,580</u>
Instructional Staff		
Improvement of Instruction Services		
Employee Benefits	\$ 10,126	\$ 10,584
Educational Media Services		
Employee Benefits	10,964	10,544
Total Support Services - Instructional Staff	<u>\$ 21,090</u>	<u>\$ 21,128</u>
General Administration		
Board of Education Services		
Employee Benefits	\$ 571	\$ 489
Executive Administration Services		
Employee Benefits	18,199	4,723
Total Support Services - General Administration	<u>\$ 18,770</u>	<u>\$ 5,212</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
EXPENDITURES (Continued)		
Support Services (Continued)		
School Administration		
Office of the Principal Services		
Employee Benefits	\$ 41,524	\$ 38,745
Total Support Services - School Administration	<u>\$ 41,524</u>	<u>\$ 38,745</u>
Business		
Direction of Business Support Services		
Employee Benefits	\$ 28,522	\$ -
Fiscal Services		
Employee Benefits	14,550	50,001
Total Support Services - Business	<u>\$ 43,072</u>	<u>\$ 50,001</u>
Operations and Maintenance		
Employee Benefits	\$ 119,994	\$ 107,460
Total Support Services - Operations and Maintenance	<u>\$ 119,994</u>	<u>\$ 107,460</u>
Transportation		
Employee Benefits	\$ 119,232	\$ 89,984
Total Support Services - Transportation	<u>\$ 119,232</u>	<u>\$ 89,984</u>
Food Services		
Employee Benefits	\$ 2,088	\$ 2,113
Total Support Services - Food Services	<u>\$ 2,088</u>	<u>\$ 2,113</u>
Total Support Services	<u>\$ 429,663</u>	<u>\$ 377,223</u>
Community Services		
Employee Benefits	\$ 13,852	\$ 18,273
Total Community Services	<u>\$ 13,852</u>	<u>\$ 18,273</u>
Intergovernmental Payments		
Payments to Other Districts and Governmental Units		
Payments for Special Education Programs		
Employee Benefits	\$ -	\$ 13,553
Total Intergovernmental Payments	<u>\$ -</u>	<u>\$ 13,553</u>
Total Expenditures	<u>\$ 671,100</u>	<u>\$ 642,861</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 15,826	\$ 52,628
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 15,826</u>	\$ 52,628
FUND BALANCE - JULY 1, 2022		<u>128,584</u>
FUND BALANCE - JUNE 30, 2023		<u>\$ 181,212</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2023

**NOTE 1 - BUDGETARY PROCESS**

The District follows procedures mandated by Illinois State law and District Board policy to establish the budgetary data reflected in its financial statements. The budget was passed on September 26, 2022 and an amended budget was approved on May 22, 2023. The budgeted amounts in this report are the result of full compliance with the following procedures:

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

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

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

**NOTE 2 - EXCESS OF EXPENDITURES OVER BUDGET**

For the year ended June 30, 2023, there were no funds presented as Required Supplementary Information that had expenditures that exceeded budget.

## SUPPLEMENTAL FINANCIAL INFORMATION

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
COMBINING BALANCE SHEET  
GENERAL FUND  
JUNE 30, 2023

	Educational Fund	Working Cash Fund	Tort Fund	Total General Fund
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 9,632,639	\$ 743,198	\$ 73,266	\$ 10,449,103
Other Accounts Receivable, net of allowance of \$0	7,635	-	-	7,635
Property Taxes Receivable, net of allowance of \$35,003	5,030,155	32,121	63,098	5,125,374
Due from Other Governments, net of allowance of \$0	143,381	-	-	143,381
Prepaid Items	27,414	-	-	27,414
<b>Total Assets</b>	<b>\$ 14,841,224</b>	<b>\$ 775,319</b>	<b>\$ 136,364</b>	<b>\$ 15,752,907</b>
<b>LIABILITIES</b>				
Accounts Payable and Accrued Expenditures	\$ 361,379	\$ -	\$ -	\$ 361,379
Payroll Liabilities	1,004,247	-	-	1,004,247
Unearned Revenue - Registration Fees	86,466	-	-	86,466
<b>Total Liabilities</b>	<b>\$ 1,452,092</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,452,092</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue - Property Taxes	\$ 9,780,962	\$ 62,458	\$ 122,693	\$ 9,966,113
<b>Total Deferred Inflows of Resources</b>	<b>\$ 9,780,962</b>	<b>\$ 62,458</b>	<b>\$ 122,693</b>	<b>\$ 9,966,113</b>
<b>FUND BALANCE</b>				
Nonspendable				
Prepaid Items	\$ 27,414	\$ -	\$ -	\$ 27,414
Restricted				
Tort	-	-	35,816	35,816
Student Activity	14,603	-	-	14,603
Unassigned	3,566,153	712,861	(22,145)	4,256,869
<b>Total Fund Balance</b>	<b>\$ 3,608,170</b>	<b>\$ 712,861</b>	<b>\$ 13,671</b>	<b>\$ 4,334,702</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 14,841,224</b>	<b>\$ 775,319</b>	<b>\$ 136,364</b>	<b>\$ 15,752,907</b>

