

**WEST AURORA SCHOOL DISTRICT 129**

**FINANCIAL STATEMENTS**

June 30, 2022

(With Independent Auditor's Report Therein)

WEST AURORA SCHOOL DISTRICT 129

FINANCIAL STATEMENTS

June 30, 2022

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## INDEPENDENT AUDITOR'S REPORT

Board of Education  
West Aurora School District 129  
Aurora, Illinois

**Report on the Audit of the Financial Statements*****Opinions***

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of West Aurora School District 129 (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (*Government Auditing Standards*), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Emphasis of Matter***

As discussed in Note 14 to the financial statements, the District has adopted GASB Statement No. 87, *Leases* as of July 1, 2021. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Net Pension Liability and Related Ratios, Schedules of Employer Contributions, Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of Changes in the District's Total Other Post-Employment Benefits Liability and Related Ratios, Schedule of the District's Proportionate Share of the Net Other Post-Employment Benefits Liability and Budgetary Comparison Schedule 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, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Crowe LLP". The signature is written in a cursive, flowing style.

Crowe LLP

Oak Brook, Illinois  
December 23, 2022

# **West Aurora School District 129**

## **Management's Discussion and Analysis**

### **For the Year Ended June 30, 2022**

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The discussion and analysis of West Aurora School District 129's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2022. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

#### **Overview of the Financial Statements**

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

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

This report also contains other supplementary information in addition to the basic financial statements.

#### *Government-wide financial statements*

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

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

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

# **West Aurora School District 129**

## **Management's Discussion and Analysis**

### **For the Year Ended June 30, 2022**

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#### *Fund financial statements*

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

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

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

The District maintains 7 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, Bond & Interest, Transportation, IMRF & Social Security, Site and Construction and Health and Life Safety funds. Of these funds the following have been determined to be major: General, Operations and Maintenance, Bond and Interest, and Transportation. The General Fund includes the Education Account, Working Cash Account and Tort Account.

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.

Fiduciary funds are used to account for resources held for the benefit of parties outside the school district. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that for the government-wide financial statements.



# West Aurora School District 129

## Management's Discussion and Analysis

### For the Year Ended June 30, 2022

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#### *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 statement and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its non-certified employees.

#### **District-Wide Financial Analysis**

<b>Table 1</b>			
<b>Condensed Statement of Net Position</b>			
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>% Chg.</u></b>
Current & Other Assets	\$ 191,226,681	\$ 165,662,339	15.43%
Capital Assets	<u>175,207,282</u>	<u>176,420,950</u>	-0.69%
<b>Total Assets</b>	<b><u>366,433,963</u></b>	<b><u>342,083,289</u></b>	7.12%
<b>Deferred Outflows of Resources</b>	<b><u>7,434,550</u></b>	<b><u>7,094,515</u></b>	4.79%
Long-Term Liabilities	189,924,473	226,902,354	-16.30%
Other Liabilities	<u>15,964,818</u>	<u>16,794,022</u>	-4.94%
<b>Total Liabilities</b>	<b><u>205,889,291</u></b>	<b><u>243,696,376</u></b>	-15.51%
<b>Deferred Inflows of Resources</b>	<b><u>104,533,091</u></b>	<b><u>84,672,515</u></b>	23.46%
Net Position:			
Investment in Capital Assets	76,125,871	61,812,872	23.16%
Restricted	23,941,375	17,471,808	37.03%
Unrestricted	<u>(36,621,115)</u>	<u>(58,475,767)</u>	37.37%
<b>Total Net Position</b>	<b>\$ 63,446,131</b>	<b>\$ 20,808,913</b>	<b>204.90%</b>

# West Aurora School District 129

## Management's Discussion and Analysis

### For the Year Ended June 30, 2022

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**Table 2**  
**Changes in Net Position**  
**Government-Wide**

	<u>2022</u>	<u>2021</u>	<u>% Chg.</u>
<b>Revenues:</b>			
<u>Program Revenues</u>			
Charges for Services	\$ 2,175,332	\$ 1,473,493	47.63%
Operating Grants & Contributions	78,604,409	105,559,969	-25.54%
<u>General Revenues</u>			
Property Taxes	106,841,888	101,045,043	5.74%
Evidence Based Funding	66,405,636	61,652,058	7.71%
Other	3,930,133	5,318,342	-26.10%
<b>Total Revenues</b>	<b><u>257,957,398</u></b>	<b><u>275,048,905</u></b>	-6.21%
<b>Expenses:</b>			
Instruction	89,332,336	92,621,066	-3.55%
Pupil & Support Services	27,534,652	26,930,644	2.24%
Administration & Business	25,936,235	23,218,005	11.71%
Transportation	8,898,312	7,299,076	21.91%
Operations & Maintenance	8,746,608	12,124,775	-27.86%
Other	53,734,659	81,622,339	-34.17%
<b>Total Expenses</b>	<b><u>214,182,802</u></b>	<b><u>243,815,905</u></b>	-12.15%
<b>Change in Accounting Principle</b>	<b><u>(1,137,378)</u></b>	<b><u>876,099</u></b>	N/A
<b>Increase (Decrease) in Net Position</b>	<b>\$ 42,637,218</b>	<b>\$ 32,109,099</b>	<b>32.79%</b>

# West Aurora School District 129

## Management's Discussion and Analysis

### For the Year Ended June 30, 2022

**Table 3**  
**FY 22 Operating Revenue & Expenditures vs. Prior Year**  
**Fund Level**

	<u>FY 22</u>	<u>FY 21</u>	<u>Variance Inc/(Dec)</u>	<u>% Chg. Inc/(Dec)</u>
<b>Revenues:</b>				
General – Educational	\$ 162,844,291	\$ 148,536,945	\$ 14,307,346	9.63%
General – Working Cash	41,222	-	41,222	N/A
Operation & Maintenance	23,031,120	20,146,378	2,884,742	14.32%
Debt Service	14,665,523	16,315,777	(1,650,254)	-10.11%
Transportation	8,661,882	10,129,934	(1,468,052)	-14.49%
IMRF / Soc. Sec.	4,488,046	5,914,416	(1,426,370)	-24.12%
Site & Construction	9,927	18,845	(8,918)	-47.32%
Tort/Liability	1,198	2,716	(1,518)	-55.89%
Fire Prevention & Safety Fund	128	343	(215)	-62.68%
<b>Total Revenue</b>	<b>213,743,337</b>	<b>201,065,354</b>	<b>12,677,983</b>	<b>6.31%</b>
<b>Expenditures:</b>				
General – Educational	146,582,298	142,483,209	4,099,089	2.88%
General – Working Cash	-	-	-	N/A
Operation & Maintenance	18,269,481	14,821,837	3,447,644	23.26%
Debt Service	17,622,466	16,304,029	1,318,437	8.09%
Transportation	9,966,730	10,717,212	(750,482)	-7.00%
IMRF / Soc. Sec.	4,576,277	4,444,883	131,394	2.96%
Site & Construction	2,794	1,403,772	(1,400,978)	-99.80%
Tort/Liability	-	-	-	N/A
Fire Prevention & Safety Fund	-	-	-	N/A
<b>Total Expenditures</b>	<b>197,020,046</b>	<b>190,174,942</b>	<b>6,845,104</b>	<b>3.60%</b>
<b>Revenue +/- Expenditures:</b>				
General – Educational	16,261,993	6,053,736	10,208,257	168.63%
General – Working Cash	41,222	-	41,222	N/A
Operation & Maintenance	4,761,639	5,324,541	(562,902)	-10.57%
Debt Service	(2,956,943)	11,748	(2,968,691)	-25269.76%
Transportation	(1,304,848)	(587,278)	(717,570)	122.19%
IMRF / Soc. Sec.	(88,231)	1,469,533	(1,557,764)	-106.00%
Site & Construction	7,133	(1,384,927)	1,392,060	-100.52%
Tort/Liability	1,198	2,716	(1,518)	-55.89%
Health & Life Safety	128	343	(215)	-62.68%
<b>Total Revenue +/- Expenditures</b>	<b>\$ 16,723,291</b>	<b>\$ 10,890,412</b>	<b>\$ 5,832,879</b>	<b>53.56%</b>

# **West Aurora School District 129**

## **Management's Discussion and Analysis**

### **For the Year Ended June 30, 2022**

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#### **Financial Analysis of the District's Funds**

General Fund - Educational Account – The total revenues for the General Fund Educational Account increased 9.63% while expenditures increased 2.88%.

14.95% of the General Fund Educational Account revenue is received from federal sources. This fiscal year, the District's federal funding increased by approximately \$3.84 million. The increase is primarily due to an increase in the Elementary and Secondary School Emergency Relief Fund of \$1.98 million.

The increase in expenditures is primarily due to an increase in salaries. Business services expenditures increased by \$2.03 million in FY22.

General Fund - Working Cash Account – The District saw an increase in interest revenue in the working cash account.

Operations & Maintenance Fund – The District saw an increase of \$3.45 million in direct expenditures in FY22, primarily because of roofing replacement; paving; track/turf replacement; and doors, windows, and tuckpointing projects.

Bond and Interest Fund - The Bond and Interest Fund is supported by property tax levies established with the creation of the bond resolution which the Board of Education passed to issue bonds. The resolutions are filed with the County Clerk's Office, who has the responsibility to extend the proper amount.

Transportation Fund – The District's expenditures decreased \$0.75 million in FY22 as a result of the implementation of GASB Statement No. 87, *Leases*. Under the new standards, the final payment of the District's bus leases is excluded from the initial measurement of the lease liability.

IMRF/Social Security - The funding source for the IMRF/Social Security Fund is primarily the property tax levy, which funds retirement and Social Security taxes for employees.

Site and Construction - The Site and Construction Fund expenditures decreased by \$1.40 million in FY22 as the District wrapped up the capital projects approved by the 2015 referendum.

Fire Prevention and Safety Fund – There were no expenditures in FY22.

# West Aurora School District 129

## Management's Discussion and Analysis

### For the Year Ended June 30, 2022

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#### Capital Asset and Debt Administration

Table 4 Capital Assets (Net of Depreciation/Amortization)			
	<u>2022</u>	<u>2021</u>	<u>% Chg.</u>
Land	\$ 13,362,685	\$ 11,292,685	18.33%
Construction In Progress	2,325,795	4,123,408	-43.60%
Building / Land Improvements	150,282,488	146,885,714	2.31%
Machinery & Equipment	<u>9,236,314</u>	<u>14,119,143</u>	-34.58%
<b>Total</b>	<b>\$ 175,207,282</b>	<b>\$ 176,420,950</b>	<b>-0.69%</b>

Table 5 Outstanding Long-Term Obligations			
	<u>2022</u>	<u>2021</u>	<u>%Chg.</u>
General Obligation Bonds, net of premiums and discounts	\$ 84,352,969	\$ 96,358,237	-12.46%
QZA, QEC, and QSC Bonds	20,043,000	22,043,000	-9.07%
Leases	1,342,034	5,688,949	-76.41%
Other liabilities	<u>84,186,470</u>	<u>102,615,520</u>	-17.96%
<b>Total</b>	<b>\$ 189,924,473</b>	<b>\$ 226,705,706</b>	<b>-16.22%</b>

#### *Capital Assets*

The Board of Education has determined the capital asset threshold to be \$5,000. See Note 5 in the financial statements for additional information on capital assets.

#### *Long-Term Obligations*

Long Term Debt – Normal principal and interest payments were made. The District acquired leases of \$1.21 million in FY22. See Note 6 in the financial statements for additional information.

Other Liabilities – Compensated absences, net pension liabilities, and other post employment liabilities comprise other liabilities in Table 5. See Notes 6, 9, and 10 in the financial statements for additional information.

# West Aurora School District 129

## Management's Discussion and Analysis

### For the Year Ended June 30, 2022

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#### Budgetary Highlights

The Table below shows the districts operating funds budget versus actual. These funds are linked by their continued support from the District's property tax levy.

Table 6 FY 22 Operating Revenue & Expenditures vs. Budget			
	<u>Budget</u>	<u>Actual</u>	<u>Inc/(Dec)</u>
<b>Revenues:</b>			
General – Educational	\$ 154,788,188	\$ 162,844,291	\$ 8,056,103
General – Working Cash	-	41,222	41,222
Operation & Maintenance	20,000,067	23,031,120	3,031,053
Transportation	8,069,618	8,661,882	592,264
IMRF / Soc. Sec.	4,444,968	4,488,046	43,078
Site & Construction	-	9,927	9,927
Tort / Liability	-	1,198	1,198
<b>Total</b>	<b>187,302,841</b>	<b>199,077,686</b>	<b>11,774,845</b>
<b>Expenditures:</b>			
General – Educational	154,340,804	146,582,298	7,758,506
General – Working Cash	-	-	-
Operation & Maintenance	18,342,700	18,269,481	73,219
Transportation	7,922,504	9,966,730	(2,044,226)
IMRF / Soc. Sec.	4,471,210	4,576,277	(105,067)
Site & Construction	-	2,794	(2,794)
Tort / Liability	-	-	-
<b>Total</b>	<b>185,077,218</b>	<b>179,397,580</b>	<b>5,679,638</b>
<b>Total Revenue +/- Expenditures</b>	<b>\$ 2,225,623</b>	<b>\$ 19,680,106</b>	<b>\$ 17,454,483</b>

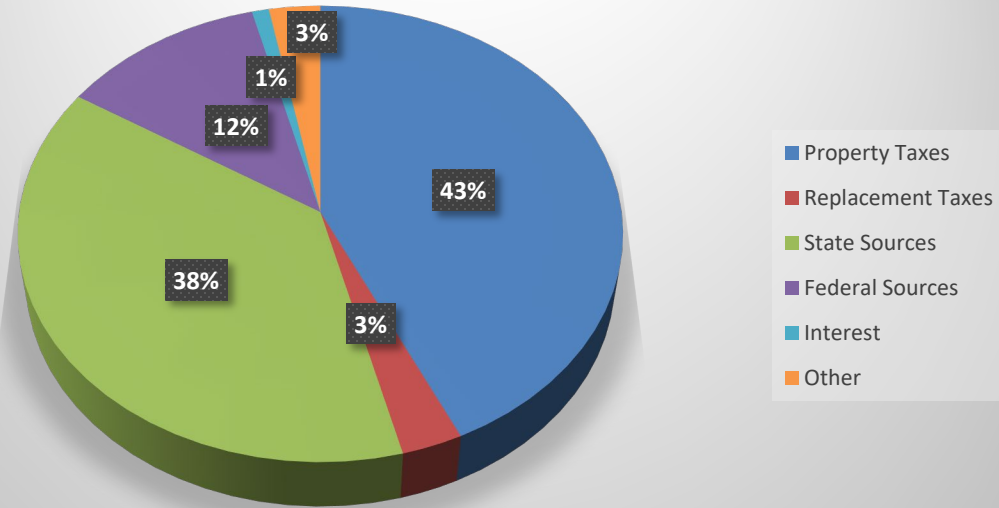
# West Aurora School District 129

## Management's Discussion and Analysis

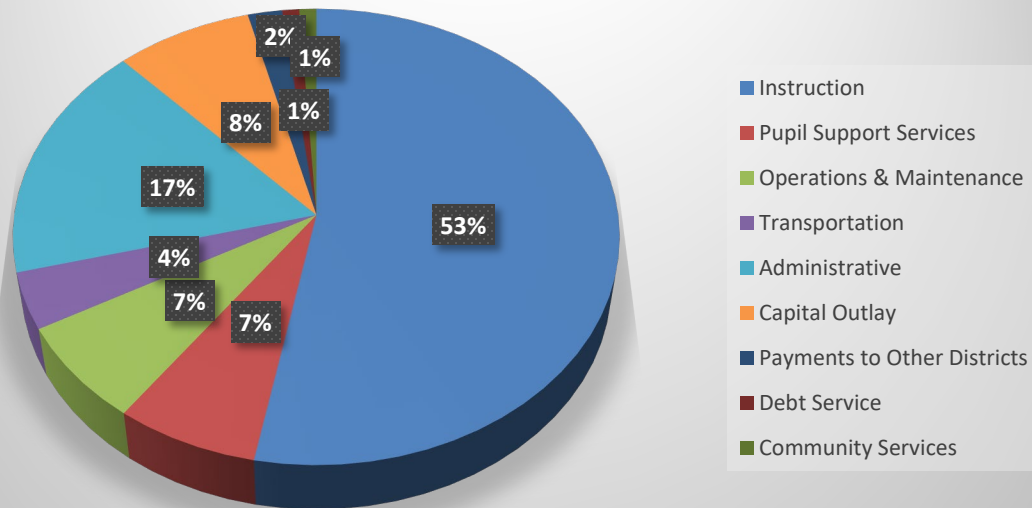
### For the Year Ended June 30, 2022

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#### Revenues by Source - Operating Funds



#### Expenditures by Function - Operating Funds



# **West Aurora School District 129**

## **Management's Discussion and Analysis**

### **For the Year Ended June 30, 2022**

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The District is subject to the Property Tax Extension Limitation Law (PTELL), which limits the current year tax extension increase to the Consumer Price Index for all urban goods (CPI-U) or 5% whichever is lower, plus new construction. The tax levies for Education, Operations and Maintenance, and Special Education are limited by a maximum rate per fund. The District does not levy in the Working Cash Fund at this time, though it has the legal ability to do so.