See Accompanying Independent Auditor's Report



MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023

	Educational Fund	Working Cash Fund	Tort Fund	Total General Fund
REVENUES				
Property Taxes	\$ 9,249,263	\$ 59,615	\$ 99,328	\$ 9,408,206
Tuition	330,214	-	-	330,214
Earnings on Investments	358,508	1,800	635	360,943
Food Services	140,886	-	-	140,886
District/School Activity Income	193,059	-	-	193,059
Student Activity	18,697	-	-	18,697
Textbooks	796	-	-	796
Other Local Sources	704,002	-	-	704,002
State Aid	4,561,133	-	-	4,561,133
Federal Aid	868,789	-	-	868,789
State Retirement Contributions	4,716,071	-	-	4,716,071
Total Revenues	<u>\$ 21,141,418</u>	<u>\$ 61,415</u>	<u>\$ 99,963</u>	<u>\$ 21,302,796</u>
EXPENDITURES				
Current				
Instruction				
Regular Programs	\$ 6,954,532	\$ -	\$ -	\$ 6,954,532
Special Education Programs	2,156,443	-	-	2,156,443
Special Education Programs Pre-K	290,754	-	-	290,754
Other Instructional Programs	560,325	-	-	560,325
Student Activity	15,865	-	-	15,865
State Retirement Contributions	4,716,071	-	-	4,716,071
Support Services				
Pupil	1,486,615	-	-	1,486,615
Instructional Staff	569,366	-	-	569,366
General Administration	644,319	-	88,257	732,576
School Administration	826,962	-	-	826,962
Business	412,573	-	-	412,573
Operations and Maintenance	806	-	-	806
Food Services	303,156	-	-	303,156
Central	215,271	-	-	215,271
Community Services	153,481	-	-	153,481
Intergovernmental Payments				
Payments to Other Districts and Governmental Units	384,402	-	-	384,402
Total Expenditures	<u>\$ 19,690,941</u>	<u>\$ -</u>	<u>\$ 88,257</u>	<u>\$ 19,779,198</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 1,450,477	\$ 61,415	\$ 11,706	\$ 1,523,598
OTHER FINANCING SOURCES (USES)				
Interfund Transfers	(85,437)	-	-	(85,437)
NET CHANGE IN FUND BALANCES	\$ 1,365,040	\$ 61,415	\$ 11,706	\$ 1,438,161
FUND BALANCE - JULY 1, 2022	2,243,130	651,446	1,965	2,896,541
FUND BALANCE - JUNE 30, 2023	<u>\$ 3,608,170</u>	<u>\$ 712,861</u>	<u>\$ 13,671</u>	<u>\$ 4,334,702</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND - EDUCATIONAL FUND  
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 9,310,402	\$ 9,310,402	\$ 9,249,263
Tuition	388,170	388,170	330,214
Earnings on Investments	16,000	16,000	358,508
Food Services	193,872	193,872	140,886
District/School Activity Income	166,748	166,748	193,059
Student Activity Revenue	900	900	18,697
Textbooks	820	820	796
Other Local Sources	635,886	635,886	704,002
State Aid			
General State Aid	3,771,500	3,771,500	4,489,361
Special Education	200,000	200,000	69,809
Career and Technical Education	950	950	933
State Free Lunch and Breakfast	500	500	1,030
Federal Aid			
Food Service	128,506	128,506	167,172
Title I	36,792	36,792	71,010
Federal Special Education	255,520	255,520	240,536
Title II - Teacher Quality	26,624	26,624	26,957
Medicaid Matching Funds - Administrative Outreach	24,000	24,000	10,542
Medicaid Matching Funds - Fee-for-Service Program	27,000	27,000	52,252
Other Federal Aid	194,000	194,000	300,320
State Retirement Contributions	7,000,000	7,000,000	4,716,071
Total Revenues	<u>\$ 22,378,190</u>	<u>\$ 22,378,190</u>	<u>\$ 21,141,418</u>
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	\$ 5,572,893	\$ 5,572,893	\$ 5,472,654
Employee Benefits	1,234,457	1,232,757	1,051,390
Purchased Services	108,545	96,507	184,482
Supplies and Materials	207,795	207,795	201,319
Other Objects	1,135	1,135	1,181
Non-Capitalized Equipment	12,189	12,189	15,701
Termination Benefits	25,151	25,151	27,805
	<u>\$ 7,162,165</u>	<u>\$ 7,148,427</u>	<u>\$ 6,954,532</u>
Tuition Payments to Charter Schools			
Purchased Services	\$ 117,786	\$ 117,786	\$ -
	<u>\$ 117,786</u>	<u>\$ 117,786</u>	<u>\$ -</u>
Special Education Programs			
Salaries	\$ 1,465,416	\$ 1,465,416	\$ 1,420,279
Employee Benefits	436,748	436,748	446,563
Purchased Services	19,575	19,575	21,974
Supplies and Materials	63,397	63,397	24,088
Other Objects	2,650	2,650	2,300
Non-Capitalized Equipment	13,200	13,200	41,840
	<u>\$ 2,000,986</u>	<u>\$ 2,000,986</u>	<u>\$ 1,957,044</u>
Special Education Programs Pre-K			
Salaries	\$ 237,707	\$ 237,707	\$ 235,646
Employee Benefits	54,211	54,211	47,737
Purchased Services	-	-	1,914
Supplies and Materials	9,090	9,090	4,632
Non-Capitalized Equipment	980	980	825
	<u>\$ 301,988</u>	<u>\$ 301,988</u>	<u>\$ 290,754</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND - EDUCATIONAL FUND  
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Instruction (Continued)			
Interscholastic Programs			
Salaries	\$ 133,294	\$ 133,294	\$ 139,437
Employee Benefits	1,662	1,662	1,576
Purchased Services	11,000	11,000	10,939
Supplies and Materials	5,800	5,800	3,616
Other Objects	2,550	2,550	2,743
Non-Capitalized Equipment	1,770	1,770	1,000
	<u>\$ 156,076</u>	<u>\$ 156,076</u>	<u>\$ 159,311</u>
Gifted Programs			
Salaries	\$ 180,951	\$ 180,951	\$ 180,952
Employee Benefits	28,505	28,505	36,628
Supplies and Materials	2,100	2,100	1,730
	<u>\$ 211,556</u>	<u>\$ 211,556</u>	<u>\$ 219,310</u>
Bilingual Programs			
Salaries	\$ 153,035	\$ 153,035	\$ 155,914
Employee Benefits	25,260	25,260	23,774
Purchased Services	270	270	659
Supplies and Materials	1,300	1,300	1,357
	<u>\$ 179,865</u>	<u>\$ 179,865</u>	<u>\$ 181,704</u>
Private Tuition			
Special Education Programs K-12			
Other Objects	\$ 230,000	\$ 230,000	\$ 199,399
	<u>\$ 230,000</u>	<u>\$ 230,000</u>	<u>\$ 199,399</u>
Student Activity			
Other Objects	\$ -	\$ -	\$ 15,865
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,865</u>
State Retirement Contributions	\$ 7,000,000	\$ 7,000,000	\$ 4,716,071
Total Instruction	<u>\$ 17,360,422</u>	<u>\$ 17,346,684</u>	<u>\$ 14,693,990</u>
Support Services			
Pupil			
Attendance and Social Work Services			
Salaries	\$ 267,590	\$ 267,590	\$ 268,721
Employee Benefits	65,162	65,162	61,621
Supplies and Materials	2,150	2,150	2,616
	<u>\$ 334,902</u>	<u>\$ 334,902</u>	<u>\$ 332,958</u>
Health Services			
Salaries	\$ 278,827	\$ 278,827	\$ 333,183
Employee Benefits	72,930	72,930	51,285
Purchased Services	36,250	36,250	45,151
Supplies and Materials	19,724	19,724	11,488
Other Objects	384	384	565
Non-Capitalized Equipment	4,500	4,500	6,524
	<u>\$ 412,615</u>	<u>\$ 412,615</u>	<u>\$ 448,196</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND - EDUCATIONAL FUND  
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Pupil (Continued)			
Psychological Services			
Salaries	\$ 146,137	\$ 146,137	\$ 149,418
Employee Benefits	40,406	40,406	36,947
Supplies and Materials	5,700	5,700	4,237
	<u>\$ 192,243</u>	<u>\$ 192,243</u>	<u>\$ 190,602</u>
Speech Pathology and Audiology Services			
Salaries	\$ 356,966	\$ 356,966	\$ 360,611
Employee Benefits	82,458	82,458	90,845
Purchased Services	1,100	1,100	7,015
Supplies and Materials	2,500	2,500	3,516
	<u>\$ 443,024</u>	<u>\$ 443,024</u>	<u>\$ 461,987</u>
Other Support Services - Pupil			
Salaries	\$ 26,284	\$ 26,284	\$ 44,380
Employee Benefits	197	197	312
Purchased Services	2,000	2,000	2,325
Supplies and Materials	3,850	3,850	5,855
	<u>\$ 32,331</u>	<u>\$ 32,331</u>	<u>\$ 52,872</u>
Total Support Services - Pupil	<u>\$ 1,415,115</u>	<u>\$ 1,415,115</u>	<u>\$ 1,486,615</u>
Instructional Staff			
Improvement of Instruction Services			
Salaries	\$ 103,805	\$ 139,339	\$ 135,754
Employee Benefits	20,524	20,524	121,825
Purchased Services	82,337	82,337	72,583
Supplies and Materials	1,425	1,425	908
Other Objects	-	-	700
	<u>\$ 208,091</u>	<u>\$ 243,625</u>	<u>\$ 331,770</u>
Educational Media Services			
Salaries	\$ 149,279	\$ 149,279	\$ 150,253
Employee Benefits	18,456	18,456	48,227
Purchased Services	5,321	5,321	15,022
Supplies and Materials	14,450	14,450	9,919
Other Objects	75	75	-
	<u>\$ 187,581</u>	<u>\$ 187,581</u>	<u>\$ 223,421</u>
Assessment and Testing			
Purchased Services	\$ 21,000	\$ 21,000	\$ 14,175
Supplies and Materials	100	100	-
	<u>\$ 21,100</u>	<u>\$ 21,100</u>	<u>\$ 14,175</u>
Total Support Services - Instructional Staff	<u>\$ 416,772</u>	<u>\$ 452,306</u>	<u>\$ 569,366</u>
General Administration			
Board of Education Services			
Salaries	\$ 3,139	\$ 3,139	\$ 2,747
Employee Benefits	8	8	262
Purchased Services	56,450	56,450	51,738
Supplies and Materials	5,800	5,800	7,215
Other Objects	9,000	9,000	8,193
	<u>\$ 74,397</u>	<u>\$ 74,397</u>	<u>\$ 70,155</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND - EDUCATIONAL FUND  
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
General Administration (Continued)			
Executive Administration Services			
Salaries	\$ 405,827	\$ 370,293	\$ 358,249
Employee Benefits	103,957	103,957	34,555
Purchased Services	400	400	48
Supplies and Materials	150	150	109
Other Objects	2,700	2,700	3,422
	<u>\$ 513,034</u>	<u>\$ 477,500</u>	<u>\$ 396,383</u>
Tort Immunity Services			
Purchased Services	\$ 162,716	\$ 162,716	\$ 177,781
	<u>\$ 162,716</u>	<u>\$ 162,716</u>	<u>\$ 177,781</u>
Total Support Services - General Administration	<u>\$ 750,147</u>	<u>\$ 714,613</u>	<u>\$ 644,319</u>
School Administration			
Office of the Principal Services			
Salaries	\$ 653,502	\$ 653,502	\$ 594,209
Employee Benefits	244,537	244,537	223,951
Purchased Services	12,415	12,415	6,857
Supplies and Materials	3,800	3,800	1,945
Other Objects	1,000	1,000	-
Non-Capitalized Equipment	500	500	-
	<u>\$ 915,754</u>	<u>\$ 915,754</u>	<u>\$ 826,962</u>
Total Support Services - School Administration	<u>\$ 915,754</u>	<u>\$ 915,754</u>	<u>\$ 826,962</u>
Business			
Direction of Business Support Services			
Salaries	\$ 15,000	\$ 15,000	\$ -
Purchased Services	-	-	225
Supplies and Materials	-	-	202