#### **Factors Bearing on the District's Future**

COVID-19 had a major impact on the operations of the District during the 2020-2021 school year. Students spent a majority of the first semester doing remote learning. The second semester saw most students alternate between in-person learning and remote learning. During the 2021-2022 school year, the District made a concerted effort to have students in the buildings all day.

The most significant change in revenues for the fiscal year is from federal sources. Education Stabilization Funds were awarded in the amount of \$15.33 million, of which \$6.81 million was expended during the fiscal year. The areas of focus for this funding has been learning loss, summer programming, after-school programs, improved technology, enhanced cleaning procedures, and capital projects.

The other factors that may have a significant future impact on the District's finances are a possible freeze on property tax revenue and a change in the school funding formula.

#### **Requests for Information**

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Finance Department: West Aurora School District 129, 1877 W. Downer Place, Aurora IL 60506, or at (630) 301-5000 fax (630) 844-5710.



Statement of Net Position  
June 30, 2022

	Governmental Activities
<hr/>	
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Assets	
Cash	\$ 16,944,161
Investments	94,905,678
Restricted cash - insurance	2,617,797
Restricted investments - insurance	4,215,999
Restricted investments - debt service	605,000
Receivables (net of allowance for uncollectibles):	
Property taxes	47,490,887
Intergovernmental	16,987,775
Lease	45,151
Net pension asset	7,414,233
Capital assets:	
Capital assets not being depreciated	15,688,480
Capital assets being depreciated/amortized, net	159,518,802
Total Assets	<u>366,433,963</u>
Deferred Outflows of Resources	
Pensions	2,843,351
OPEB	4,545,974
Unamortized refunding loss	45,225
Total Deferred Outflows of Resources	<u>7,434,550</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	
Liabilities	
Accounts payable	2,096,664
Salaries and wages payable	11,204,694
Claims payable	942,231
Interest payable	1,721,229
Long-term liabilities:	
Long-term obligations, due within one year	11,310,079
Long-term obligations, due in more than one year	178,614,394
Total Liabilities	<u>205,889,291</u>
Deferred Inflows of Resources	
Pensions	16,468,781
OPEB	37,962,354
Unearned property taxes	50,057,457
Lease	44,499
Total Deferred Inflows of Resources	<u>104,533,091</u>
Net Position	
Net investment in capital assets	76,125,871
Restricted for:	
Debt service	7,601,794
Transportation	6,802,762
IMRF	2,121,841
Fire prevention and safety	745
Pensions	7,414,233
Unrestricted	(36,621,115)
Total Net Position	<u>\$ 63,446,131</u>

Statement of Activities  
Year Ended June 30, 2022

Functions/Programs	Expenses	Charges for Services	Program Revenues		Net (Expense) Revenue and Changes in Net Position
			Operating Grants, Contributions and Related Interest Income	Capital Grants and Contributions	
<b>Governmental Activities:</b>					
Instruction:					
Regular programs	\$ 54,187,962	\$ 1,774,061	\$ 3,229,020	\$ -	\$ (49,184,881)
Special programs	18,958,827	249,599	888,081	-	(17,821,147)
Other instructional programs	16,185,547	-	3,942,090	-	(12,243,457)
Support services:					
Pupils	11,576,700	-	-	-	(11,576,700)
Instructional staff	6,678,626	-	10,015,417	-	3,336,791
General administration	1,136,872	-	-	-	(1,136,872)
School administration	6,211,935	-	-	-	(6,211,935)
Business	18,587,428	8,048	8,565,824	-	(10,013,556)
Transportation	8,898,312	-	7,567,807	-	(1,330,505)
Operations and maintenance	8,746,608	143,624	-	-	(8,602,984)
Central	7,547,182	-	-	-	(7,547,182)
Other supporting services	119,433	-	-	-	(119,433)
Community services	1,612,711	-	282,469	-	(1,330,242)
Payments to other districts & govt. units	5,498,953	-	-	-	(5,498,953)
On behalf contributions	44,113,701	-	44,113,701	-	-
Interest and fees	4,122,005	-	-	-	(4,122,005)
<b>Total Governmental Activities</b>	<b>\$ 214,182,802</b>	<b>\$ 2,175,332</b>	<b>\$ 78,604,409</b>	<b>\$ -</b>	<b>(133,403,061)</b>
General Revenues:					
Taxes:					
Property taxes, levied for general purposes					78,849,904
Property taxes, levied for specific purposes					7,433,033
Property taxes, levied for debt service					13,730,812
Personal property replacement taxes					6,828,139
Evidence based funding					66,405,636
Investment earnings					895,375
Other general revenues					3,034,758
<b>Total General Revenues</b>					<b>177,177,657</b>
<b>Change in Net Position</b>					<b>43,774,596</b>
<b>Net Position, Beginning of the Year</b>					<b>20,808,913</b>
<b>Change in Accounting Principle (See Note 14)</b>					<b>(1,137,378)</b>
<b>Net Position, Beginning of the Year, as Restated</b>					<b>19,671,535</b>
<b>Net Position, End of the Year</b>					<b>\$ 63,446,131</b>

## WEST AURORA SCHOOL DISTRICT 129

## STATEMENT 3

Governmental Funds  
Balance Sheet  
June 30, 2022

	Major Funds				Nonmajor	Total
	General	Operations and	Debt	Transportation	Governmental	Governmental
	Fund	Maintenance Fund	Service Fund	Fund	Funds	Funds
<b>ASSETS</b>						
Cash	\$ 9,308,645	\$ 3,504,438	\$ 5,255,294	\$ -	\$ 972,264	\$ 19,040,641
Investments	72,318,102	8,928,930	3,806,357	8,144,758	1,707,531	94,905,678
Restricted cash - insurance	2,617,797	-	-	-	-	2,617,797
Restricted investments - insurance	4,215,999	-	-	-	-	4,215,999
Restricted investments - debt service	-	-	605,000	-	-	605,000
Receivables (net of allowance for uncollectibles):						
Property taxes	30,356,439	6,736,902	6,358,365	1,883,966	2,155,215	47,490,887
Intergovernmental	10,714,162	646,294	-	5,627,319	-	16,987,775
Lease	-	45,151	-	-	-	45,151
<b>Total Assets</b>	<b>\$ 129,531,144</b>	<b>\$ 19,861,715</b>	<b>\$ 16,025,016</b>	<b>\$ 15,656,043</b>	<b>\$ 4,835,010</b>	<b>\$ 185,908,928</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Cash overdraft	\$ 267,458	\$ -	\$ -	\$ 1,829,022	\$ -	\$ 2,096,480
Accounts payable	1,183,921	859,241	-	53,502	-	2,096,664
Salaries and wages payable	10,762,883	-	-	441,811	-	11,204,694
Claims payable	942,231	-	-	-	-	942,231
<b>Total Liabilities</b>	<b>13,156,493</b>	<b>859,241</b>	<b>-</b>	<b>2,324,335</b>	<b>-</b>	<b>16,340,069</b>
<b>Deferred Inflows of Resources:</b>						
Unearned property taxes	31,997,005	7,100,987	6,701,993	1,985,782	2,271,690	50,057,457
Unavailable grant revenues	1,635,628	443,731	-	4,543,164	-	6,622,523
Lease	-	44,499	-	-	-	44,499
<b>Total Deferred Inflows of Resources</b>	<b>33,632,633</b>	<b>7,589,217</b>	<b>6,701,993</b>	<b>6,528,946</b>	<b>2,271,690</b>	<b>56,724,479</b>
<b>Fund Balances:</b>						
<b>Restricted</b>						
IMRF	-	-	-	-	2,121,841	2,121,841
Debt service	-	-	9,323,023	-	-	9,323,023
QZAB repayment	-	-	-	-	-	-
Transportation	-	-	-	6,802,762	-	6,802,762
Life safety construction projects	-	-	-	-	745	745
<b>Assigned</b>						
Insurance	5,891,565	-	-	-	-	5,891,565
District construction projects	-	11,413,257	-	-	440,734	11,853,991
Student activity funds	903,912	-	-	-	-	903,912
Unassigned	75,946,541	-	-	-	-	75,946,541
<b>Total Fund Balances</b>	<b>82,742,018</b>	<b>11,413,257</b>	<b>9,323,023</b>	<b>6,802,762</b>	<b>2,563,320</b>	<b>112,844,380</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 129,531,144</b>	<b>\$ 19,861,715</b>	<b>\$ 16,025,016</b>	<b>\$ 15,656,043</b>	<b>\$ 4,835,010</b>	<b>\$ 185,908,928</b>

Reconciliation of Governmental Funds Balance Sheet  
To Statement of Net Position  
June 30, 2022

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Total Fund Balances - Governmental Funds	\$ 112,844,380
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Capital assets	\$ 255,898,543
Accumulated depreciation/amortization	<u>(80,691,261)</u>
Net capital assets	175,207,282
Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of :	
Long-term liabilities payable	(189,924,473)
Interest payable	<u>(1,721,229)</u>
Total long-term liabilities	(191,645,702)
Net pension assets are not reported as assets in governmental funds.	7,414,233
When refunding bonds are issued, any refunding loss or gain is recognized in the government-wide statements and amortized.	45,225
Certain items related to pension and OPEB measurements are deferred and recognized in future periods:	
Deferred outflows of resources - pension	2,843,351
Deferred outflows of resources - OPEB	4,545,974
Deferred inflows of resources - pension	(16,468,781)
Deferred inflows of resources - OPEB	<u>(37,962,354)</u>
	(47,041,810)
Some of the state revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are unavailable in the funds:	
State revenues unavailable in funds	<u>6,622,523</u>
Net Position of Governmental Activities	<u>\$ 63,446,131</u>

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## WEST AURORA SCHOOL DISTRICT 129

## STATEMENT 5

Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended June 30, 2022

	Major Funds				Nonmajor	Total
	General	Operations and	Debt	Transportation	Governmental	Governmental
	Fund	Maintenance Fund	Service Fund	Fund	Funds	Funds
Revenues						
Property taxes	\$63,712,292	\$ 13,895,405	\$ 13,730,812	\$ 4,195,232	\$ 4,480,008	\$ 100,013,749
Replacement taxes	4,524,317	2,303,822	-	-	-	6,828,139
State sources	66,617,673	5,500,000	-	4,328,112	-	76,445,785
Federal sources	24,350,199	-	-	-	-	24,350,199
Interest	584,539	-	162,955	26,333	18,093	791,920
Other	3,097,691	1,331,893	771,756	112,205	-	5,313,545
On-behalf payments from state	9,724,868	-	-	-	-	9,724,868
Total Revenues	<u>172,611,579</u>	<u>23,031,120</u>	<u>14,665,523</u>	<u>8,661,882</u>	<u>4,498,101</u>	<u>223,468,205</u>
Expenditures						
Current:						
Instruction:						
Regular programs	58,678,480	-	-	-	880,172	59,558,652
Special programs	18,779,103	-	-	-	703,104	19,482,207
Other instructional programs	16,046,139	-	-	-	232,957	16,279,096
Support services:						
Pupils	11,626,539	-	-	-	372,895	11,999,434
Instructional staff	6,790,931	-	-	-	96,721	6,887,652
General administration	1,119,282	-	-	-	44,204	1,163,486
School administration	6,193,699	-	-	-	238,290	6,431,989
Business	7,236,716	1,217,496	-	-	141,986	8,596,198
Transportation	4,542	-	-	7,428,387	549,796	7,982,725
Operations and maintenance	1,174,685	10,288,469	-	-	890,765	12,353,919
Central	7,168,801	-	-	-	282,124	7,450,925
Other supporting services	116,987	-	-	-	3,330	120,317
Community services	1,504,206	-	-	-	142,727	1,646,933
Payments to other districts & govt. units	5,498,953	-	-	-	-	5,498,953
On-behalf payments made by state	9,724,868	-	-	-	-	9,724,868
Capital outlay	4,234,598	6,763,516	-	1,210,394	-	12,208,508
Debt service - interest and charges	29,198	-	4,727,466	124,931	-	4,881,595
Debt service - principal	379,439	-	12,895,000	1,203,018	-	14,477,457
Total Expenditures	<u>156,307,166</u>	<u>18,269,481</u>	<u>17,622,466</u>	<u>9,966,730</u>	<u>4,579,071</u>	<u>206,744,914</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>16,304,413</u>	<u>4,761,639</u>	<u>(2,956,943)</u>	<u>(1,304,848)</u>	<u>(80,970)</u>	<u>16,723,291</u>
Other Financing Sources and Uses						
Lease proceeds	-	-	-	1,210,394	-	1,210,394
Transfer in	2,000,000	-	2,000,000	-	-	4,000,000
Transfer out	(2,000,000)	(2,000,000)	-	-	-	(4,000,000)
Total Other Financing Sources and Uses	<u>-</u>	<u>(2,000,000)</u>	<u>2,000,000</u>	<u>1,210,394</u>	<u>-</u>	<u>1,210,394</u>
Net Change in Fund Balances	<u>16,304,413</u>	<u>2,761,639</u>	<u>(956,943)</u>	<u>(94,454)</u>	<u>(80,970)</u>	<u>17,933,685</u>
Fund Balances at Beginning of Year	<u>66,437,605</u>	<u>8,651,618</u>	<u>10,279,966</u>	<u>6,897,216</u>	<u>2,644,290</u>	<u>94,910,695</u>
Fund Balances at End of Year	<u>\$82,742,018</u>	<u>\$ 11,413,257</u>	<u>\$ 9,323,023</u>	<u>\$ 6,802,762</u>	<u>\$ 2,563,320</u>	<u>\$ 112,844,380</u>

See accompanying notes to financial statements.

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund  
Balances of Governmental Funds to Statement of Activities  
Year Ended June 30, 2022

Net Change in Total Fund Balances		\$ 17,933,685
Amounts reported for governmental activities in the Statement of Activities are different because:		
Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds.		
The change from fiscal year 2021 to 2022 consists of:		100,360
Governmental funds report purchases of capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.		
Capital outlay	\$ 12,414,902	
Depreciation	<u>(7,989,526)</u>	
Capital outlay in excess of depreciation		4,425,376
Repayment of principal and accreted interest payable on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Bond principal retirement	12,895,000	
Leases - principal payments	<u>1,082,871</u>	
Total retirement of debt		13,977,871
Issuance of leases are reported as an other financing source on the government funds, however, they are recorded as a liability on the government-wide statements		
		(1,210,394)
Loss on sale of assets, net of proceeds, not included on fund statements		
		(27,228)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.		
Change in long-term compensated absences	(11,717)	
Change in net OPEB liability	17,453,844	
Change in deferred outflows for OPEB	595,087	
Change in deferred inflows for OPEB	(17,109,106)	
Change in net pension liability (asset)	8,597,804	
Change in deferred outflows for pensions	(209,126)	
Change in deferred inflows for pensions	(2,001,036)	
Change in accrued interest on debt	194,834	
Amortization of loss amount on refunding	(45,926)	
Amortization of bond premiums	<u>1,110,268</u>	
Total expenses of non-current resources		<u>8,574,926</u>
Change in Net Position of Governmental Activities		<u>\$ 43,774,596</u>

Statement of Fiduciary Net Position  
 Hope Wall Special Education Joint Agreement  
 June 30, 2022

	<u>Custodial Fund</u>
<b>ASSETS</b>	
Cash	\$ 35,700
Investments	5,359,530
Accounts receivable	<u>28,287</u>
Total Assets	<u>5,423,517</u>
<b>LIABILITIES AND NET POSITION</b>	
Liabilities	
Accounts payable	37,854
Salary and wages payable	576,486
Due to districts	<u>4,642,412</u>
Total Liabilities	<u>5,256,752</u>
Net Position	
Restricted for IMRF	15,281
Unrestricted	<u>151,484</u>
Total Net Position	<u>\$ 166,765</u>

Statement of Changes in Fiduciary Net Position  
 Hope Wall Special Education Joint Agreement  
 Year Ended June 30, 2022

	Custodial Fund
ADDITIONS	
Charges for services	\$ 5,855,925
Operating grants, contributions and related interest income	292,111
Total Additions	<u>6,148,036</u>
DEDUCTIONS	
Instruction	
Special programs	4,563,454
Other instructional programs	64,812
Support services	
Pupils	1,036,340
Instructional staff	1,496
School administration	611
Business	587,652
Central	12,237
Total Deductions	<u>6,266,602</u>
Net Increase (Decrease) in Fiduciary Net Position	<u>(118,566)</u>
Net Position, Beginning of the Year	<u>285,331</u>
Net Position, End of the Year	<u><u>\$ 166,765</u></u>



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

The financial statements of West Aurora School District 129 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's significant accounting policies are described below.

Reporting Entity: The District is a public school system governed by an elected board. As required by GAAP, these financial statements present the District (the primary government) and, if applicable, its component units. The definition of a component unit is a legally separate organization for which the District is financially accountable and the other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The District is financially accountable if it appoints a voting majority of the component unit's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the District. The District may also be financially accountable if the component unit is fiscally dependent on the District, regardless of whether the component unit has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board. There are no component units included in the District's reporting entity.