Other Objects	-	-	615
	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 1,042</u>
Fiscal Services			
Salaries	\$ 280,572	\$ 280,572	\$ 285,999
Employee Benefits	52,824	71,112	68,199
Purchased Services	42,116	39,816	51,630
Supplies and Materials	1,550	1,550	3,707
Other Objects	3,500	1,250	1,416
Non-Capitalized Equipment	1,500	1,500	580
	<u>\$ 382,062</u>	<u>\$ 395,800</u>	<u>\$ 411,531</u>
Total Support Services - Business	<u>\$ 397,062</u>	<u>\$ 410,800</u>	<u>\$ 412,573</u>
Operations and Maintenance			
Employee Benefits	\$ 28,733	\$ 28,733	\$ -
Supplies and Materials	1,100	1,100	239
Non-Capitalized Equipment	4,000	4,000	567
Total Support Services - Operations and Maintenance	<u>\$ 33,833</u>	<u>\$ 33,833</u>	<u>\$ 806</u>
Food Services			
Salaries	\$ 9,894	\$ 9,894	\$ 26,358
Employee Benefits	25	25	316
Purchased Services	326,000	326,000	257,597
Supplies and Materials	3,050	3,050	3,802
Other Objects	-	-	688
Non-Capitalized Equipment	2,870	2,870	14,395
Total Support Services - Food Services	<u>\$ 341,839</u>	<u>\$ 341,839</u>	<u>\$ 303,156</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND - EDUCATIONAL FUND  
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
EXPENDITURES (Continued)			
Support Services (Continued)			
Central			
Staff Services			
Purchased Services	\$ -	\$ -	\$ 140
Supplies and Materials	-	-	58
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198</u>
Data Processing Services			
Purchased Services	\$ 148,880	\$ 148,880	\$ 142,071
Supplies and Materials	20,500	20,500	14,937
Non-Capitalized Equipment	63,000	63,000	58,065
	<u>\$ 232,380</u>	<u>\$ 232,380</u>	<u>\$ 215,073</u>
Total Support Services - Central	<u>\$ 232,380</u>	<u>\$ 232,380</u>	<u>\$ 215,271</u>
Total Support Services	<u>\$ 4,502,902</u>	<u>\$ 4,516,640</u>	<u>\$ 4,459,068</u>
Community Services			
Salaries	\$ 132,724	\$ 132,724	\$ 105,733
Employee Benefits	13,407	13,407	24,463
Purchased Services	6,210	6,210	4,299
Supplies and Materials	4,200	4,200	18,986
Total Community Services	<u>\$ 156,541</u>	<u>\$ 156,541</u>	<u>\$ 153,481</u>
Intergovernmental Payments			
Payments to Other Districts and Governmental Units			
Payments for Special Education Programs			
Purchased Services	\$ 42,000	\$ 42,000	\$ 33,822
Other Objects	283,000	285,000	325,809
	<u>\$ 325,000</u>	<u>\$ 327,000</u>	<u>\$ 359,631</u>
Total Payments to Other Districts and Governmental Units (In-State)	<u>\$ 325,000</u>	<u>\$ 327,000</u>	<u>\$ 384,402</u>
Total Intergovernmental Payments	<u>\$ 325,000</u>	<u>\$ 327,000</u>	<u>\$ 384,402</u>
Capital Outlay			
Instruction			
Special Education Programs	\$ 4,000	\$ 4,000	\$ -
Support Services			
Food Services	2,500	2,500	-
Central	7,500	7,500	-
Total Capital Outlay	<u>\$ 14,000</u>	<u>\$ 14,000</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 22,358,865</u>	<u>\$ 22,360,865</u>	<u>\$ 19,690,941</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 19,325	\$ 17,325	\$ 1,450,477
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	<u>(84,045)</u>	<u>-</u>	<u>(85,437)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (64,720)</u>	<u>\$ 17,325</u>	<u>\$ 1,365,040</u>
FUND BALANCE - JULY 1, 2022			<u>2,243,130</u>
FUND BALANCE - JUNE 30, 2023			<u>\$ 3,608,170</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND - WORKING CASH FUND  
YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
REVENUES		
Property Taxes	\$ 60,002	\$ 59,615
Earnings on Investments	1,800	1,800
Total Revenues	<u>\$ 61,802</u>	<u>\$ 61,415</u>
EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 61,802	\$ 61,415
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ 61,802</u></u>	\$ 61,415
FUND BALANCE - JULY 1, 2022		<u>651,446</u>
FUND BALANCE - JUNE 30, 2023		<u><u>\$ 712,861</u></u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND - TORT FUND  
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Property Taxes	\$ 100,000	\$ 99,328
Earnings on Investments	775	635
Total Revenues	<u>\$ 100,775</u>	<u>\$ 99,963</u>
EXPENDITURES		
Support Services		
General Administration		
Claims Paid from Self Insurance Fund		
Purchased Services	<u>\$ 76,750</u>	<u>\$ 71,741</u>
	<u>\$ 76,750</u>	<u>\$ 71,741</u>
Risk Management and Claims Services Payments		
Purchased Services	<u>\$ 40,000</u>	<u>\$ 16,516</u>
	<u>\$ 40,000</u>	<u>\$ 16,516</u>
Total Support Services - General Administration	<u>\$ 116,750</u>	<u>\$ 88,257</u>
Total Support Services	<u>\$ 116,750</u>	<u>\$ 88,257</u>
Total Expenditures	<u>\$ 116,750</u>	<u>\$ 88,257</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (15,975)</u>	<u>\$ 11,706</u>
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (15,975)</u></u>	<u>\$ 11,706</u>
FUND BALANCE - JULY 1, 2022		<u>1,965</u>
FUND BALANCE - JUNE 30, 2023		<u><u>\$ 13,671</u></u>