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

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

**Government-Wide Financial Statements** – The statement of net position and the statement of activities display information about the District as a whole. The government-wide statements report the financial information of the District, except for fiduciary activities. The effect of interfund activity has been removed from these statements. The governmental activities column reports activities that are normally supported by taxes and intergovernmental revenues.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Revenues, which are not classified as program revenues, such as property taxes and general state aid, are presented as general revenues of the District.

**Fund Financial Statements** – The accounts of the District in the governmental fund financial statements are organized and operated on the basis of funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, net outflows, liabilities, net inflows, reserves, fund balance, revenues, and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Separate financial statements are provided for all governmental and fiduciary funds, even though the fiduciary fund is excluded from the government-wide financial statements.

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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

Measurement Focus and Basis of Accounting: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. The economic resources measurement focus means all assets, deferred inflows, deferred outflows and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

The District has reported three categories of program revenues in the statement of activities: (1) charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the District's general revenues. For identifying the function to which program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Governmental funds are used to account for the District's general government activities. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available." "Measurable" means that the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences, claims, and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Also, on-behalf payments (payments made by a third party for the benefit of the District, such as payments made by the state to the Teachers' Retirement System and the Teachers' Retirement Insurance Program) have been recognized in the financial statements.

Revenues considered to be susceptible to accrual include property taxes, replacement taxes, certain state and federal aid, and interest income. Amounts have been recognized as receivables for these revenue sources. All other revenue items are considered to be measurable and available when cash is received by the District and are recognized as revenue at that time.

Unearned revenue is reported on the governmental fund balance sheet. Unearned revenues arise when potential revenue does not meet both the measurable and available criteria. Unearned revenues also arise when resources are received prior to the government having a legal claim to them. In a subsequent period, when both recognition criteria are met or when the government has a legal claim to the resources, the liability is removed and the revenue recognized.

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items which arises only under the accrual basis of accounting that qualifies for reporting in this category. The first item, unearned property taxes, is reported in the statement of net position. These amounts are deferred and organized as an inflow of resources in the period that the amounts become available. The District also reports deferred inflows of resources for pension-related reporting due to the related inflows of pension related resources not being considered earned, which is also reported in the statement of net position. Finally, the District reports deferred inflows of resources for OPEB-related reporting due to the related inflows of OPEB related resources not being considered earned, which is also reported in the statement of net position.

In addition to assets, the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. The District has three items which arises only under the accrual basis of accounting that qualifies for reporting in this category. The first item is the deferred charge on refunding reported in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The District also reports deferred outflows of resources for pension-related reporting due to the related outflows of pension related resources not being considered incurred, which is also reported in the statement of net position. Finally, the District reports deferred outflows of resources for OPEB-related reporting due to the related outflows of OPEB related resources not being considered incurred, which is also reported in the statement of net position.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental information, (due mainly to the inclusion of capital asset and long-term debt activity in the District-wide presentation) a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental information of the government-wide presentation.

Fund Details: The District reports the following major governmental funds:

- 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. It consists of three accounts. The Education account is used for most of the instructional and administrative aspects of the District's operations. The revenue consists primarily of state government aid and local property taxes. The Working Cash account is for all financial resources held by the District for making temporary interfund loans to the Education Account and Transportation Fund as needed. The Tort account is for all financial resources held for settling tort-related expenditures.
- Operations and Maintenance Fund – The fund is used for expenditures made for repair and maintenance of District property. Revenue consists primarily of local property taxes.
- Debt Service Fund – This fund accounts for the periodic principal and interest payments on the bond issues of the District. The primary revenue source is local property taxes levied specifically for debt service.
- Transportation Fund – This fund accounts for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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

In addition to the major governmental funds mentioned above, the District uses the following governmental fund types:

- **Special Revenue Funds** – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than those accounted for in the Debt Service Fund, Capital Projects Funds, or Fiduciary Funds) that are legally restricted to expenditures for specified purposes. The District's IMRF/Social Security Fund is presented as a Special Revenue Fund.
- **Capital Projects Funds** – The Site and Construction Fund is used to account for the financial resources to be used for the acquisition or construction of, and/or additions to, major capital facilities, with the primary resource being proceeds from capital construction bonds. The District's Fire Prevention and Safety Fund also is presented as a Capital Projects Fund.

**Fiduciary Fund (Custodial Fund)** – Fiduciary Funds are used to account for activities of which the associated assets are controlled by the District, not derived solely from the District's own-source revenues or from government-mandated nonexchange transactions or voluntary nonexchange transactions, for the benefit of organizations or other governments that are not part of the financial reporting entity, and not derived from the District's provision of goods or services to those organizations or governments. A brief description of the District's Fiduciary Fund is as follows:

- **Hope Wall Special Education Joint Agreement (the Joint Agreement)** – The Joint Agreement provides certain special education services to residents of East Aurora Community Unit School District 131 and the District. Each district owns one-half of the land and one-half of all real property where the services take place. The District serves as the administrative district for all components of the Joint Agreement. The operating and capital costs of the building are shared equally (50%) between the districts, and the program costs are allocated between the two districts based on the average daily enrollment. The Joint Agreement is governed by an advisory board made up of representatives from each of the two districts and is not a component unit of any other government, nor does it report any other entity as a component unit.

**Restricted Resources Policy:** When expenditure is incurred for purposes for which both restricted and unrestricted resources are available, it is the District's policy to apply restricted resources first and then unassigned resources as needed.

**Assets, Liabilities, Deferred Inflows of Resources, Deferred Outflows of Resources, and Net Position or Fund Balance:**

**Deposits and Investments** – State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool (Illinois Funds). Investments are stated at fair value, except for the Illinois Funds. The Illinois Funds is an external investment pool administered by the Illinois State Treasurer that is recorded at amortized cost. Changes in fair value of investments are recorded as investment income.

**Receivables and Payables** – Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year, if any, are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans.) All other outstanding balances between funds are reported as "due to/from other funds." These amounts are eliminated in the governmental activities column in the statement of net position.

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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

Property Tax Revenues – The District must file its tax levy ordinance by the last Tuesday in December of each year. The District's 2021 levy ordinance was approved during the December 13, 2021 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year. The District has a statutory tax rate limit in various operating funds subject to change only by approval of the voters of the District. Also, the District is subject to the Property Tax Extension Limitation Act, which in general limits the increase in the amount of taxes to be extended to the lesser of 5% or the percentage increase in the consumer price index for the year, preceding the levy. Certain bond issue levies and referendum increases are exempt from this limitation.

Property taxes are collected by the Kane County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two installments: the first due on June 1 and the second due on the later of September 1. Property taxes are normally collected by the District within 60 days of the respective installment dates.

The 2021 property tax levy is recorded as a receivable, net of estimated uncollectible amounts approximating 1%. The District considers that 50% of the 2021 levy is to be used to finance operations in fiscal 2022. The District has determined that 50% of the 2021 levy is to be used to finance operations in fiscal 2023 and has deferred the corresponding receivable.

Personal Property Replacement Taxes – Personal property replacement taxes are first allocated to funds where taxes were automatically abated by the county clerk and to the Municipal Retirement/Social Security Fund, with the balance allocated to the remaining funds at the discretion of the District.

Capital Assets – Capital assets, which include land, land improvements, buildings, building improvements, vehicles, machinery, equipment, and construction in progress, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life of five years or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Depreciation and amortization of capital assets is provided using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	25 - 125 years
Building improvements	12 - 50 years
Machinery and equipment	5 - 50 years

The District does not depreciate land or construction in progress.

Compensated Absences – Employees who work a 12-month year are entitled to be compensated for vacation time. Vacations are usually taken within the fiscal year. A limit of 40 days may be carried over into the next year. The entire compensated absences liability is reported on the government-wide financial statements.

Due to the nature of the policies on sick leave and the fact that any liability can be transferred to TRS for service credit, no liability is provided in the financial statements for accumulated unpaid sick leave.

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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

Long-Term Obligations – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year the bonds are issued.

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 expenditures.

Leases – The District recognizes lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of the lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the District determines (a) the discount rate it uses to discount the expected lease payments to present value, (b) lease term, and (c) lease payments. The District uses the interest rate charge by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term obligations on the Statement of Net Position.

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from IMRF's fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the plan net position of the Teachers' Retirement System (TRS or the System) and additions to/deductions from TRS' plan net position has been determined on the same basis as they are reported by TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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

For the purposes of financial reporting, the State of Illinois and participating employers are considered to be under a special funding situation. A special funding situation is defined as a circumstance in which a non-employer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and either (1) the amount of the contributions for which the non-employer entity is legally responsible is not dependent upon one or more events unrelated to pensions or (2) the non-employer is the only entity with a legal obligation to make contributions directly to a pension plan. The State of Illinois is considered a non-employer contributing entity. Participating employers are considered employer contributing entities.

Other Postemployment Benefits - For purposes of measuring the District's other postemployment benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State of Illinois Department of Central Management Services Teachers' Retirement Insurance Program (TRIP) and additions to/deductions from TRIP plan's net position has been determined on the same basis as they are reported by the TRIP plan. For this purpose, the TRIP plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Restricted Net Position – For the government-wide financial statements, net position is reported as restricted when constraints placed on net position use are either: (1) Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

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

Use of Estimates – Management of the District has made certain estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Actual results could differ from those estimates.

**NOTE 2 – FUND BALANCES**

The components of fund balance include the following line items:

- a) Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact. As of June 30, 2022, the District does not have any nonspendable fund balance.
- b) Restricted fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation
- c) Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the District, the Board of Education is the highest level of decision making. In order to commit fund balance for a specific purpose, the Board of Education must pass a resolution specifying the commitment. As of June 30, 2022, the District does not have any commitments of fund balance.

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 2 – FUND BALANCES** (Continued)

- d) Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the Board of Education designated for that purpose. The intended use is established by an official designated for that purpose. The Superintendent and the Chief Financial Officer have been designated by the Board of Education for this purpose.
- e) Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. In addition, negative fund balance in the other funds is reported as unassigned.

If there is an expenditure incurred for purposes for which both restricted and unrestricted fund balance is available, the District will consider restricted fund balance to have been spent before unrestricted fund balance. Further, if there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the District will consider committed fund balance to be spent before assigned fund balance, and consider assigned fund balance to be spent before unassigned fund balance.

It is the goal of the District to maintain a year-end fund balance in the District's operating funds equal to at least 25% in aggregate of the budgeted operating expenditures for the current fiscal year.

As of the year ended June 30, 2022, there were no funds with deficit fund balances.

**NOTE 3 – INTERFUNDS AND TRANSFERS**

As of June 30, 2022, there were no interfund balances. During the fiscal year ended June 30, 2022, there was a transfer of \$2,000,000 from the Operations and Maintenance Fund to the General Fund and from the General Fund to the Debt Service Fund related to the payment of principal on Qualified Zone Academy Bonds.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

Cash in the Custody of the District: The carrying amount of cash was \$19,597,658 at June 30, 2022, while the bank balances were \$19,687,713. All account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000, or collateralized with securities of the U.S. government or purchased through a commercial insurance company.

Investments under the Custody of the Treasurer: The District participates in the Bloom Township School Treasurer's (BTST) cash and investment pool. BTST is a non-rated, external investment pool. The investment in the pool is carried on the Joint Agreement books at cost determined on a first-in, first-out basis. The Treasurer maintains records that segregate the cash and investment balances by District. Earnings on investments, including gains and losses on sales of investments, are allocated monthly based upon the District's percentage participating in the cash and investment pool. No entity is permitted to borrow from another entity through deficit spending within the Treasurer's cash and investment pool.

Investing is performed in accordance with investment policies adopted by the BTST complying with the Illinois Compiled Statutes. Overall credit ratings are not applicable for the cash and investment pool as a whole. Financial information, fair value and investment risk disclosures regarding the cash and investment pool's underlying investments may be obtained directly from BTST at 3311 Chicago Road, South Chicago Heights, IL 60411. At June 30, 2022, the fair value of all pooled cash and investments held by BTST was \$734,608,812 and the amount of cash and investments allocated to the District on a cost basis was \$104,481,207.

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(Continued)



WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 4 - DEPOSITS AND INVESTMENTS** (Continued)

Sinking Fund Deposit Investments: The District has sinking fund deposit investments of \$605,000 as of June 30, 2022.

Interest Rate Risk – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the sinking fund deposit investments at June 30, 2022:

Investment Type	Fair Value	Investment Maturities	
		2036	2042
U.S. Government Securities	\$ 601,034	\$ 391,829	\$ 209,205
U.S. Treasury Securities	3,966	2,122	1,844
Total	<u>\$ 605,000</u>	<u>\$ 393,951</u>	<u>\$ 211,049</u>

Fair Value Measurement and Application – The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The fair value of U.S. government securities is based on daily valuations on bills, notes, bonds, and STRIPS from multiple contributors.

As of June 30, 2022, the sinking fund deposit investments are valued as follows:

Investment Type	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Government Securities	\$ 601,034	\$ -	\$ 601,034	\$ -
U.S. Treasury Securities	3,966	3,966	-	-
Total Investments	<u>\$ 605,000</u>	<u>\$ 3,966</u>	<u>\$ 601,034</u>	<u>\$ -</u>

Credit Risk - None of the District's sinking fund deposit investments were subject to credit rating requirements as of June 30, 2022.

(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 4 - DEPOSITS AND INVESTMENTS** (Continued)

Reconciliation:

<u>Notes</u>	
Cash – book value of District deposits – per note above	\$ 19,597,658
Investments – per note above	105,086,207
Total	<u>\$ 124,683,865</u>
<u>Financial Statements</u>	
Cash per statement of net position	\$ 16,944,161
Investments per statement of net position	94,905,678
Restricted cash per statement of net position	2,617,797
Restricted investments per statement of net position	4,820,999
Cash per statement of fiduciary net position	35,700
Investments per statement of fiduciary net position	5,359,530
Total	<u>\$ 124,683,865</u>

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 5 - CAPITAL ASSETS**

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

	(Restated) Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Capital assets not being depreciated:				
Land	\$ 11,292,685	\$ 2,070,000	\$ -	\$ 13,362,685
Construction in progress	4,123,408	2,325,795	(4,123,408)	2,325,795
Total capital assets not being depreciated	15,416,093	4,395,795	(4,123,408)	15,688,480
Capital assets being depreciated/amortized:				
Buildings	185,484,477	8,205,825	-	193,690,302
Land Improvements	29,749,647	1,141,251	-	30,890,898
Leased machinery and equipment	1,214,511	1,210,394	-	2,424,905
Machinery and equipment	11,675,940	1,585,045	(57,027)	13,203,958
Total capital assets being depreciated/amortized, gross	228,124,575	12,142,515	(57,027)	240,210,063
Accumulated depreciation/amortization:				
Buildings	60,704,493	4,615,724	-	65,320,217
Land Improvements	7,643,917	1,334,578	-	8,978,495
Leased machinery and equipment	-	965,431	-	965,431
Machinery and equipment	4,383,124	1,073,793	(29,799)	5,427,118
Total accumulated depreciation/amortization	72,731,534	7,989,526	(29,799)	80,691,261
Capital assets being depreciated/amortized, net of depreciation/amortization	155,393,041	4,152,989	(27,228)	159,518,802
Total governmental activities, capital assets, net of depreciation/amortization	<u>\$ 170,809,134</u>	<u>\$ 8,548,784</u>	<u>\$ (4,150,636)</u>	<u>\$ 175,207,282</u>

Note: July 1, 2021 has been restated for GASB 87 implementation.

Depreciation and amortization expense was charged to the functions of the District as follows:

Governmental Activities	
Regular Programs	\$ 89,027
Special Ed Programs	1,796
Other Instruction	51,834
Pupil Support Services	601
Instructional Staff	1,759
Business Services	6,373,917
Operations and Maintenance	211,615
Transportation	1,074,428
Central	184,549
Total depreciation/amortization expense	<u>\$ 7,989,526</u>

(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 6 - LONG-TERM OBLIGATIONS**

General Obligation Bonds – General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Refunding - 2014A	2.75% - 3.00%	\$ 2,160,000
Refunding - 2015	5.00%	10,015,000
School - 2015C	2.00% - 5.00%	15,090,000
School - 2016	4.25%	26,470,000
School - 2016A	2.00% - 4.00%	6,530,000
School - 2017A	2.70% - 4.00%	6,040,000
School - 2017B	2.25% - 5.00%	7,100,000
Refunding - 2018	3.05% - 4.00%	7,650,000
		<u>\$ 81,055,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Fiscal Year Ending June 30	General Obligation Bonds with scheduled interest payments		Total
	Principal	Interest	Debt Service
2023	\$ 10,295,000	\$ 3,387,353	\$ 13,682,353
2024	9,730,000	2,949,575	12,679,575
2025	10,120,000	2,498,225	12,618,225
2026	6,745,000	2,028,475	8,773,475
2027	5,355,000	1,740,555	7,095,555
2028-2032	12,340,000	6,219,370	18,559,370
2033-2036	26,470,000	4,499,900	30,969,900
Total	<u>\$ 81,055,000</u>	<u>\$ 23,323,453</u>	<u>\$ 104,378,453</u>

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 13.80% of the most recent available equalized assessed valuation of the District. As of June 30, 2022, the statutory debt limit for the District was \$258,493,303, providing a remaining debt margin of \$177,438,303.