See Accompanying Independent Auditor's Report



MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
DEBT SERVICES FUND  
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts
	Original	Final	
REVENUES			
Property Taxes	\$ 4,842,950	\$ 4,842,950	\$ 4,811,353
Earnings on Investments	1,810	1,810	-
Total Revenues	<u>\$ 4,844,760</u>	<u>\$ 4,844,760</u>	<u>\$ 4,811,353</u>
EXPENDITURES			
Debt Services			
Interest			
Other Interest on Long-Term Debt			
Other Objects	\$ -	\$ -	\$ 3,082,362
Total Debt Services - Interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,082,362</u>
Debt Services			
Payments of Principal on Long-Term Debt			
Other Objects	\$ 4,912,992	\$ 4,912,992	\$ 1,914,058
Total Debt Services - Payment of Principal on Long-Term Debt	<u>\$ 4,912,992</u>	<u>\$ 4,912,992</u>	<u>\$ 1,914,058</u>
Debt Services			
Other			
Other Objects	\$ 500	\$ 500	\$ -
Total Debt Services - Other	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ -</u>
Total Debt Services	<u>\$ 4,913,492</u>	<u>\$ 4,913,492</u>	<u>\$ 4,996,420</u>
Total Expenditures	<u>\$ 4,913,492</u>	<u>\$ 4,913,492</u>	<u>\$ 4,996,420</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (68,732)	\$ (68,732)	\$ (185,067)
OTHER FINANCING SOURCES (USES)			
Interfund Transfers	84,045	-	85,437
NET CHANGE IN FUND BALANCE	<u>\$ 15,313</u>	<u>\$ (68,732)</u>	\$ (99,630)
FUND BALANCE - JULY 1, 2022			<u>725,624</u>
FUND BALANCE - JUNE 30, 2023			<u>\$ 625,994</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND  
YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
REVENUES		
Property Taxes	\$ 25,000	\$ 50,252
Earnings on Investments	1,800	17,684
Other Local Sources	23,000	-
State Aid		
School Infrastructure - Maintenance Projects	50,000	50,000
Federal Aid		
Other Federal Aid	90,000	-
Total Revenues	<u>\$ 189,800</u>	<u>\$ 117,936</u>
EXPENDITURES		
Support Services		
Business		
Facilities Acquisition and Construction Services		
Non-Capitalized Equipment	<u>\$ 500</u>	<u>\$ -</u>
Total Support Services - Facilities Acquisition and Construction Services	<u>\$ 500</u>	<u>\$ -</u>
Total Support Services	<u>\$ 500</u>	<u>\$ -</u>
Capital Outlay		
Support Services		
Facilities Acquisition and Construction Services	<u>\$ 822,338</u>	<u>\$ 411,061</u>
Total Capital Outlay	<u>\$ 822,338</u>	<u>\$ 411,061</u>
Total Expenditures	<u>\$ 822,838</u>	<u>\$ 411,061</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (633,038)</u>	<u>\$ (293,125)</u>
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (633,038)</u></u>	<u>\$ (293,125)</u>
FUND BALANCE - JULY 1, 2022		<u>721,914</u>
FUND BALANCE - JUNE 30, 2023		<u><u>\$ 428,789</u></u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FIRE PREVENTION AND SAFETY FUND  
YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u> <u>Original and Final</u>	<u>Actual</u> <u>Amounts</u>
REVENUES		
Property Taxes	\$ 1,090	\$ 1,017
Earnings on Investments	450	9,847
Total Revenues	<u>\$ 1,540</u>	<u>\$ 10,864</u>
EXPENDITURES		
Support Services		
Operation and Maintenance of Plant Services		
Non-Capitalized Equipment	\$ 19,000	\$ 19,486
Total Support Services - Operations and Maintenance	<u>\$ 19,000</u>	<u>\$ 19,486</u>
Total Support Services	<u>\$ 19,000</u>	<u>\$ 19,486</u>
Total Expenditures	<u>\$ 19,000</u>	<u>\$ 19,486</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (17,460)	\$ (8,622)
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (17,460)</u>	\$ (8,622)
FUND BALANCE - JULY 1, 2022		<u>279,181</u>
FUND BALANCE - JUNE 30, 2023		<u>\$ 270,559</u>

See Accompanying Independent Auditor's Report

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
COMPUTATION OF OPERATING EXPENSE PER PUPIL  
AND PER CAPITA TUITION CHARGE  
YEAR ENDED JUNE 30, 2023

<b>OPERATING EXPENSE PER PUPIL</b>			
<b>EXPENDITURES:</b>			
ED	Total Expenditures	\$	14,959,005
O&M	Total Expenditures		1,560,546
DS	Total Expenditures		4,996,420
TR	Total Expenditures		1,213,699
MR/SS	Total Expenditures		642,861
TORT	Total Expenditures		88,257
	<b>Total Expenditures</b>	<b>\$</b>	<b>23,460,788</b>