In 2005, the District entered into a lease/financing agreement with the Illinois Development Finance Authority for \$2,000,000 to pay the costs of improving the District's facilities. The District received proceeds in the amount of \$2,000,000 and deposited them in the Site and Construction Fund.

Qualified Energy Conservation Bonds – In 2016, the District issued \$4,865,000 of Qualified Energy Conservation Bonds to pay the costs of improving certain District facilities. The District received proceeds in the amount of \$4,776,839 and deposited them in the Site and Construction Fund.

Qualified Zone Academy Bonds – In 2016, the District issued \$3,338,000 of Qualified Zone Academy Bonds to pay the costs of improving certain District facilities. The District received proceeds in the amount of \$3,278,554 and deposited them in the Site and Construction Fund.

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 6 - LONG-TERM OBLIGATIONS** (Continued)

Qualified School Construction Bonds – In 2017, the District issued \$11,840,000 of Qualified School Construction Bonds to pay the costs of improving certain District facilities. The District received proceeds in the amount of \$11,791,838 and deposited them in the Site and Construction Fund.

The annual debt service requirements for the above agreements are as follows:

Fiscal Year Ending June 30	QZAB, QSCB, and QECB Bonds with scheduled interest payments		Total
	Principal	Interest	Debt Service
2023	\$ -	\$ 756,114	\$ 756,114
2024	459,000	756,114	1,215,114
2025	465,000	750,377	1,215,377
2026	3,471,000	744,564	4,215,564
2027	2,342,000	606,677	2,948,677
2028-2032	1,466,000	2,529,132	3,995,132
2033-2037	-	2,492,320	2,492,320
2038-2042	11,840,000	2,492,320	14,332,320
Total	<u>\$ 20,043,000</u>	<u>\$ 11,127,618</u>	<u>\$ 31,170,618</u>

Leases – The District has entered into various lease agreements as lessee for financing the acquisition of technology equipment and school buses. The future principal and interest payments as of June 30, 2022 are as follows:

Fiscal Year Ending June 30	Leases with scheduled interest payments		Total
	Principal	Interest	
2023	\$ 1,015,079	\$ 114,981	\$ 1,130,060
2024	273,626	12,630	286,256
2025	<u>53,329</u>	<u>1,967</u>	<u>55,296</u>
Total	<u>\$ 1,342,034</u>	<u>\$ 129,578</u>	<u>\$ 1,471,612</u>

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 6 - LONG-TERM OBLIGATIONS** (Continued)

The following is a schedule of changes in long-term obligations for the year ended June 30, 2022:

	(Restated) Balances July 1, 2021	Additions	Reductions	Balances June 30, 2022	Principal Due Within 1 Year
Bonds payable:					
General obligation bonds	\$ 91,950,000	\$ -	\$ (10,895,000)	\$ 81,055,000	\$ 10,295,000
Less unamortized charges:					
Unamortized premium	4,408,237	-	(1,110,268)	3,297,969	-
Total bonds payable	96,358,237	-	(12,005,268)	84,352,969	10,295,000
Leases	1,214,511	1,210,394	(1,082,871)	1,342,034	1,015,079
Qualified Zone Academy Bonds	5,338,000	-	(2,000,000)	3,338,000	-
Qualified Energy Conservation Bond	4,865,000	-	-	4,865,000	-
Qualified School Construction Bonds	11,840,000	-	-	11,840,000	-
Other liabilities:					
Compensated absences	715,344	650,554	(638,837)	727,061	-
Total long-term liabilities	<u>\$ 120,331,092</u>	<u>\$ 1,860,948</u>	<u>\$ (15,726,976)</u>	<u>\$ 106,465,064</u>	<u>\$ 11,310,079</u>

Note: July 1, 2021 has been restated for GASB 87 implementation.

The obligations for the leases will be repaid from the fund where the proceeds were issued. The general obligation bonds and the qualified zone academy bonds will be repaid from the Debt Service Fund.

See Notes 9 and 10 related to long-term obligations related to employee retirement systems and other post employment benefits.

**NOTE 7 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation claims. These risks for general liability, workers' compensation, and other coverages besides medical are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years. There were no significant reductions in insurance coverage from the prior year.

The District is a member of the Workers' Compensation Self-Insurance Trust (WCSIT). WCSIT insures all of the District's general liability claims up to \$1,000,000 per occurrence or \$3,000,000 of annual aggregate loss. The District also has excess liability coverage for any claims exceeding these amounts up to an annual aggregate of \$20,000,000.

The District has purchased workers' compensation and employers' liability insurance through WCSIT, which handles claims up to \$1,000,000 per occurrence. The District was self-insured for medical coverage that is provided to District personnel. Expenditures are recorded as incurred in the form of direct contributions from the District to the provider for payment of employee health claims and administration fees. The District's liability will not exceed \$200,000 per employee as provided by stop-loss provisions incorporated in the plan.

(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 7 - RISK MANAGEMENT** (Continued)

At June 30, 2022, total unpaid claims, including an estimate for claims that have been incurred but not reported (IBNR) to the administrative agent, amount to \$942,231. The estimates are developed based on reports prepared by the administrative agent. For the two years ended June 30, 2021 and 2022, changes in the liability reported in the Education Fund for unpaid claims are summarized as follows:

	Claims Payable Beginning of Year	Current Year Claims and Changes in Estimate	Claims Paid	Claims Payable End of Year
Fiscal Year 2021	\$ 536,644	\$ 14,805,189	\$ 13,980,545	\$ 1,361,288
Fiscal Year 2022	1,361,288	13,921,328	14,340,385	942,231

**NOTE 8 - JOINT AGREEMENTS**

The District is a member of the Hope Wall Joint Agreement that provides certain special education services to residents of East Aurora Community Unit School District 131 and West Aurora Community Unit School District 129. Each District owns one-half of the land and one-half of all real property that the services take place on. West Aurora serves as the administrative District for all components of Hope Wall. Both Districts approve the plan and budget for Hope Wall. The operating and capital costs of the building are shared equally (50%) between the Districts and the program costs are allocated between the two Districts based on the average daily enrollment. It is also a member of the risk management pool listed above. For further detailed information on the assets, liabilities, revenues and expenditures of Hope Wall, please see the separately issued financial statements. A copy of these financial statements can be obtained by contacting the District office.

**NOTE 9 - EMPLOYEE RETIREMENT SYSTEMS**

Illinois Municipal Retirement System

IMRF Plan Description: The District's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. 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).

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 9 - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

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

Employees Covered by Benefit Terms: As of December 31, 2021, the following employees were covered by the benefit terms:

Retirees and Beneficiaries currently receiving benefits	488
Inactive Plan Members entitled to but not yet receiving benefits	725
Active Plan Members	<u>600</u>
Total	<u>1,813</u>

Contributions: As set by statute, the District's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2021 was 10.20%. For the fiscal year ended June 30, 2022, the District contributed \$1,908,203 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability: The District's net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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(Continued)



WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 9 - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Actuarial Assumptions: The following are the methods and assumptions used to determine total pension liability at December 31, 2021:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 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.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2021 IMRF annual actuarial evaluation. The investment rate of return of 7.25% is unchanged from the prior year. There were no other significant changes in assumptions. There were no benefit changes during the year. The District is not aware of any changes that have occurred subsequent to the measurement date that are expected to have a significant effect on the net pension liability (asset).

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:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	39%	1.90%
International Equity	15%	3.15%
Fixed Income	25%	-0.60%
Real Estate	10%	3.30%
Alternative Investments	10%	1.70%-5.50%
Cash Equivalents	<u>1%</u>	-0.90%
Total	<u>100%</u>	

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 9 - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

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

Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was not blended with the AA rated general obligation bond index to arrive at the discount rates used to determine the total pension liability.

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, which is unchanged from the prior measurement year. The last year the plan is expected to be fully funded is December 31, 2121.

Changes in the Net Pension Liability (Asset):

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
<b>Balances at 12/31/20</b>	\$ 83,589,983	\$ 83,393,335	\$ 196,648
<b>Changes for the year:</b>			
Service Cost	1,822,855	-	1,822,855
Interest on the Total Pension Liability	5,962,268	-	5,962,268
Differences Between Expected and Actual Experience of the Total Pension Liability	1,153,798	-	1,153,798
Assumption Changes	-	-	-
Contributions - Employer	-	2,052,127	(2,052,127)
Contributions - Employee	-	912,509	(912,509)
Net Investment Income	-	14,131,151	(14,131,151)
Benefit Payments, including Refunds of Employee Contributions	(4,526,459)	(4,526,459)	-
Other (Net Transfer)	-	(545,985)	545,985
<b>Net Changes</b>	<u>4,412,462</u>	<u>12,023,343</u>	<u>(7,610,881)</u>
<b>Balances at 12/31/21</b>	<u>\$ 88,002,445</u>	<u>\$ 95,416,678</u>	<u>\$ (7,414,233)</u>

(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 9 - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate: The following presents the net pension liability (asset) of the District, calculated using a Single Discount Rate of 7.25%, as well as what the District's net pension liability (asset) would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower 6.25%	Current Discount Rate 7.25%	1% Higher 8.25%
Net Pension Liability (Asset)	\$ 3,042,489	\$ (7,414,233)	\$ (15,623,792)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions: For the year ended June 30, 2022, the District recognized pension revenue of \$1,773,594. At June 30, 2022, 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
Differences between expected and actual experience	\$ 936,847	\$ 221,839
Assumption changes	-	454,677
Net difference between projected and actual earnings on pension plan investments	-	11,001,385
Contributions made subsequent to the measurement date	1,012,721	-
	<u>\$ 1,949,568</u>	<u>\$ 11,677,901</u>

In 2022, there was \$1,012,721 reported as deferred outflows of resources related to pension contributions made subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year ending June 30:	
2023	\$ (2,391,009)
2024	(4,126,730)
2025	(2,591,005)
2026	(1,632,310)
Total	<u>\$ (10,741,054)</u>

Teachers' Retirement System

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 nonannuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

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**NOTE 9 - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the state of Illinois.

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2021, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On behalf contributions to TRS: The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2022, state of Illinois contributions recognized by the employer were based on the state's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$8,918,944 in pension contributions from the state of Illinois.

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 9 - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

2.2 formula contributions: Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2022, were \$519,383, and are deferred because they were paid after the June 30, 2021 measurement date.

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

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

For the year ended June 30, 2022, the District pension contribution was 10.31 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2022, salaries totaling \$2,799,430 were paid from federal and special trust funds that required employer contributions of \$313,368. These contributions are deferred because they were paid after the June 30, 2021 measurement date.

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2022, the District paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent, \$24,025 for salary increases in excess of 3 percent 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 were as follows:

District's proportionate share of the net pension liability	\$ 7,537,052
State's proportionate share of the net pension liability associated with the District	631,685,067
Total	<u>\$ 639,222,119</u>

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2021, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2021, the District's proportion was 0.0097 percent, which is a decrease of 0.0002 percent from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized pension revenue of \$1,788,699 and revenue of \$45,308,231 for support provided by the state.

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 9 - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

At June 30, 2022, 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
Differences between Expected and Actual Experience	\$ 43,237	\$ 31,075
Net difference between Projected and Actual Earnings on Pension Plan Investments	-	505,561
Changes of Assumptions	3,340	37,245
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	14,455	4,216,999
District Contributions Subsequent to the Measurement Date	832,751	-
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	<u>\$ 893,783</u>	<u>\$ 4,790,880</u>

\$832,751 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 fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2023	\$ (2,777,898)
2024	(1,423,326)
2025	(252,541)
2026	(251,972)
2027	(24,111)
Total	<u>\$ (4,729,848)</u>

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

Actuarial Cost Method	Entry age normal
Asset Valuation Method	Fair value as of valuation date
Inflation	2.25 percent
Salary increases	3.50% - 8.50%, varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation
Post-retirement increase	Tier 1: 3%, compounded; Tier 2: 1.25%, not compounded

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

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 9 - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return 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	16.7	%	6.2	%
U.S. equities small/mid cap	2.2		7.4	
International equities developed	10.6		6.9	
Emerging market equities	4.5		9.2	
U.S. bonds core	3.0		1.6	
International debt developed	1.0		0.4	
International debt emerging	4.0		4.4	
Cash equivalents	2.0		0.1	
TIPS	1.0		0.8	
Real estate	16.0		5.8	
Hedge funds	10.0		3.9	
Infrastructure	4.0		6.3	
Private equity	15.0		10.4	
Private debt	10.0		6.5	
Total	<u>100.0</u>	%		

Discount Rate: At June 30, 2021, the discount rate used to measure the total pension liability was 7.00 percent, which was unchanged from the June 30, 2020 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2021 was projected to be available to make all projected future benefit payments of 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.

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 9 - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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 percent, 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 percent) or 1 percentage point higher (8.00 percent) than the current rate.

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
\$	9,334,483	\$ 7,537,052	\$ 6,044,046

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

Below is a summary of the various pension items:

	IMRF	TRS	Total
Deferred Outflows of Resources			
Employer Contributions	\$ 1,012,721	\$ 832,751	\$ 1,845,472
Experience	936,847	43,237	980,084
Assumptions	-	3,340	3,340
Proportionate Share	-	14,455	14,455
Investments	-	-	-
Total	<u>\$ 1,949,568</u>	<u>\$ 893,783</u>	<u>\$ 2,843,351</u>
Net Pension Liability (Asset)	<u>\$ (7,414,233)</u>	<u>\$ 7,537,052</u>	<u>\$ 122,819</u>
Deferred Inflows of Resources			
Experience	\$ 221,839	\$ 31,075	\$ 252,914
Assumptions	454,677	37,245	491,922
Proportionate Share	-	4,216,999	4,216,999
Investments	11,001,385	505,561	11,506,946
Total	<u>\$ 11,677,901</u>	<u>\$ 4,790,880</u>	<u>\$ 16,468,781</u>
Pension Expense (Revenue)	<u>\$ (1,773,594)</u>	<u>\$ (1,788,699)</u>	<u>\$ (3,562,293)</u>

(Continued)



#### **NOTE 10 – OTHER POST EMPLOYMENT BENEFITS**

##### Teachers' Retirement Insurance Program

Plan description: The District participates in the Teachers' Retirement Insurance Program (TRIP) 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 TRIP Fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The TRIP 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 TRIP Fund may be found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The current reports are listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

Benefits provided: The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the TRIP Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS.

The State provides health, dental, vision, and life insurance benefits for retirees and their dependents in a program administered by the CMS. Substantially all State employees become eligible for post-employment benefits if they eventually become annuitants of one of the State sponsored pension plans. Health, dental, and vision benefits include basic benefits for annuitants and dependents under the State's self-insurance plan and insurance contracts currently in force. Annuitants may be required to contribute towards health, dental, and vision benefits with the amount based on factors such as date of retirement, years of credited service with the State, whether the annuitant is covered by Medicare, and whether the annuitant has chosen a managed health care plan. Annuitants who retired prior to January 1, 1998, and who are vested in the State Employees Retirement System do not contribute towards health, dental, and vision benefits. For annuitants who retired on or after January 1, 1998, the annuitant's contribution amount is reduced five percent for each year of credited service with the State allowing those annuitants with twenty or more years of credited service to not have to contribute towards health, dental, and vision benefits. Annuitants also receive life insurance coverage equal to the annual salary of the last day of employment until age 60, at which time the benefit becomes \$5,000.

The total cost of the State's portion of health, dental, vision, and life insurance benefits of all members, including post-employment health, dental, vision, and life insurance benefits, is recognized as an expense by the State in the Illinois Annual Comprehensive Financial Report. The State finances the costs on a pay-as-you-go basis. The total costs incurred for health, dental, vision, and life insurance benefits are not separated by department or component unit for annuitants and their dependents nor active employees and their dependents.

A summary of post-employment benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of the financial statements of the Department of Central Management Services. A copy of the financial statements of the Department may be obtained by writing to the Department of Central Management Services, 401 South Spring, Springfield, Illinois, 62706.

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

Contributions: Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the TRIP Fund. The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year. The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the TRIP Fund from active members which were 0.90 percent of pay during the year ended June 30, 2022. State of Illinois contributions were \$805,924, and the District recognized revenue and expenditures of this amount during the year. The District also makes contributions to the TRIP Fund, which are defined by state statute. The District's TRIP Fund contribution was 0.67 percent during the year ended June 30, 2022. For the year ended June 30, 2022, the District paid \$461,682 to the TRIP Fund, which was 100 percent of the required contribution.

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

At June 30, 2022, the District reported a liability of \$73,625,200 for its proportionate share of the collective net OPEB liability. This liability reflects a reduction for State OPEB Support:

District's proportionate share of the net OPEB liability	\$ 73,625,200
State's proportionate share of the net OPEB liability associated with the District	<u>100,278,103</u>
Total	<u>\$ 173,903,303</u>

The collective net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2020 and rolled forward to June 30, 2021. The District's proportion of the collective net OPEB liability was based on the District's fiscal year 2021 contributions to the OPEB plan relative to the fiscal year 2021 contributions of all participating entities. The District's proportion of the collective net OPEB liability for June 30, 2021 was based on the District's fiscal year 2020 contributions to the OPEB plan relative to the fiscal year 2020 contributions of all participating entities. At June 30, 2021, the District's proportion was 0.333800 percent, which was an increase of 0.005352 percent from its proportion measured as of June 30, 2020 (0.328448 percent). The proportion of the State's net OPEB liability attributable to the District was 0.790 percent, which was an increase of 0.020 percent from the prior year (0.770 percent).

For the year ended June 30, 2022, the District recognized OPEB revenue of \$662,949. The District's proportionate share of collective OPEB expense is recognized as an on-behalf payment as both revenue and expense in the District's financial statements. The basis of allocation used is the actual OPEB expense for contributing Districts. As a result, the District recognized on-behalf revenue and OPEB expense of \$(1,194,530).

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ 3,444,095
Net difference between Projected and Actual Earnings on OPEB Plan Investments	-	251
Changes of Assumptions	25,417	27,569,320
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	2,625,086	1,285,220
District Contributions Subsequent to the Measurement Date	461,682	-
	<u>\$ 3,112,185</u>	<u>\$ 32,298,886</u>

Of the total amount reported as deferred outflows of resources related to OPEB, \$461,682 resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year ended June 30:

2023	\$ (5,619,706)
2024	(5,494,847)
2025	(5,027,199)
2026	(3,932,302)
2027	(3,393,512)
Thereafter	(6,180,817)
Total	<u>\$ (29,648,383)</u>

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

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

(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

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

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

The following changes were made in assumptions from the previous actuarial valuation of June 30, 2020. The discount rate was changed from 2.45% at June 30, 2020 to 1.92% at June 30, 2021. The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2020, projected plan cost for plan year end June 30, 2021, premium changes through plan year end 2022, and expectation of future trend increases after June 30, 2021. Per capita claim costs for plan year end June 30, 2021, were updated based on projected claims and enrollment experience through June 30, 2021, and updated premium rates through plan year 2022. Healthcare plan participation rates by plan were updated based on observed experience.

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 as reported in Fidelity Index's 20-year municipal GO AA index 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 is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 1.92% as of June 30, 2021, and 2.45% as of June 30, 2020, a decrease of 0.53%.

During the Plan year ending June 30, 2021, the trust earned \$51,000 in interest, and the market value of assets at June 30, 2021, was \$313.2 million. The long-term expected rate of return assumption was set to 2.75 percent.

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

	1% Decrease	Current	1% Increase
	0.92%	Discount Rate	2.92%
		1.92%	
District's proportionate share of the collective net OPEB Liability	\$ 88,440,313	\$ 73,625,200	\$ 61,874,398

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

Sensitivity of the District's proportionate share of the collective net OPEB liability to changes in the healthcare cost trend rates: The following presents the District's proportionate share of the collective net OPEB liability, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point higher or lower than the current healthcare cost trend rates. The current claims trend rates are 8.00% in 2023 decreasing to an ultimate trend rate of 4.25% in 2038.

	Healthcare Cost Trend Rates Assumption		
	1% Decrease <sup>(a)</sup>		1% Increase <sup>(b)</sup>
District's proportionate share of the collective net OPEB Liability	\$ 58,937,194	\$ 73,625,200	\$ 93,567,503

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

(b) One percentage point increase in healthcare trend rates are 9.00% in 2022 decreasing to an ultimate trend rate of 5.25% in 2038.

OPEB plan fiduciary net position: Detailed information about the OPEB plan's fiduciary net position is available in the separately issued TRIP financial report.

West Aurora School District 129 Postretirement Health Plan

Plan Description: This is a single employer plan administered by the District Board, with no separate report issued. The District Board has the authority to change the plan. Non-Certified personnel who retire from the District shall be eligible to receive hospital and medical coverage at a subsidized cost. Retirement for Non-Certified personnel is defined as age 55 and 25 years of service, or age 60 and 8 years of service or combined age and service of 85. Membership in the plan as of June 30, 2022, the most recent information available, consisted of 366 active plan members.

Contributions: The District follows a pay-as-you go funding policy. The District does not have a trust dedicated exclusively to the payment of OPEB benefits. This means the District pays the costs of the benefits as they become due. The costs are equal to the benefits distributed or claimed in the year. The District is not required to, and currently does not advance fund the cost of benefits that will become due and payable in the future. The plan members do not have a required contribution as determined by the District Board.

(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

Total OPEB Liability: The District's total OPEB liability was measured as of June 30, 2022 and the total OPEB liability was determined by an actuarial valuation as of June 30, 2022 using the following actuarial methods and assumptions.

Actuarial Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	N/A - no assets
Assumptions:	
Discount Rate	3.69%
Rate of Return	N/A - no assets
Payroll Increases	3.50%
Healthcare Trend Ratios	6.50% in fiscal 2022 trending to 4.00% ultimate
Mortality Rates	PubG-2010 Base Rates Projected to 2025 with Scale MP2021
Retirement Rates	5.00% at age 55, scaling up to 100.00% at age 65.
Disability Rates	0.10% at age 25, scaling up to .20% at age 65.
Withdrawal Rates	0.30% at age 20, scaling up to .01% at age 60.
Marriage	50% of employees were assumed to have participating spouses. Females were assumed to be three years younger than males.
Participation Rate	50% of employees currently enrolled in medical plans were assumed to participate in the plan

Assumption Changes: The discount rate was changed to 3.69% as of June 30, 2022 from 1.92% as of June 30, 2021.

Discount Rate: The discount rate used to measure the total OPEB liability was 3.69% for determining the liability. The discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax-exempt general obligation municipal bonds. The underlying index used is the Bond Buyer 20-Bond GO Index as of June 30, 2022.

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(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

Changes in Total OPEB Liability:

Changes in the Total OPEB Liability:

	<u>2022</u>
Balances at June 30, 2021	\$ 5,562,682
Changes for the year:	
Service cost	517,473
Interest	106,657
Benefit changes	-
Actuarial experience	(1,178,372)
Assumptions changes	(2,696,048)
Contributions - employer	-
Contributions - employee	-
Net investment income	-
Benefit payments, including refunds	(15,235)
Other Changes	-
Net changes	<u>(3,265,525)</u>
Balances at June 30, 2022	<u>\$ 2,297,157</u>

OPEB Expense: For the year ended June 30, 2022, the District recognized OPEB expense of \$199,994.

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual non-investment experience	\$ -	\$ 1,934,506
Changes of assumptions	<u>1,433,789</u>	<u>3,728,962</u>
Total	<u>\$ 1,433,789</u>	<u>\$ 5,663,468</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year Ended June 30	Deferred Outflows of Resources	Deferred Inflows of Resources
2023	\$ 168,181	\$ 592,317
2024	168,181	592,317
2025	168,181	592,317
2026	168,181	592,317
2027	168,181	592,317
Thereafter	592,884	2,701,883
Total	<u>\$ 1,433,789</u>	<u>\$ 5,663,468</u>

(Continued)

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

**NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

Rate Sensitivity: The following tables present a rate sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate.

The table below presents the total OPEB liability of the District calculated using the discount rate of 3.69% as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

	1% Decrease 2.69%	Current Rate 3.69%	1% Increase 4.69%
Total OPEB Liability	\$ 3,080,645	\$ 2,297,157	\$ 1,727,569

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 6.5% to 4.0% as well as what the District's total OPEB liability would be if it were calculated using a healthcare rate that is one percentage point lower or one percentage point higher than the current rate.

	1% Decrease (1)	Current Healthcare Cost Trend Rate (2)	1% Increase (3)
Total OPEB Liability	\$ 1,666,739	\$ 2,297,157	\$ 3,188,084

(1) 5.5% decreasing to 3.0%

(2) 6.5% decreasing to 4.0%

(3) 7.5% decreasing to 5.0%

Summary of OPEB items:

	Teachers' Retirement Insurance Program	West Aurora School District 129 Postretirement Health Plan	Total
Net other-post employment benefits liabilities	\$ 73,625,200	\$ 2,297,157	\$ 75,922,357
Deferred outflows of resources	3,112,185	1,433,789	4,545,974
Deferred inflows of resources	32,298,886	5,663,468	37,962,354
OPEB expense (revenue)	(662,949)	199,994	(462,955)

(Continued)



#### NOTE 11 – NEW ACCOUNTING PRONOUNCEMENTS

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. Upon the District's adoption of GASB Statement No. 95, the effective date of the Statement was delayed for the District until the fiscal year ended June 30, 2023. Management has not determined what impact, if any, this Statement will have on its financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objectives of this Statement are to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements and to provide guidance for accounting and financial reporting for availability payment arrangements. This Statement is effective for the District's fiscal year ended June 30, 2023. Management has not determined what impact, if any, this Statement will have on its financial statements.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. This Statement is effective for the District's fiscal year ended June 30, 2023. Management has not determined what impact, if any, this Statement will have on its financial statements.

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to leases, public-private and public-public partnerships, and subscription-based information technology arrangements are effective for the District's fiscal year ended June 30, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments are effective for the District's fiscal year ended June 30, 2024.

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for the District's fiscal year ended June 30, 2024.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for the District's fiscal year ended June 30, 2025.

WEST AURORA SCHOOL DISTRICT 129  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2022

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**NOTE 12 – CONSTRUCTION COMMITMENTS**

At June 30, 2022, the District had the following outstanding construction commitments.

HVAC Replacement	\$ 246,800
Roofing Replacement	237,417
Paving Replacement	137,235
Track/Turf Replacement	1,705,475
Doors, Windows, Tuckpointing	866,847
Total	<u>\$ 3,193,774</u>

**NOTE 13 – TAX ABATEMENTS**

The District entered into a property tax abatement agreement with a local business utilizing its statutory authority under the Illinois School Code. Under the Code, the District may grant property tax abatements for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the District. For the fiscal year ended June 30, 2022, the District abated property taxes totaling \$147,983 under this program.

**NOTE 14 – ADOPTION OF NEW ACCOUNTING PRINCIPLE**

At July 1, 2021, the District implemented the requirements of GASB Statement No. 87, *Leases*. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Beginning balances for lease assets and lease liabilities were restated to account for changes in the measurement of the lease liabilities.

Governmental Activities:

Net Position, July 1, 2021, as previously reported	\$ 20,808,913
Change in Accounting Principle, GASB Statement No. 87	<u>(1,137,378)</u>
Net Position, July 1, 2021, as restated	<u>\$ 19,671,535</u>

Capital Assets Being Depreciated, Net; July 1, 2021, as previously reported	\$ 161,004,857
Change in Accounting Principle, GASB Statement No. 87	<u>(5,611,816)</u>
Capital Assets Being Depreciated, Net; July 1, 2021, as restated	<u>\$ 155,393,041</u>

Capital Leases, July 1, 2021, as previously reported	\$ (5,688,949)
Change in Accounting Principle, GASB Statement No. 87	<u>4,474,438</u>
Leases, July 1, 2021, as restated	<u>\$ (1,214,511)</u>

## WEST AURORA SCHOOL DISTRICT 129

RSI - 1

Required Supplementary Information  
Illinois Municipal Retirement Fund  
Schedule of Changes in the Net Pension Liability and Related Ratios  
For the Prior Eight Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>								
Service Cost	\$ 1,822,855	\$ 1,972,485	\$ 1,942,706	\$ 1,805,878	\$ 1,933,440	\$ 1,866,825	\$ 1,683,612	\$ 1,721,246
Interest on the Total Pension Liability	5,962,268	5,836,527	5,550,599	5,362,569	5,299,747	4,992,375	4,687,833	4,199,033
Changes of Benefit Terms	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	1,153,798	(513,657)	760,224	(81,414)	60,263	818,834	1,071,653	1,211,367
Changes of Assumptions	-	(1,052,779)	-	2,174,125	(2,406,555)	(171,680)	80,777	2,696,027
Benefit Payments, Including Refunds of Employee Contributions	(4,526,459)	(4,340,332)	(4,308,845)	(4,232,172)	(3,738,808)	(3,499,881)	(3,420,897)	(2,995,259)
Net Change in Total Pension Liability	4,412,462	1,902,244	3,944,684	5,028,986	1,148,087	4,006,473	4,102,978	6,832,414
Total Pension Liability - Beginning	83,589,983	81,687,739	77,743,055	72,714,069	71,565,982	67,559,509	63,456,531	56,624,117
Total Pension Liability - Ending	<u>\$ 88,002,445</u>	<u>\$ 83,589,983</u>	<u>\$ 81,687,739</u>	<u>\$ 77,743,055</u>	<u>\$ 72,714,069</u>	<u>\$ 71,565,982</u>	<u>\$ 67,559,509</u>	<u>\$ 63,456,531</u>
<b>Plan Fiduciary Net Position</b>								
Contributions - Employer	\$ 2,052,127	\$ 1,978,517	\$ 1,726,691	\$ 1,976,127	\$ 1,987,608	\$ 1,937,011	\$ 1,843,096	\$ 1,701,149
Contributions - Employees	912,509	884,552	879,616	863,294	841,261	806,218	765,338	703,099
Net Investment Income	14,131,151	10,727,706	12,216,274	(3,972,518)	10,808,372	3,910,617	283,825	3,291,501
Benefit Payments, Including Refunds of Employee Contributions	(4,526,459)	(4,340,332)	(4,308,845)	(4,232,172)	(3,738,808)	(3,499,881)	(3,420,897)	(2,995,259)
Other (Net Transfer)	(545,985)	(250,093)	(203,178)	543,120	(1,551,025)	233,527	527,103	216,179
Net Change in Plan Fiduciary Net Position	12,023,343	9,000,350	10,310,558	(4,822,149)	8,347,408	3,387,492	(1,535)	2,916,669
Plan Fiduciary Net Position - Beginning	83,393,335	74,392,985	64,082,427	68,904,576	60,557,168	57,169,676	57,171,211	54,254,542
Plan Fiduciary Net Position - Ending	<u>\$ 95,416,678</u>	<u>\$ 83,393,335</u>	<u>\$ 74,392,985</u>	<u>\$ 64,082,427</u>	<u>\$ 68,904,576</u>	<u>\$ 60,557,168</u>	<u>\$ 57,169,676</u>	<u>\$ 57,171,211</u>
<b>Net Pension Liability - Ending</b>	<u>\$ (7,414,233)</u>	<u>\$ 196,648</u>	<u>\$ 7,294,754</u>	<u>\$ 13,660,628</u>	<u>\$ 3,809,493</u>	<u>\$ 11,008,814</u>	<u>\$ 10,389,833</u>	<u>\$ 6,285,320</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	108.43%	99.76%	91.07%	82.43%	94.76%	84.62%	84.62%	90.10%
<b>Covered Valuation Payroll</b>	\$ 20,119,957	\$ 19,409,427	\$ 19,524,211	\$ 18,772,947	\$ 18,263,171	\$ 17,722,051	\$ 16,689,049	\$ 15,074,778
<b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>	-36.85%	1.01%	37.36%	72.77%	20.86%	62.12%	62.26%	41.69%

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

The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

Required Supplementary Information  
Illinois Municipal Retirement Fund  
Schedule of Employer Contributions  
For the Prior Ten Fiscal Years

Fiscal Year Ending	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
6/30/2022	\$ 1,908,203	\$ 1,908,203	\$ -	\$ 20,835,442	9.16%
6/30/2021	1,972,728	1,972,728	-	19,348,304	10.20%
6/30/2020	1,888,501	1,888,501	-	19,646,639	9.61%
6/30/2019	1,936,482	1,936,482	-	21,250,460	9.11%
6/30/2018	2,099,062	2,099,062	-	20,030,664	10.48%
6/30/2017	1,934,500	1,934,500	-	19,649,631	9.84%
6/30/2016	1,894,904	1,894,904	-	18,832,522	10.06%
6/30/2015	1,763,873	1,763,873	-	16,939,912	10.41%
6/30/2014	1,748,337	1,748,337	-	14,042,870	12.45%
6/30/2013	1,545,503	1,545,503	-	12,636,986	12.23%

**Notes to Schedule:**

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2021 Contribution Rate\*

**Valuation Date:**

Notes: 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.

**Methods and Assumptions Used to Determine 2021 Contribution Rates:**

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	22-year closed period
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	3.25%
Price Inflation:	2.50%
Salary Increases:	3.35% to 14.25%, including inflation
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016.
Mortality:	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**Other Information:**

Notes: There were no benefit changes during the year.