**LESS RECEIPTS/REVENUES OR DISBURSEMENTS/EXPENDITURES NOT APPLICABLE TO THE REGULAR K-12 PROGRAM:**

ED	Special Education Programs Pre-K	\$	289,929
ED	Special Education Programs K-12 - Private Tuition		199,399
ED	Community Services		153,481
ED	Total Payments to Other Govt Units		384,402
ED	Non-Capitalized Equipment		139,497
O&M	Total Payments to Other Govt Units		31,286
O&M	Non-Capitalized Equipment		46,379
DS	Debt Service - Payments of Principal on Long-Term Debt		1,914,058
TR	Debt Service - Payments of Principal on Long-Term Debt		228,770
TR	Non-Capitalized Equipment		2,107
MR/SS	Special Education Programs - Pre-K		14,762
MR/SS	Community Services		18,273
MR/SS	Total Payments to Other Govt Units		13,553
	<b>Total Deductions for OEPP Computation (Sum of Lines 18 - 74)</b>	<b>\$</b>	<b>3,435,896</b>
	<b>Total Operating Expenses Regular K-12 (Line 14 minus Line 76)</b>		<b>20,024,892</b>
	<b>Month ADA from District Average Daily Attendance-Student Information System (SIS) in IWAS-preliminary ADA 2022-2023</b>		<b>1,023.93</b>
	<b>Estimated OEPP (Line 77 divided by Line 78)</b>	<b>\$</b>	<b>19,556.90</b>

**PER CAPITA TUITION CHARGE**

**LESS OFFSETTING RECEIPTS/REVENUES:**

ED	Total Food Service	\$	140,886
ED-O&M	Total District/School Activity Income (without Student Activity Funds)		193,059
ED	Sales - Regular Textbooks		796
ED-O&M	Rentals		619,558
ED-O&M-DS-TR-MR/SS	Payment from Other Districts		145,545
ED	Other Local Fees (Describe & Itemize)		243,651
ED-O&M-TR	Total Special Education		69,809
ED-O&M-MR/SS	Total Career and Technical Education		933
ED	State Free Lunch & Breakfast		1,030
ED-O&M-TR-MR/SS	Total Transportation		731,975
ED-MR/SS	Total Food Service		167,172
ED-O&M-TR-MR/SS	Total Title I		71,010
ED-O&M-TR-MR/SS	Fed - Spec Education - IDEA - Flow Through		234,078
ED-O&M-TR-MR/SS	Title II - Teacher Quality		26,957
ED-O&M-TR-MR/SS	Medicaid Matching Funds - Administrative Outreach		10,542
ED-O&M-TR-MR/SS	Medicaid Matching Funds - Fee-for-Service Program		52,252
ED-O&M-TR-MR/SS	Other Restricted Revenue from Federal Sources (Describe & Itemize)		300,320
Federal Stimulus Revenue	Adjusting for FY20, FY21, or FY22 revenue in FY23 for TY20, FY21, or FY22 Expenses		(78,113)
ED-TR-MR/SS	Special Education Contributions from EBF Funds **		544,317
ED-MR/SS	English Learning (Bilingual) Contributions from EBF Funds ***		21,741
	<b>Total Deductions for PCTC Computation Line 84 through Line 172</b>	<b>\$</b>	<b>3,497,518</b>
	<b>Net Operating Expense for Tuition Computation (Line 77 minus Line 174)</b>		<b>16,527,374</b>
	<b>Total Depreciation Allowance (from page 26, Line 18, Col I)</b>		<b>1,176,432</b>
	<b>Total Allowance for PCTC Computation (Line 175 plus Line 176)</b>		<b>17,703,806</b>
	<b>Month ADA from District Average Daily Attendance-Student Information System (SIS) in IWAS-preliminary ADA 2022-2023</b>		<b>1,023.93</b>
	<b>Total Estimated PCTC (Line 177 divided by Line 178)</b>	<b>\$</b>	<b>17,290.05</b>

Unaudited

## ANNUAL FEDERAL FINANCIAL COMPLIANCE SECTION



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

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

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited

Millburn Community Consolidated School District No. 24's

compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Millburn Community Consolidated School District No. 24's major federal programs for the year ended June 30, 2023. Millburn Community Consolidated School District No. 24's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Millburn Community Consolidated School District No. 24 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal Program***

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

We are required to be independent of Millburn Community Consolidated School District No. 24 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Millburn Community Consolidated School District No. 24's compliance with the compliance requirements referred to above.

## ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Millburn Community Consolidated School District No. 24's federal programs.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Millburn Community Consolidated School District No. 24's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Millburn Community Consolidated School District No. 24's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Millburn Community Consolidated School District No. 24's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Millburn Community Consolidated School District No. 24's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Millburn Community Consolidated School District No. 24's internal control over compliance. Accordingly, no such opinion is expressed.

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

## ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001. Our opinion on each major federal program is not modified with respect to this matter. *Government Auditing Standards* requires the auditor to perform limited procedures on Millburn Community Consolidated School District No. 24's response to the noncompliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. Millburn Community Consolidated School District No. 24's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## ***Report on Internal Control Over Compliance***

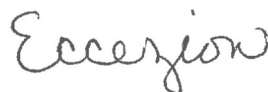
*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

The 2022 comparative information shown in the Schedule of Expenditures of Federal Awards was subjected to auditing procedures by us in our report dated February 7, 2023, expressed an unmodified opinion that such information was fairly stated in all material respects in relation to the 2022 financial statements as a whole.

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



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McHenry, Illinois  
December 5, 2023



**MILLBURN CC SCHOOL DISTRICT NO. 24**  
**34-049-0240-04**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ending June 30, 2023**