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

## WEST AURORA SCHOOL DISTRICT 129

Required Supplementary Information  
Teacher's Retirement System  
Schedule of the District's Proportionate Share of the Net Pension Liability  
For the Prior Eight Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	0.0097%	0.0099%	0.0103%	0.0109%	0.0297%	0.0290%	0.0269%	0.0308%
District's Proportionate Share of the Net Pension Liability	\$ 7,537,052	\$ 8,523,975	\$ 8,369,748	\$ 8,460,990	\$ 22,708,429	\$ 22,859,142	\$ 17,623,553	\$ 18,742,787
State's Proportionate Share of the Net Pension Liability associated with the District	631,685,067	667,641,996	595,665,800	579,613,300	573,851,835	604,413,336	476,123,942	458,566,350
Total	<u>\$ 639,222,119</u>	<u>\$ 676,165,971</u>	<u>\$ 604,035,548</u>	<u>\$ 588,074,290</u>	<u>\$ 596,560,264</u>	<u>\$ 627,272,478</u>	<u>\$ 493,747,495</u>	<u>\$ 477,309,137</u>
District's payroll	\$ 86,544,209	\$ 82,914,582	\$ 80,180,556	\$ 77,801,933	\$ 76,045,713	\$ 73,751,383	\$ 74,363,134	N/A
District's proportionate share of the net pension liability as a percentage of its payroll	8.71%	10.28%	10.44%	10.88%	29.86%	30.99%	23.70%	N/A
Plan fiduciary net position as a percentage of the total pension liability	45.10%	37.80%	39.60%	40.00%	39.30%	36.40%	41.50%	43.00%

**Notes to Schedule:**

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

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

**3. Changes of Assumptions**

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

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

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

Required Supplementary Information  
Teacher's Retirement System  
Schedule of Employer Contributions  
For the Prior Eight Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 832,751	\$ 640,463	\$ 631,095	\$ 669,792	\$ 699,388	\$ 1,263,030	\$ 1,164,164	\$ 958,583
Contributions in relation to the contractually required contribution	<u>832,751</u>	<u>640,463</u>	<u>631,095</u>	<u>669,792</u>	<u>699,388</u>	<u>1,263,030</u>	<u>1,164,164</u>	<u>958,583</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District payroll	\$ 89,547,150	\$ 86,544,209	\$ 82,914,582	\$ 80,180,556	\$ 77,801,933	\$ 76,045,713	\$ 73,751,383	\$ 74,353,134
Contributions as a Percentage of Payroll	0.93%	0.74%	0.76%	0.84%	0.90%	1.66%	1.58%	1.29%

**Notes to Schedule:**

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

**2. Changes of Assumptions**

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

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

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

Required Supplementary Information  
District's Postretirement Health Plan  
Schedule of Changes in the District's Total Other Post-employment Benefits Liability and Related Ratios  
June 30, 2022

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	\$ 517,473	\$ 494,875	\$ 389,062	\$ 352,928	\$ 536,451
Interest	106,657	102,575	138,630	121,536	170,204
Changes of Benefit Terms	-	-	(31,357)	-	-
Difference Between Expected and Actual Experience	(1,178,375)	-	(951,099)	-	(260,053)
Changes in Assumptions	(2,696,048)	768,463	733,595	401,186	(2,024,693)
Benefit Payments	(15,235)	(14,237)	(57,370)	(53,120)	(18,393)
Other Changes	-	-	-	-	-
Net Change in Total OPEB Liability	(3,265,528)	1,351,676	221,461	822,530	(1,596,484)
Total OPEB Liability - Beginning	5,562,682	4,211,006	3,989,545	3,167,015	4,763,499
Total OPEB Liability - Ending (a)	<u>\$ 2,297,154</u>	<u>\$ 5,562,682</u>	<u>\$ 4,211,006</u>	<u>\$ 3,989,545</u>	<u>\$ 3,167,015</u>
Covered Payroll	\$ 12,242,270	\$ 11,051,050	\$ 10,677,343	\$ 10,771,824	\$ 10,407,559
Total OPEB Liability as a Percentage of Covered Valuation Payroll	18.76%	50.34%	39.44%	37.04%	30.43%

**Notes to Schedule:** This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available. The District's Postretirement Health Plan is not administered through a trust or equivalent arrangement.

Required Supplementary Information  
Teachers' Retirement Insurance Program  
Schedule of the District's Proportionate Share of the Net Other Post-employment Benefits Liability  
June 30, 2022

	2022	2021	2020	2019	2018
District's proportion of the collective net OPEB liability	0.333800%	0.328448%	0.327698%	0.328044%	0.336933%
District's proportionate share of the collective net OPEB liability	\$ 73,625,200	\$ 87,813,519	\$ 90,698,327	\$ 86,426,094	\$ 87,432,543
State's Proportionate Share of the Collective Net OPEB Liability associated with the District	<u>100,278,103</u>	<u>118,439,635</u>	<u>122,587,564</u>	<u>116,272,568</u>	<u>114,907,761</u>
Total	<u>\$ 173,903,303</u>	<u>\$ 206,253,154</u>	<u>\$ 213,285,891</u>	<u>\$ 202,698,662</u>	<u>\$ 202,340,304</u>
District's covered payroll	\$ 86,544,209	\$ 82,914,582	\$ 80,180,556	\$ 77,801,933	\$ 76,045,713
District's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	85%	106%	113%	111%	115%
Plan fiduciary net position as a percentage of total OPEB liability	1.40%	0.70%	0.25%	-0.07%	-0.17%

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



## WEST AURORA SCHOOL DISTRICT 129

Required Supplementary Information  
 Teachers' Retirement Insurance Program  
 Schedule of Employer Contributions  
 June 30, 2022

	2022	2021	2020	2019	2018
Contractually required contribution	\$ 461,682	\$ 797,210	\$ 762,594	\$ 738,705	\$ 684,652
Contributions in relation to the statutorily required contribution	<u>(461,682)</u>	<u>(797,210)</u>	<u>(762,594)</u>	<u>(738,705)</u>	<u>(684,652)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 86,544,209	\$ 82,914,582	\$ 80,180,556	\$ 77,801,933	\$ 76,045,713
Contributions as a Percentage of covered employee payroll	0.53%	0.96%	0.95%	0.95%	0.90%

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

WEST AURORA SCHOOL DISTRICT 129

Required Supplementary Information  
 Budgetary Comparison Schedule  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 General Fund and Major Special Revenue Funds  
 Year Ended June 30, 2022

	General Fund		
	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues			
Property taxes	\$ 63,462,460	\$ 63,712,292	\$ 249,832
Replacement taxes	2,000,000	4,524,317	2,524,317
State sources	61,843,928	66,617,673	4,773,745
Federal sources	25,397,800	24,350,199	(1,047,601)
Interest	500,000	584,539	84,539
Other	1,584,000	3,097,691	1,513,691
Total Revenues	154,788,188	162,886,711	8,098,523
Expenditures			
Current:			
Instruction:			
Regular programs	62,420,726	58,678,480	3,742,246
Special programs	20,692,462	18,779,103	1,913,359
Other instructional programs	17,111,508	16,046,139	1,065,369
Support services:			
Pupils	12,102,928	11,626,539	476,389
Instructional staff	9,239,455	6,790,931	2,448,524
General administration	1,544,775	1,119,282	425,493
School administration	6,308,565	6,193,699	114,866
Business	6,519,588	7,236,716	(717,128)
Transportation	33,000	4,542	28,458
Operations and maintenance	5,179,389	1,174,685	4,004,704
Central	5,314,015	7,168,801	(1,854,786)
Other support services	87,167	116,987	(29,820)
Community services	1,223,789	1,504,206	(280,417)
Payments to other districts & govt. units	5,766,382	5,498,953	267,429
Capital outlay	797,055	4,234,598	(3,437,543)
Debt service - interest and charges	-	29,198	(29,198)
Debt service - principal	-	379,439	(379,439)
Total Expenditures	154,340,804	146,582,298	7,758,506
Excess (Deficiency) of Revenues over (under) Expenditures	447,384	16,304,413	15,857,029
Other Financing Sources and Uses			
Lease proceeds	-	-	-
Transfer in	2,000,000	2,000,000	-
Transfer out	(2,000,000)	(2,000,000)	-
Total Other Financing Sources and Uses	-	-	-
Net Change in Fund Balances	\$ 447,384	16,304,413	\$ 15,857,029
Fund Balances at Beginning of Year		66,437,605	
Fund Balances at End of Year		\$ 82,742,018	

(Continued)

Special Revenue Fund		
Operations and Maintenance Fund		
Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)
\$ 13,675,067	\$ 13,895,405	\$ 220,338
200,000	2,303,822	2,103,822
5,500,000	5,500,000	-
-	-	-
-	-	-
625,000	1,331,893	706,893
<u>20,000,067</u>	<u>23,031,120</u>	<u>3,031,053</u>

Special Revenue Fund		
Transportation Fund		
Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)
\$ 4,444,618	\$ 4,195,232	\$ (249,386)
-	-	-
3,625,000	4,328,112	703,112
-	-	-
-	26,333	26,333
-	112,205	112,205
<u>8,069,618</u>	<u>8,661,882</u>	<u>592,264</u>

-	-	-
-	-	-
-	-	-
550,000	-	550,000
-	-	-
-	-	-
-	-	-
1,413,364	1,217,496	195,868
-	-	-
10,787,336	10,288,469	498,867
-	-	-
-	-	-
-	-	-
5,592,000	6,763,516	(1,171,516)
-	-	-
-	-	-
<u>18,342,700</u>	<u>18,269,481</u>	<u>73,219</u>
<u>1,657,367</u>	<u>4,761,639</u>	<u>3,104,272</u>
-	-	-
-	-	-
(2,000,000)	(2,000,000)	-
(2,000,000)	(2,000,000)	-
<u>\$ (342,633)</u>	<u>2,761,639</u>	<u>\$ 3,104,272</u>
	<u>8,651,618</u>	
	<u>\$ 11,413,257</u>	

-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
7,772,504	7,428,387	344,117
-	-	-
-	-	-
150,000	-	150,000
-	-	-
-	-	-
-	1,210,394	(1,210,394)
-	124,931	(124,931)
-	1,203,018	(1,203,018)
<u>7,922,504</u>	<u>9,966,730</u>	<u>(2,044,226)</u>
<u>147,114</u>	<u>(1,304,848)</u>	<u>(1,451,962)</u>
-	1,210,394	1,210,394
-	-	-
-	-	-
-	1,210,394	1,210,394
<u>\$ 147,114</u>	<u>(94,454)</u>	<u>\$ (241,568)</u>
	<u>6,897,216</u>	
	<u>\$ 6,802,762</u>	

WEST AURORA SCHOOL DISTRICT 129  
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2022

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**NOTE 1 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgetary Data:** Budgeted amounts for the governmental funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America (GAAP) with the exception of the General Fund Education Account. That fund uses a budgetary basis of reporting. A reconciliation of the budgetary basis to GAAP is as follows:

	<u>Revenues</u>	<u>Expenditures</u>
General Fund Education Account - Budgetary Basis	\$ 162,844,291	\$ 146,582,298
To adjust for State of Illinois TRS On-Behalf Contributions Received	9,724,868	-
To adjust for State of Illinois TRS On-Behalf Contributions Made	<u>-</u>	<u>9,724,868</u>
General Fund Education Account - GAAP Basis	<u>\$ 172,569,159</u>	<u>\$ 156,307,166</u>

The Board of Education follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and a means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of an ordinance. By the last Tuesday in December, a tax levy ordinance is filed with the county clerk to obtain tax revenues.
4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.
5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.
6. All budget appropriations lapse at the end of the fiscal year.
7. The budget amounts presented in the financial statements are original and final as the District did not pass a budget amendment during the fiscal year.
8. The General Fund – Working Cash Account was not budgeted for the fiscal year.

**Excess of Actual Expenditures Over Budget:** The following funds had an excess of actual expenditures over budget for the fiscal year.

<u>Fund</u>	<u>Excess</u>
Debt Service Fund	\$ 144,750
Transportation Fund	2,044,226
Illinois Municipal Retirement/Social Security Fund	105,067
Site and Construction Fund	2,794

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## WEST AURORA SCHOOL DISTRICT 129

EXHIBIT 1

General Fund  
Balance Sheet - By Account  
June 30, 2022

	<u>Education Account</u>	<u>Working Cash Account</u>	<u>Tort Account</u>	<u>Total General Fund</u>
<b>ASSETS</b>				
Cash	\$ 9,308,645	\$ -	\$ -	\$ 9,308,645
Investments	57,749,503	14,294,266	274,333	72,318,102
Restricted cash - insurance	2,617,797	-	-	2,617,797
Restricted investments - insurance	4,215,999	-	-	4,215,999
Receivables (net of allowance for uncollectibles):				
Property taxes	30,356,439	-	-	30,356,439
Intergovernmental	<u>10,714,162</u>	<u>-</u>	<u>-</u>	<u>10,714,162</u>
Total Assets	<u>\$ 114,962,545</u>	<u>\$ 14,294,266</u>	<u>\$ 274,333</u>	<u>\$ 129,531,144</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Cash overdraft	\$ -	\$ -	\$ 267,458	\$ 267,458
Accounts payable	1,183,921	-	-	1,183,921
Salaries and wages payable	10,762,883	-	-	10,762,883
Claims payable	<u>942,231</u>	<u>-</u>	<u>-</u>	<u>942,231</u>
Total Liabilities	<u>12,889,035</u>	<u>-</u>	<u>267,458</u>	<u>13,156,493</u>
<b>Deferred Inflows of Resources:</b>				
Unearned property taxes	31,997,005	-	-	31,997,005
Unavailable grant revenues	<u>1,635,628</u>	<u>-</u>	<u>-</u>	<u>1,635,628</u>
Total Deferred Inflows of Resources	<u>33,632,633</u>	<u>-</u>	<u>-</u>	<u>33,632,633</u>
<b>Fund Balances:</b>				
Assigned				
Insurance	5,891,565	-	-	5,891,565
Student activity funds	903,912	-	-	903,912
Unassigned	<u>61,645,400</u>	<u>14,294,266</u>	<u>6,875</u>	<u>75,946,541</u>
Total Fund Balances	<u>68,440,877</u>	<u>14,294,266</u>	<u>6,875</u>	<u>82,742,018</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 114,962,545</u>	<u>\$ 14,294,266</u>	<u>\$ 274,333</u>	<u>\$ 129,531,144</u>

## WEST AURORA SCHOOL DISTRICT 129

EXHIBIT 2

General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balances - By Account  
Year Ended June 30, 2022

	Education <u>Account</u>	Working Cash <u>Account</u>	Tort <u>Account</u>	Total <u>General Fund</u>
Revenues				
Property taxes	\$ 63,712,292	\$ -	\$ -	\$ 63,712,292
Replacement taxes	4,524,317	-	-	4,524,317
State sources	66,617,673	-	-	66,617,673
Federal sources	24,350,199	-	-	24,350,199
Interest	542,119	41,222	1,198	584,539
Other	3,097,691	-	-	3,097,691
On-behalf payments received from state	9,724,868	-	-	9,724,868
Total Revenues	<u>172,569,159</u>	<u>41,222</u>	<u>1,198</u>	<u>172,611,579</u>
Expenditures				
Current:				
Instruction:				
Regular programs	58,678,480	-	-	58,678,480
Special programs	18,779,103	-	-	18,779,103
Other instructional programs	16,046,139	-	-	16,046,139
Support services:				
Pupils	11,626,539	-	-	11,626,539
Instructional staff	6,790,931	-	-	6,790,931
General administration	1,119,282	-	-	1,119,282
School administration	6,193,699	-	-	6,193,699
Business	7,236,716	-	-	7,236,716
Transportation	4,542	-	-	4,542
Operations and maintenance	1,174,685	-	-	1,174,685
Central	7,168,801	-	-	7,168,801
Other supporting services	116,987	-	-	116,987
Community services	1,504,206	-	-	1,504,206
Payments to other districts & govt. units	5,498,953	-	-	5,498,953
On-behalf payments made by state	9,724,868	-	-	9,724,868
Capital outlay	4,234,598	-	-	4,234,598
Debt service - principal	379,439	-	-	379,439
Debt service - interest and charges	29,198	-	-	29,198
Total Expenditures	<u>156,307,166</u>	<u>-</u>	<u>-</u>	<u>156,307,166</u>
Excess of Revenues over Expenditures	<u>16,261,993</u>	<u>41,222</u>	<u>1,198</u>	<u>16,304,413</u>
Other Financing Sources				
Transfers in	2,000,000	-	-	2,000,000
Transfers Out	(2,000,000)	-	-	(2,000,000)
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>16,261,993</u>	<u>41,222</u>	<u>1,198</u>	<u>16,304,413</u>
Fund Balances at Beginning of Year	<u>52,178,884</u>	<u>14,253,044</u>	<u>5,677</u>	<u>66,437,605</u>
Fund Balances at End of Year	<u>\$ 68,440,877</u>	<u>\$ 14,294,266</u>	<u>\$ 6,875</u>	<u>\$ 82,742,018</u>