Federal Grantor/Pass-Through Grantor  Program or Cluster Title and Major Program Designation	AL Number <sup>2</sup> (A)	ISBE Project #  (1st 8 digits) or Contract # <sup>3</sup> (B)	Receipts/Revenues		Year 7/1/21-6/30/22 (E)	Expenditure/Disbursements <sup>4</sup>		Year 7/1/22-6/30/23 (F)	Year 7/1/22-6/30/23 Pass through to Subrecipients	Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/21-6/30/22 (C)	Year 7/1/22-6/30/23 (D)		Year 7/1/21-6/30/22 Pass through to Subrecipients	Year 7/1/22-6/30/23 Pass through to Subrecipients					
CHILD NUTRITION CLUSTER												
U.S. Department of Agriculture passed through												
Illinois State Board of Education												
Food Donation Program	10.555	23-4299-00		10,877			10,877				10,877	N/A
National School Lunch Program+	10.555	22-4210-00	362,864	14,199	362,864		14,199				377,063	N/A
COVID-19 ARP - National School Lunch Program +	10.555	22-4210-BT		628			628				628	
National School Lunch Program+	10.555	23-4210-00		114,116			114,116				114,116	N/A
COVID-19 ARP - National School Lunch Program+	10.555	23-4210-SC		38,229			38,229				38,229	N/A
U.S. Department of Defense passed through												
Illinois State Board of Education												
Food Donation Program	10.555	23-4299-00		14,987			14,987				14,987	N/A
Subtotal CFDA 10.555			362,864	193,036	362,864		193,036				555,900	
Total Child Nutrition Cluster			362,864	193,036	362,864		193,036				555,900	
Total CFDA "10"			362,864	193,036	362,864		193,036				555,900	
U.S. Department of Education passed through												
Illinois State Board of Education												
Title I - Low Income *	84.010	22-4300-00	7,195	41,036	7,195		41,036				48,231	52,045
Title I - Low Income	84.010	23-4300-00		29,974			29,974				29,974	80,077
Subtotal CFDA 84.010			7,195	71,010	7,195		71,010				78,205	
Title II - Teacher Quality*	84.367	22-4932-00	31,295	5,905	31,295		5,905				37,200	37,245
Title II - Teacher Quality	84.367	23-4932-00		21,052			21,052				21,052	29,716
Subtotal CFDA 84.367			31,295	26,957	31,295		26,957				58,252	

**MILLBURN CC SCHOOL DISTRICT NO. 24**  
**34-049-0240-04**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ending June 30, 2023**

Federal Grantor/Pass-Through Grantor  Program or Cluster Title and Major Program Designation	AL Number <sup>2</sup> (A)	ISBE Project #  (1st 8 digits) or Contract # <sup>3</sup> (B)	Receipts/Revenues		Year 7/1/21-6/30/22 (E)	Expenditure/Disbursements <sup>4</sup>		Year 7/1/22-6/30/23 Pass through to Subrecipients (F)	Year 7/1/22-6/30/23 Pass through to Subrecipients	Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/21-6/30/22 (C)	Year 7/1/22-6/30/23 (D)		Year 7/1/21-6/30/22 Pass through to Subrecipients	Year 7/1/22-6/30/23 Pass through to Subrecipients					
SPECIAL EDUCATION CLUSTER												
US Department of Education passed through												
Illinois State Board of Education												
COVID-19 - IDEA ARP Funding Flow Through	84.027X	22-4998-ID		19,711			19,711				19,711	49,397
Special Education - Grants to States	84.027	23-4620-00		234,078			234,078				234,078	297,141
Subtotal CFDA 84.027				253,789			253,789				253,789	
COVID-19 - IDEA Preschool ARP Funding Flow Through	84.173X	22-4998-PS		4,228			4,228				4,228	4,893
Special Education - Preschool	84.173	23-4600-00		6,458			6,458				6,458	6,729
Subtotal CFDA 84.173				10,686			10,686				10,686	
Total Special Education Cluster				264,475			264,475				264,475	
COVID-19 Elementary and Secondary Emergency Relief Fund (M)	84.425U	22-4998-E3		274,048	78,113		195,935				274,048	414,424
Subtotal CFDA 84.425				274,048	78,113		195,935				274,048	
Total CFDA "84"			38,490	636,490	116,603		558,377				674,980	
MEDICAID CLUSTER												
Passed Through Illinois Department of Healthcare and Family Services												
Medicaid Administrative Outreach	93.778	23-4991-00		10,981			10,981				10,981	N/A
Subtotal CFDA 93.778				10,981			10,981				10,981	
Total Medicaid Cluster				10,981			10,981				10,981	
Total CFDA "93"				10,981			10,981				10,981	

**MILLBURN CC SCHOOL DISTRICT NO. 24**  
**34-049-0240-04**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ending June 30, 2023**

Federal Grantor/Pass-Through Grantor  Program or Cluster Title and Major Program Designation	AL Number <sup>2</sup> (A)	ISBE Project # (1st 8 digits) or Contract # <sup>3</sup> (B)	Receipts/Revenues		Year 7/1/21-6/30/22 (E)	Expenditure/Disbursements <sup>4</sup>		Year 7/1/22-6/30/23 (F)	Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/21-6/30/22 (C)	Year 7/1/22-6/30/23 (D)		Year 7/1/21-6/30/22 Pass through to Subrecipients	Year 7/1/22-6/30/23 Pass through to Subrecipients				
Federal Communications Commission											
COVID-19 Emergency Connectivity Fund Program	32.009	23-4998-00		2,333				2,333		2,333	N/A
Subtotal CFDA 32.009				2,333				2,333		2,333	
Total CFDA"32"				2,333				2,333		2,333	
Total Federal Assistance			401,354	842,840	479,467			764,727		1,244,194	
+ Year End 9/30											
* Year End 8/31											

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

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

The accompanying notes are an integral part of this schedule.

<sup>1</sup> To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

<sup>2</sup> When the Assistance Listing (AL) number is not available, the auditee should indicate that the AL number is not available and include in the schedule the program's name and, if applicable, other identifying number.

<sup>3</sup> When awards are received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included in the schedule. §200.510 (b)(2)

<sup>4</sup> The Uniform Guidance requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in the schedule and suggests to include the amounts in the SEFA notes.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2023

**NOTE 1 - BASIS OF PRESENTATION**

The Schedule of Expenditures of Federal Awards includes the federal award activity of Millburn Community Consolidated School District No. 24 under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with requirements of the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in the schedule may differ from amounts presented in, and used in the preparation of, the basic financial statements.