General Fund - Education Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Budget <u>Positive (Negative)</u>
<b>Revenues</b>			
<b>Local sources</b>			
General levy	\$ 56,054,025	\$ 56,279,259	\$ 225,234
Special education levy	7,408,435	7,433,033	24,598
Corporate personal property replacement	2,000,000	4,524,317	2,524,317
Interest on investments	500,000	542,119	42,119
Sales to pupils - lunch	50,000	7,748	(42,252)
Sales to pupils - a la carte	50,000	160	(49,840)
Sales to adults	-	140	140
Admissions - athletics	20,000	45,526	25,526
Admissions - other	10,000	28,321	18,321
Other district/school activity revenue	20,000	-	(20,000)
Fees	70,000	148,041	78,041
Book store sales	10,000	34,638	24,638
Student activity funds revenue	-	1,187,050	1,187,050
Rentals - regular textbooks	594,000	552,373	(41,627)
Rentals	-	1,187	1,187
Drivers' education fees	40,000	-	(40,000)
Sale of vocational projects	20,000	26,524	6,524
Other	700,000	1,065,983	365,983
Total local sources	<u>67,546,460</u>	<u>71,876,419</u>	<u>4,329,959</u>
<b>State sources</b>			
Evidence based funding	56,000,000	60,905,636	4,905,636
Special education - private facility tuition	1,350,000	1,133,169	(216,831)
Special education - orphanage	197,660	171,905	(25,755)
Program improvements	90,000	96,610	6,610
Vocational education - WECEP	-	40,000	40,000
State free lunch and breakfast	30,000	148,531	118,531
Driver education	100,000	117,557	17,557
Early childhood block grant	4,064,739	3,942,090	(122,649)
Other restricted grants	11,529	62,175	50,646
Total state sources	<u>61,843,928</u>	<u>66,617,673</u>	<u>4,773,745</u>
<b>Federal sources</b>			
National school lunch program	-	6,898,512	6,898,512
School breakfast program	-	1,328,082	1,328,082
Fresh fruit and vegetables	83,600	74,116	(9,484)
Summer food service admin/program	4,200,000	86,196	(4,113,804)
Child and adult care food program	500,000	30,387	(469,613)
Title I - low income	2,998,717	2,629,150	(369,567)
Title I - school improvement and accountability	-	233,717	233,717
Title I - other	188,302	-	(188,302)
Title IV - student support & academic enrichment grant	156,548	150,209	(6,339)
21st century	540,000	587,423	47,423
Fed sp ed IDEA preschool	56,141	63,975	7,834
Fed sp ed IDEA flowthrough	2,897,000	2,615,972	(281,028)
CTE - Perkins - Title IIIIE tech prep	135,000	114,836	(20,164)
Medicaid matching funds	1,400,000	1,290,344	(109,656)
Title III - language acquisition	303,700	282,469	(21,231)
Title II - teacher quality	470,950	395,841	(75,109)
Elementary and secondary school emergency relief fund	11,467,842	7,568,970	(3,898,872)
Total federal sources	<u>25,397,800</u>	<u>24,350,199</u>	<u>(1,047,601)</u>
Total Revenue	<u>154,788,188</u>	<u>162,844,291</u>	<u>8,056,103</u>

General Fund - Education Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Budget <u>Positive (Negative)</u>
Expenditures			
Instruction			
Regular programs			
Salaries	\$ 43,100,038	\$ 41,742,015	\$ 1,358,023
Employee benefits	11,264,395	10,465,688	798,707
Purchased services	1,914,172	417,096	1,497,076
Supplies and materials	3,392,572	1,855,411	1,537,161
Capital outlay	10,000	74,576	(64,576)
Non-capitalized equipment	25,000	8,768	16,232
Total regular programs	<u>59,706,177</u>	<u>54,563,554</u>	<u>5,142,623</u>
Pre-K programs			
Salaries	1,865,261	1,722,298	142,963
Employee benefits	488,895	453,809	35,086
Purchased services	15,760	13,174	2,586
Supplies and materials	354,633	201,928	152,705
Capital outlay	7,000	12,374	(5,374)
Total pre-k programs	<u>2,731,549</u>	<u>2,403,583</u>	<u>327,966</u>
Special education programs			
Salaries	11,593,560	11,247,825	345,735
Employee benefits	3,114,462	3,050,707	63,755
Purchased services	587,000	155,392	431,608
Supplies and materials	198,100	145,807	52,293
Capital outlay	5,000	20,504	(15,504)
Other	4,676,000	3,648,485	1,027,515
Total special education programs	<u>20,174,122</u>	<u>18,268,720</u>	<u>1,905,402</u>
Special education programs pre-K			
Salaries	414,360	413,746	614
Employee benefits	108,980	117,141	(8,161)
Total special education programs pre-K	<u>523,340</u>	<u>530,887</u>	<u>(7,547)</u>
Remedial & supplemental programs			
Salaries	1,201,127	1,176,008	25,119
Employee benefits	390,350	346,384	43,966
Purchased services	25,500	7,609	17,891
Supplies and materials	671,954	949,501	(277,547)
Capital outlay	-	48,167	(48,167)
Total remedial & supplemental programs	<u>2,288,931</u>	<u>2,527,669</u>	<u>(238,738)</u>
CTE programs			
Salaries	127,730	141,684	(13,954)
Employee benefits	27,800	28,259	(459)
Purchased services	52,990	49,125	3,865
Supplies and materials	191,297	197,766	(6,469)
Capital outlay	232,055	336,409	(104,354)
Total CTE programs	<u>631,872</u>	<u>753,243</u>	<u>(121,371)</u>



General Fund - Education Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Budget <u>Positive (Negative)</u>
Interscholastic programs			
Salaries	\$ 2,507,617	\$ 2,548,686	\$ (41,069)
Employee benefits	326,500	319,819	6,681
Purchased services	409,550	424,060	(14,510)
Supplies and materials	335,500	325,993	9,507
Capital outlay	88,000	52,243	35,757
Non-capitalized equipment	12,000	4,686	7,314
Total interscholastic programs	<u>3,679,167</u>	<u>3,675,487</u>	<u>3,680</u>
Summer school programs			
Salaries	193,100	546,196	(353,096)
Employee benefits	36,944	79,166	(42,222)
Purchased services	500	-	500
Supplies and materials	200,500	11,303	189,197
Total summer school programs	<u>431,044</u>	<u>636,665</u>	<u>(205,621)</u>
Gifted programs			
Salaries	333,200	332,824	376
Employee benefits	83,050	88,657	(5,607)
Purchased services	7,000	889	6,111
Supplies and materials	11,000	-	11,000
Total gifted programs	<u>434,250</u>	<u>422,370</u>	<u>11,880</u>
Driver's education programs			
Salaries	357,000	355,317	1,683
Employee benefits	103,150	97,822	5,328
Purchased services	15,500	5,510	9,990
Capital Outlay	-	84,954	(84,954)
Total driver's education programs	<u>475,650</u>	<u>543,603</u>	<u>(67,953)</u>
Bilingual programs			
Salaries	6,991,918	6,401,734	590,184
Employee benefits	1,732,450	1,507,829	224,621
Purchased Services	47,852	9,597	38,255
Supplies and materials	97,154	89,715	7,439
Total bilingual programs	<u>8,869,374</u>	<u>8,008,875</u>	<u>860,499</u>
Truant alternative & optional programs			
Salaries	472,144	516,838	(44,694)
Employee benefits	111,700	142,228	(30,528)
Purchased services	3,000	-	3,000
Supplies and materials	20,431	10,971	9,460
Other	14,000	-	14,000
Total truant alternative & optional programs	<u>621,275</u>	<u>670,037</u>	<u>(48,762)</u>
Student activity fund expenditures			
Other	-	1,128,256	(1,128,256)
Total student activity fund expenditures	<u>-</u>	<u>1,128,256</u>	<u>(1,128,256)</u>
Total instruction	<u>100,566,751</u>	<u>94,132,949</u>	<u>6,433,802</u>

General Fund - Education Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Budget <u>Positive (Negative)</u>
Support services			
Pupils			
Attendance and social work services			
Salaries	\$ 3,099,320	\$ 2,917,209	\$ 182,111
Employee benefits	811,000	610,841	200,159
Purchased services	107,500	118,624	(11,124)
Supplies and materials	185,498	121,335	64,163
Total social work services	<u>4,203,318</u>	<u>3,768,009</u>	<u>435,309</u>
Guidance services			
Salaries	1,338,824	1,363,733	(24,909)
Employee benefits	279,050	314,677	(35,627)
Purchased services	4,775	13,775	(9,000)
Total guidance services	<u>1,622,649</u>	<u>1,692,185</u>	<u>(69,536)</u>
Health services			
Salaries	1,351,791	1,324,898	26,893
Employee benefits	373,550	372,192	1,358
Purchased services	34,470	89,357	(54,887)
Supplies and materials	40,000	25,128	14,872
Total health services	<u>1,799,811</u>	<u>1,811,575</u>	<u>(11,764)</u>
Psychological services			
Salaries	1,240,200	1,299,118	(58,918)
Employee benefits	288,700	353,270	(64,570)
Purchased services	20,000	-	20,000
Supplies and materials	36,400	-	36,400
Total psychological services	<u>1,585,300</u>	<u>1,652,388</u>	<u>(67,088)</u>
Speech pathology and audiology services			
Salaries	2,021,000	1,903,751	117,249
Employee benefits	524,000	485,174	38,826
Purchased services	25,000	57,138	(32,138)
Supplies and materials	36,350	17,815	18,535
Total speech pathology and audiology services	<u>2,606,350</u>	<u>2,463,878</u>	<u>142,472</u>
Other support services - pupils			
Salaries	277,500	238,276	39,224
Purchased services	6,000	228	5,772
Supplies and materials	2,000	-	2,000
Total other support services - pupils	<u>285,500</u>	<u>238,504</u>	<u>46,996</u>
Total pupils	<u>12,102,928</u>	<u>11,626,539</u>	<u>476,389</u>
Instructional staff			
Improvement of instruction services			
Salaries	3,967,096	4,276,183	(309,087)
Employee benefits	1,002,768	1,002,809	(41)
Purchased services	1,537,287	454,771	1,082,516
Supplies and materials	184,392	209,389	(24,997)
Other	189,150	-	189,150
Total improvement of instruction services	<u>6,880,693</u>	<u>5,943,152</u>	<u>937,541</u>

General Fund - Education Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Budget <u>Positive (Negative)</u>
Educational media services			
Purchased services	\$ -	\$ 7,809	\$ (7,809)
Supplies and materials	1,532,037	12,431	1,519,606
Capital outlay	46,156	25,027	21,129
Total educational media services	<u>1,578,193</u>	<u>45,267</u>	<u>1,532,926</u>
Assessment & testing			
Salaries	227,770	228,483	(713)
Employee benefits	60,000	59,333	667
Purchased services	480,299	531,479	(51,180)
Supplies and materials	12,500	8,244	4,256
Total assessment & testing	<u>780,569</u>	<u>827,539</u>	<u>(46,970)</u>
Total instructional staff	<u>9,239,455</u>	<u>6,815,958</u>	<u>2,423,497</u>
General administration			
Board of education services			
Salaries	68,800	154,764	(85,964)
Employee benefits	18,950	47,219	(28,269)
Purchased services	10,000	13,781	(3,781)
Supplies and materials	17,000	13,429	3,571
Other	15,000	15,560	(560)
Total board of education services	<u>129,750</u>	<u>244,753</u>	<u>(115,003)</u>
Executive administration services			
Salaries	250,000	255,928	(5,928)
Employee benefits	64,000	61,536	2,464
Purchased services	186,000	182,761	3,239
Supplies and materials	10,000	4,183	5,817
Other	25,000	4,543	20,457
Total office of superintendent	<u>535,000</u>	<u>508,951</u>	<u>26,049</u>
Special area administration services			
Salaries	239,225	158,055	81,170
Employee benefits	53,925	27,791	26,134
Purchased services	38,071	5,291	32,780
Supplies and materials	18,674	7,650	11,024
Total special area administration services	<u>349,895</u>	<u>198,787</u>	<u>151,108</u>
Tort immunity services			
Employee benefits	180,130	-	180,130
Purchased services	350,000	166,791	183,209
Total tort immunity services	<u>530,130</u>	<u>166,791</u>	<u>363,339</u>
Total general administration	<u>1,544,775</u>	<u>1,119,282</u>	<u>425,493</u>
School administration			
Office of the principal services			
Salaries	4,770,466	4,702,707	67,759
Employee benefits	1,230,700	1,137,304	93,396
Purchased services	94,822	90,681	4,141
Supplies and materials	211,477	261,868	(50,391)
Total office of the principal services	<u>6,307,465</u>	<u>6,192,560</u>	<u>114,905</u>

General Fund - Education Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Budget <u>Positive (Negative)</u>
Other support services - school admin.			
Supplies and materials	\$ 1,100	\$ 1,139	\$ (39)
Total other support services - school admin.	<u>1,100</u>	<u>1,139</u>	<u>(39)</u>
Total school administration	<u>6,308,565</u>	<u>6,193,699</u>	<u>114,866</u>
Business			
Direction of business support services			
Salaries	175,000	174,946	54
Employee benefits	23,100	22,638	462
Purchased services	85,500	85,725	(225)
Supplies and materials	<u>80,000</u>	<u>37,612</u>	<u>42,388</u>
Total direction of business support	<u>363,600</u>	<u>320,921</u>	<u>42,679</u>
Fiscal services			
Salaries	428,134	419,190	8,944
Employee benefits	95,650	92,589	3,061
Purchased services	270,000	230,272	39,728
Capital outlay	<u>-</u>	<u>2,845,418</u>	<u>(2,845,418)</u>
Total fiscal services	<u>793,784</u>	<u>3,587,469</u>	<u>(2,793,685)</u>
Operation and maintenance of plant services			
Salaries	699,825	817,607	(117,782)
Employee benefits	133,300	85,821	47,479
Supplies and materials	311,264	172,011	139,253
Capital outlay	<u>4,035,000</u>	<u>126,197</u>	<u>3,908,803</u>
Total operation and maintenance of plant services	<u>5,179,389</u>	<u>1,201,636</u>	<u>3,977,753</u>
Pupil transportation services			
Purchased services	33,000	4,542	28,458
Capital outlay	<u>-</u>	<u>49,307</u>	<u>(49,307)</u>
Total pupil transportation services	<u>33,000</u>	<u>53,849</u>	<u>(20,849)</u>
Food services			
Salaries	426,672	513,992	(87,320)
Employee benefits	30,300	28,756	1,544
Purchased services	4,403,600	5,623,784	(1,220,184)
Supplies and materials	310,000	103,193	206,807
Capital outlay	450,000	542,274	(92,274)
Non-capitalized equipment	<u>100,000</u>	<u>3,265</u>	<u>96,735</u>
Total food services	<u>5,720,572</u>	<u>6,815,264</u>	<u>(1,094,692)</u>
Internal Services			
Salaries	55,582	-	55,582
Employee benefits	16,050	-	16,050
Supplies and materials	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Internal Services	<u>91,632</u>	<u>-</u>	<u>91,632</u>
Total business	<u>12,181,977</u>	<u>11,979,139</u>	<u>202,838</u>

General Fund - Education Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Budget <u>Positive (Negative)</u>
Central			
Direction of central support services			
Salaries	\$ -	\$ 55,583	\$ (55,583)
Employee benefits	-	17,474	(17,474)
Supplies and materials	-	24,798	(24,798)
Total direction of central support services	<u>-</u>	<u>97,855</u>	<u>(97,855)</u>
Planning, research development & evaluation services			
Purchased services	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total planning, research development & evaluation services	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Information services			
Salaries	286,115	270,271	15,844
Employee benefits	52,350	56,041	(3,691)
Purchased services	122,500	81,439	41,061
Supplies and materials	20,000	21,636	(1,636)
Other	<u>500</u>	<u>-</u>	<u>500</u>
Total information services	<u>481,465</u>	<u>429,387</u>	<u>52,078</u>
Staff services			
Salaries	455,500	470,811	(15,311)
Employee benefits	148,600	124,235	24,365
Purchased services	110,750	100,173	10,577
Supplies and materials	18,000	1,861	16,139
Other	<u>-</u>	<u>275</u>	<u>(275)</u>
Total staff services	<u>732,850</u>	<u>697,355</u>	<u>35,495</u>
Data processing services			
Salaries	1,064,950	1,090,191	(25,241)
Employee benefits	195,250	161,892	33,358
Purchased services	1,481,000	1,764,484	(283,484)
Supplies and materials	1,247,000	2,861,806	(1,614,806)
Capital outlay	5,000	7,168	(2,168)
Other	1,500	-	1,500
Non-capitalized equipment	<u>90,000</u>	<u>45,831</u>	<u>44,169</u>
Total data processing services	<u>4,084,700</u>	<u>5,931,372</u>	<u>(1,846,672)</u>
Total central	<u>5,319,015</u>	<u>7,175,969</u>	<u>(1,856,954)</u>
Other support services			
Salaries	27,000	18,900	8,100
Employee benefits	2,000	1,316	684
Purchased services	54,167	95,047	(40,880)
Supplies and materials	<u>4,000</u>	<u>1,724</u>	<u>2,276</u>
Total other support services	<u>87,167</u>	<u>116,987</u>	<u>(29,820)</u>
Total support services	<u>46,783,882</u>	<u>45,027,573</u>	<u>1,756,309</u>