**NOTE 2 - SUMMARY OF ACCOUNTING POLICIES**

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

**NOTE 3 - INDIRECT COST RATE**

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

**NOTE 4 - SUBRECIPIENTS**

The District did not provide federal awards to subrecipients during the year ended June 30, 2023.

**NOTE 5 - FEDERAL LOANS**

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

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

The District was not a recipient of federally donated PPE.

MILLBURN COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 24  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2023

- 1) Summary of auditor's results:
  - a) The auditor's report expresses an unmodified opinion on whether the financial statements of Millburn Community Consolidated School District No. 24 were prepared in accordance with GAAP.
  - b) No significant deficiencies are reported during the audit of the financial statements. No material weaknesses are reported.
  - c) No instances of noncompliance material to the financial statements of Millburn Community Consolidated School District No. 24, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
  - d) No significant deficiencies in internal control over major federal awards, disclosed during the audit, are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance. No material weaknesses in internal control over major federal award programs are reported.
  - e) The auditor's report on compliance for the major federal award programs for Millburn Community Consolidated School District No. 24 expresses an unmodified opinion on all major federal programs.
  - f) Audit findings that are required to be reported in accordance with Uniform Guidance 2 CFR section 200.516(a) are reported in this Schedule.
  - g) The program tested as a major program was: COVID-19 Elementary and Secondary Emergency Relief Fund (CFDA #84.425U).
  - h) The threshold used for distinguishing between Type A and B programs was \$750,000.
  - i) Millburn Community Consolidated School District No. 24 was determined to be a low-risk auditee.
- 2) There were no findings related to the financial statements which are required to be reported.
- 3) A finding relating to federal awards which is required to be reported is detailed in finding number 2023-001.

**MILLBURN CC SCHOOL DISTRICT NO. 24**  
**34-049-0240-04**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ending June 30, 2023**

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

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1. FINDING NUMBER:<sup>11</sup>      **2023 - N/A**      2. THIS FINDING IS:      ☐ New      ☐ Repeat from Prior Year?  
Year originally reported? \_\_\_\_\_

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3. Criteria or specific requirement

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4. Condition

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5. Context<sup>12</sup>

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6. Effect

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7. Cause

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8. Recommendation

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9. Management's response<sup>13</sup>

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

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

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

**MILLBURN CC SCHOOL DISTRICT NO. 24**  
**34-049-0240-04**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ending June 30, 2023**

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

1. FINDING NUMBER:<sup>14</sup> **2023 - 001** 2. THIS FINDING IS: ☒ New ☐ Repeat from Prior year?  
Year originally reported? \_\_\_\_\_

3. Federal Program Name and Year: Elementary and Secondary Emergency Relief Fund

4. Project No.: 22-4998-E3 5. AL No.: 84.425U

6. Passed Through: Illinois State Board of Education

7. Federal Agency: U.S. Department of Education

8. Criteria or specific requirement (including statutory, regulatory, or other citation)  
RECIPIENTS ARE REQUIRED TO SUBMIT ACCURATE DATA TO THE STATE OUTLINING EXPENDITURES BY SPECIFIC CATEGORIES AND OBJECT CODES.

9. Condition<sup>15</sup>  
DATA SUBMITTED TO THE STATE, RELATED TO THE STATE DATA COLLECTION REPORTING FOR ESSER RECIPIENTS, SHOWED SOME EXPENDITURES CATEGORIZED DIFFERENTLY FROM PREVIOUSLY FILED EXPENDITURE REPORTS.

10. Questioned Costs<sup>16</sup>  
NONE

11. Context<sup>17</sup>  
AMOUNTS REPORTED WERE NOT RECONCILED TO THE EXPENDITURE REPORTS CAUSING AMOUNTS TO BE CATEGORIZED INCORRECTLY.

12. Effect  
DATA WAS NOT ACCURATELY SUBMITTED.

13. Cause  
DISTRICT PROCEDURES DID NOT DETECT OR PREVENT THIS ERROR.

14. Recommendation  
DISTRICT SHOULD DEVELOP AND IMPLEMENT PROCEDURES TO RECONCILE AMOUNTS FOR ANNUAL REPORTS TO PERIODIC EXPENDITURE REPORTS, AND HAVE REPORTS REVIEWED BY A SECOND PERSON PRIOR TO SUBMISSION.

15. Management's response<sup>18</sup>  
MANAGEMENT WILL IMPLEMENT PROCEDURES INCLUDING RECONCILING AMOUNTS BETWEEN UNDERLYING DATA, QUARTERLY EXPENDITURE REPORTS, AND ANNUAL DATA COLLECTION REPORTS. ADDITIONALLY, REPORTS AND SUPPORTING DOCUMENTATION WILL BE REVIEWED BY A SECOND PERSON.

<sup>14</sup> See footnote 11.

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

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

<sup>17</sup> See footnote 12.

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

**MILLBURN CC SCHOOL DISTRICT NO. 24**  
**34-049-0240-04**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS<sup>19</sup>**  
**Year Ending June 30, 2023**

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

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

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

<sup>19</sup> Explanation of this schedule - §200.511 (b)

<sup>20</sup> Current Status should include one of the following:

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



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**34-049-0240-04**  
**CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS**  
**Year Ending June 30, 2023**

**Corrective Action Plan**

Finding No.: **2023- 001**

**Condition:**

Data submitted on the LEA Data Collection Form showed some key line-item expenditures categorized differently from previously filed expenditure reports.

**Plan:**

Management will implement procedures including reconciling amounts between underlying data, quarterly expenditure reports, and annual data collection reports. Additionally, reports and supporting documentation will be reviewed by a second person.

Anticipated Date of Completion: **6/30/24**

Name of Contact Person: **Carly Kraft**

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