General Fund - Education Account  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final Budget	Actual	Variance from Budget Positive (Negative)
Community services			
Salaries	\$ 745,868	\$ 944,635	\$ (198,767)
Employee benefits	183,343	220,883	(37,540)
Purchased services	139,483	223,438	(83,955)
Supplies and materials	151,195	115,250	35,945
Capital outlay	3,900	9,980	(6,080)
Total community services	<u>1,223,789</u>	<u>1,514,186</u>	<u>(290,397)</u>
Payments to other districts & govt. units			
Payments for regular programs			
Purchased services	-	57,455	(57,455)
Total payments for regular programs	<u>-</u>	<u>57,455</u>	<u>(57,455)</u>
Payments for special education programs			
Other	5,000,000	3,723,882	1,276,118
Total payments for special education programs	<u>5,000,000</u>	<u>3,723,882</u>	<u>1,276,118</u>
Other payments to In-state govt. units			
Purchased services	616,382	1,517,979	(901,597)
Total payments to in-state govt. units	<u>616,382</u>	<u>1,517,979</u>	<u>(901,597)</u>
Payments for regular programs - tuition			
Other	125,000	52,576	72,424
Total payments for regular programs - tuition	<u>125,000</u>	<u>52,576</u>	<u>72,424</u>
Payments for CTE programs - tuition			
Other	25,000	147,061	(122,061)
Total payments for CTE programs - tuition	<u>25,000</u>	<u>147,061</u>	<u>(122,061)</u>
Total payments to other districts & govt. units	<u>5,766,382</u>	<u>5,498,953</u>	<u>267,429</u>
Debt service			
Principal on debt	-	379,439	(379,439)
Interest on long-term debt	-	29,198	(29,198)
Total debt service	<u>-</u>	<u>408,637</u>	<u>(408,637)</u>
Total Expenditures	<u>154,340,804</u>	<u>146,582,298</u>	<u>7,758,506</u>
Excess of Revenues over Expenditures	<u>447,384</u>	<u>16,261,993</u>	<u>15,814,609</u>
Other Financing Sources			
Transfers in	2,000,000	2,000,000	-
Transfers out	(2,000,000)	(2,000,000)	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 447,384</u>	<u>16,261,993</u>	<u>\$ 15,814,609</u>
Fund Balance at Beginning of Year		<u>52,178,884</u>	
Fund Balance at End of Year		<u>\$ 68,440,877</u>	

General Fund - Working Cash Account  
Schedule of Revenues and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

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	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Final Budget <u>Positive (Negative)</u>
Revenue			
Interest on Investments	\$ -	\$ 41,222	\$ 41,222
Total Revenue	-	41,222	41,222
Net Change in Fund Balance	\$ -	41,222	\$ 41,222
Fund Balance at Beginning of Year		14,253,044	
Fund Balance at End of Year		\$ 14,294,266	

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General Fund - Tort Account  
Schedule of Revenues and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

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	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Final Budget <u>Positive (Negative)</u>
Revenue			
Local sources			
Interest on investments	\$ -	\$ 1,198	\$ 1,198
Total local sources	<u>-</u>	<u>1,198</u>	<u>1,198</u>
 Total Revenue	 <u>-</u>	 <u>1,198</u>	 <u>1,198</u>
 Net Change in Fund Balance	 <u>\$ -</u>	 <u>1,198</u>	 <u>\$ 1,198</u>
 Fund Balance at Beginning of Year		 <u>5,677</u>	
 Fund Balance at End of Year		 <u>\$ 6,875</u>	

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Operations and Maintenance Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenue			
Local sources			
General levy	\$ 13,675,067	\$ 13,895,405	\$ 220,338
Corporate personal property replacement	200,000	2,303,822	2,103,822
Interest on investments	-	103,455	103,455
Rentals	120,000	143,624	23,624
Impact fees	250,000	332,290	82,290
Other local fees	225,000	661,313	436,313
Other local revenues	30,000	91,211	61,211
Total local sources	14,500,067	17,531,120	3,031,053
State sources			
Evidence based funding	5,500,000	5,500,000	-
Total state sources	5,500,000	5,500,000	-
Total Revenue	20,000,067	23,031,120	3,031,053
Expenditures			
Support services			
Pupils			
Other support services			
Purchased services	550,000	-	550,000
Total other support services	550,000	-	550,000
Total pupils	550,000	-	550,000
Support services			
Business			
Direction of business support services			
Salaries	178,114	184,965	(6,851)
Employee benefits	50,250	42,892	7,358
Purchased services	617,000	556,472	60,528
Supplies and materials	11,000	12,102	(1,102)
Other objects	-	23,607	(23,607)
Total direction of business support services	856,364	820,038	36,326
Facilities acquisition and construction services			
Purchased services	557,000	344,288	212,712
Capital outlay	5,177,000	6,604,188	(1,427,188)
Total facilities acquisition and construction services	5,734,000	6,948,476	(1,214,476)
Operation & maintenance of plant services			
Salaries	4,435,761	4,395,364	40,397
Employee benefits	1,018,150	1,011,127	7,023
Purchased services	2,507,600	2,354,487	153,113
Supplies and materials	2,775,825	2,518,702	257,123
Capital outlay	315,000	159,328	155,672
Non-capitalized equipment	50,000	8,789	41,211
Total operation & maintenance of plant services	11,102,336	10,447,797	654,539

Operations and Maintenance Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)
Food services			
Capital outlay	\$ 100,000	\$ -	\$ 100,000
Purchased services	-	53,170	(53,170)
Total food services	100,000	53,170	46,830
Total business	17,792,700	18,269,481	(476,781)
 Total support services	 18,342,700	 18,269,481	 73,219
 Total Expenditures	 18,342,700	 18,269,481	 73,219
 Excess of Revenues over Expenditures	 1,657,367	 4,761,639	 3,104,272
 Other Financing Uses			
Transfers out	(2,000,000)	(2,000,000)	-
Total Other Financing Uses	(2,000,000)	(2,000,000)	-
 Net Change in Fund Balance	 <u>\$ (342,633)</u>	 2,761,639	 <u>\$ 3,104,272</u>
 Fund Balance at Beginning of Year		 8,651,618	
 Fund Balance at End of Year		 <u>\$ 11,413,257</u>	

Debt Service Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Final Budget Positive (Negative)
Revenue			
Local sources			
General levy	\$ 13,914,171	\$ 13,730,812	\$ (183,359)
Interest on investments	-	162,955	162,955
Total local sources	<u>13,914,171</u>	<u>13,893,767</u>	<u>(20,404)</u>
Federal sources			
Other	<u>1,565,295</u>	<u>771,756</u>	<u>(793,539)</u>
Total federal sources	<u>1,565,295</u>	<u>771,756</u>	<u>(793,539)</u>
Total Revenue	<u>15,479,466</u>	<u>14,665,523</u>	<u>(813,943)</u>
Expenditures			
Debt service			
Interest on long-term debt	4,464,116	4,720,667	(256,551)
Payments of principal on long-term debt	13,005,000	12,895,000	110,000
Other	<u>8,600</u>	<u>6,799</u>	<u>1,801</u>
Total debt service	<u>17,477,716</u>	<u>17,622,466</u>	<u>(144,750)</u>
Total Expenditures	<u>17,477,716</u>	<u>17,622,466</u>	<u>(144,750)</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,998,250)</u>	<u>(2,956,943)</u>	<u>(958,693)</u>
Other Financing Sources			
Transfers in	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>
Total Other Financing Sources	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 1,750</u>	<u>(956,943)</u>	<u>\$ (958,693)</u>
Fund Balance at Beginning of Year		<u>10,279,966</u>	
Fund Balance at End of Year		<u>\$ 9,323,023</u>	

Transportation Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Final Budget Positive (Negative)
Revenues			
Local sources			
General levy	\$ 4,444,618	\$ 4,195,232	\$ (249,386)
Interest on investments	-	26,333	26,333
Other	-	112,205	112,205
Total local sources	<u>4,444,618</u>	<u>4,333,770</u>	<u>(110,848)</u>
State sources			
Transportation - regular	875,000	1,969,900	1,094,900
Transportation - special education	<u>2,750,000</u>	<u>2,358,212</u>	<u>(391,788)</u>
Total state sources	<u>3,625,000</u>	<u>4,328,112</u>	<u>703,112</u>
Total Revenues	<u>8,069,618</u>	<u>8,661,882</u>	<u>592,264</u>
Expenditures			
Support services			
Pupil transportation services			
Salaries	3,715,554	3,394,534	321,020
Employee benefits	748,000	702,858	45,142
Purchased services	2,131,950	2,802,871	(670,921)
Supplies and materials	377,000	528,124	(151,124)
Capital outlay	-	1,210,394	(1,210,394)
Other	<u>800,000</u>	<u>-</u>	<u>800,000</u>
Total pupil transportation services	<u>7,772,504</u>	<u>8,638,781</u>	<u>(866,277)</u>
Other support services			
Purchased services	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Total other support services	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Debt service			
Interest on long-term debt	-	124,931	(124,931)
Payments of principal on long-term debt	<u>-</u>	<u>1,203,018</u>	<u>(1,203,018)</u>
Total debt service	<u>-</u>	<u>1,327,949</u>	<u>(1,327,949)</u>
Total Expenditures	<u>7,922,504</u>	<u>9,966,730</u>	<u>(2,044,226)</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>147,114</u>	<u>(1,304,848)</u>	<u>(1,451,962)</u>
Other Financing Sources			
Lease proceeds	<u>-</u>	<u>1,210,394</u>	<u>1,210,394</u>
Total Other Financing Sources	<u>-</u>	<u>1,210,394</u>	<u>1,210,394</u>
Net Change in Fund Balance	<u>\$ 147,114</u>	<u>(94,454)</u>	<u>\$ (241,568)</u>
Fund Balance at Beginning of Year		<u>6,897,216</u>	
Fund Balance at End of Year		<u>\$ 6,802,762</u>	

Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2022

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	Special Revenue Fund	Capital Projects Funds		Total Nonmajor Funds
	<u>IMRF/ Soc. Sec Fund</u>	<u>Fire Prevention and Safety Fund</u>	<u>Site and Construction Fund</u>	
ASSETS				
Cash	\$ 836,341	\$ -	\$ 135,923	\$ 972,264
Investments	1,401,975	745	304,811	1,707,531
Receivables (net of allowance for uncollectibles):				
Property taxes	<u>2,155,215</u>	<u>-</u>	<u>-</u>	<u>2,155,215</u>
Total Assets	<u>\$ 4,393,531</u>	<u>\$ 745</u>	<u>\$ 440,734</u>	<u>\$ 4,835,010</u>
DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Deferred Inflows of Resources:				
Unearned property taxes	<u>\$ 2,271,690</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,271,690</u>
Fund Balances:				
Restricted				
IMRF	2,121,841	-	-	2,121,841
Life safety construction projects	-	745	-	745
Assigned				
District construction projects	<u>-</u>	<u>-</u>	<u>440,734</u>	<u>440,734</u>
Total Fund Balances	<u>2,121,841</u>	<u>745</u>	<u>440,734</u>	<u>2,563,320</u>
Total Deferred Inflows of Resources and Fund Balances	<u>\$ 4,393,531</u>	<u>\$ 745</u>	<u>\$ 440,734</u>	<u>\$ 4,835,010</u>

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Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ended June 30, 2022

	Special Revenue Fund	Capital Projects Funds		Total Nonmajor Funds
	IMRF/ Soc. Sec Fund	Fire Prevention and Safety Fund	Site and Construction Fund	
Revenues				
Property taxes	\$ 4,480,008	\$ -	\$ -	\$ 4,480,008
Interest	8,038	128	9,927	18,093
Total Revenues	<u>4,488,046</u>	<u>128</u>	<u>9,927</u>	<u>4,498,101</u>
Expenditures				
Current:				
Instruction:				
Regular programs	880,172	-	-	880,172
Special programs	703,104	-	-	703,104
Other instructional programs	232,957	-	-	232,957
Support services:				
Pupils	372,895	-	-	372,895
Instructional staff	96,721	-	-	96,721
General administration	44,204	-	-	44,204
School administration	238,290	-	-	238,290
Business	139,192	-	2,794	141,986
Transportation	549,796	-	-	549,796
Operations and maintenance	890,765	-	-	890,765
Central	282,124	-	-	282,124
Other	3,330	-	-	3,330
Community services	142,727	-	-	142,727
Total Expenditures	<u>4,576,277</u>	<u>-</u>	<u>2,794</u>	<u>4,579,071</u>
Net Change in Fund Balances	<u>(88,231)</u>	<u>128</u>	<u>7,133</u>	<u>(80,970)</u>
Fund Balances at Beginning of Year	<u>2,210,072</u>	<u>617</u>	<u>433,601</u>	<u>2,644,290</u>
Fund Balances at End of Year	<u>\$ 2,121,841</u>	<u>\$ 745</u>	<u>\$ 440,734</u>	<u>\$ 2,563,320</u>

Illinois Municipal Retirement/Social Security Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final Budget	Actual	Variance from Budget Positive (Negative)
Revenue			
Local sources			
General levy - IMRF	\$ 2,222,484	\$ 2,240,004	\$ 17,520
General levy - social security	2,222,484	2,240,004	17,520
Interest on Investments	-	8,038	8,038
Total local sources	4,444,968	4,488,046	43,078
Total Revenue	4,444,968	4,488,046	43,078
Expenditures			
Instruction			
Employee benefits			
Regular programs	874,550	771,273	103,277
Pre-K programs	93,850	97,191	(3,341)
Truant and alternative optional programs	12,900	11,708	1,192
Special education programs	528,675	703,104	(174,429)
Special education programs pre-K	11,150	-	11,150
Remedial & supplemental programs	39,300	11,534	27,766
CTE programs	10,800	11,648	(848)
Interscholastic programs	61,700	62,924	(1,224)
Summer school programs	1,800	21,719	(19,919)
Gifted programs	4,500	4,960	(460)
Drivers education programs	5,500	5,319	181
Bilingual programs	122,335	114,853	7,482
Total instruction	1,767,060	1,816,233	(49,173)
Support services			
Pupils			
Employee benefits			
Attendance and social work services	112,150	104,558	7,592
Guidance services	44,700	50,598	(5,898)
Health services	139,700	131,253	8,447
Psychological services	19,750	21,514	(1,764)
Speech pathology and audiology services	61,850	55,734	6,116
Other support services	8,100	9,238	(1,138)
Total pupils	386,250	372,895	13,355
Instructional staff			
Employee benefits			
Improvement of instruction services	82,800	93,309	(10,509)
Assessment and testing	3,000	3,412	(412)
Total instructional staff	85,800	96,721	(10,921)
General administration			
Employee benefits			
Board of education services	12,300	13,012	(712)
Executive administration services	3,800	3,984	(184)
Special area administrative services	27,700	27,208	492
Total general administration	43,800	44,204	(404)

Illinois Municipal Retirement/Social Security Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Budget <u>Positive (Negative)</u>
School administration			
Employee benefits			
Office of the principal services	\$ 251,600	\$ 238,290	\$ 13,310
Total school administration	<u>251,600</u>	<u>238,290</u>	<u>13,310</u>
Business			
Employee benefits			
Direction of business support services	33,000	32,270	730
Fiscal services	72,700	72,268	432
Operation & maintenance	882,150	890,765	(8,615)
Pupil transportation services	545,000	549,796	(4,796)
Food services	30,650	34,654	(4,004)
Total business	<u>1,563,500</u>	<u>1,579,753</u>	<u>(16,253)</u>
Central			
Employee benefits			
Direction of central support services	9,800	9,541	259
Information systems	30,500	31,765	(1,265)
Central staff services	58,200	55,698	2,502
Data processing services	172,200	185,120	(12,920)
Total central	<u>270,700</u>	<u>282,124</u>	<u>(11,424)</u>
Other support services			
Employee benefits			
Other support services	<u>-</u>	<u>3,330</u>	<u>(3,330)</u>
Total support services	<u>2,601,650</u>	<u>2,617,317</u>	<u>(15,667)</u>
Community services			
Employee benefits	<u>102,500</u>	<u>142,727</u>	<u>(40,227)</u>
Total Expenditures	<u>4,471,210</u>	<u>4,576,277</u>	<u>(105,067)</u>
Net Change in Fund Balance	<u>\$ (26,242)</u>	<u>(88,231)</u>	<u>\$ (61,989)</u>
Fund Balance at Beginning of Year		<u>2,210,072</u>	
Fund Balance at End of Year		<u>\$ 2,121,841</u>	



Fire Prevention and Safety Fund  
Schedule of Revenues and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

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	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Final Budget <u>Positive (Negative)</u>
Revenues			
Local sources			
Interest on investments	\$ -	\$ 128	\$ 128
Total Revenues	-	128	128
Net Change in Fund Balance	<u>\$ -</u>	128	<u>\$ 128</u>
Fund Balance at Beginning of Year		617	
Fund Balance at End of Year		<u>\$ 745</u>	

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Site and Construction Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Year Ended June 30, 2022

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance from Budget Positive (Negative)
Revenues			
Local sources			
Interest on investments	\$ -	\$ 9,927	\$ 9,927
Total Revenues	-	9,927	9,927
Expenditures			
Support services			
Facility acquisition & construction service			
Supplies and materials	-	2,794	(2,794)
Total facility acquisition & construction service	-	2,794	(2,794)
Total Expenditures	-	2,794	(2,794)
Net Change in Fund Balance	\$ -	7,133	\$ 7,133
Fund Balance at Beginning of Year		433,601	
Fund Balance at End of Year		\$ 440,734	