

Atwood Heights School District 125

Alsip, Illinois
Annual Financial Report
June 30, 2023

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RSM US LLP

Independent Auditor's Report

Members of the Worth Township Trustees of Schools
and the Board of Education
Atwood Heights School District 125
Alsip, Illinois

Opinions

We have audited the modified cash basis financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Atwood Heights School District 125 (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the District, as of June 30, 2023, and the respective changes in the financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 - Basis of Accounting

We draw attention to Note 1 of the financial statements which describes the basis of accounting. The basic financial statements are prepared on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Basis Financial Statements

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

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 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, 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.

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, such as the budgetary comparison information, combining and individual fund financial statements, schedule of assessed valuations, tax rates, extensions and collections, and schedule of debt service requirements, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Other Information

Management is responsible for the other information as listed in the table of contents. The other information comprises the Schedules of Employer Contributions, Schedule of Changes in Net Pension Liability (Asset) and Related Ratios, Schedule of the Employer's Proportionate Share of the Net Pension Liability and Schedule of the Employer's Proportionate Share of the Collective Total OPEB Liability but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

RSM US LLP

Chicago, Illinois
October 26, 2023

Basic Financial Statements

**Government-Wide
Financial Statements (GWFS)**

Atwood Heights School District 125

**Statement of Net Position - Modified Cash Basis
June 30, 2023**

	Governmental Activities
Assets	
Cash and investments	\$ 15,495,867
Capital assets not being depreciated	268,486
Capital assets being depreciated, net	7,030,351
Prepaid payroll expenses	<u>32,769</u>
Total assets	<u><u>\$ 22,827,473</u></u>
Liabilities	
Accrued liabilities	\$ 14,003
Long-term obligations:	
Due within one year	690,000
Due in more than one year	<u>385,000</u>
Total liabilities	<u><u>1,089,003</u></u>
Net Position	
Net investment in capital assets	6,976,337
Restricted:	
Student activity funds	56,037
Transportation	1,492,686
Retirement contributions	181,887
Capital projects	28,528
Tort immunity	138,539
Fire prevention and safety	307,123
Unrestricted	<u>12,557,333</u>
Total net position	<u><u>21,738,470</u></u>
Total liabilities and net position	<u><u>\$ 22,827,473</u></u>

See notes to basic financial statements.

Atwood Heights School District 125

**Statement of Activities - Modified Cash Basis
Year Ended June 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense), Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Operating Grants and Contributions	
Governmental activities:					
Instruction:					
Regular programs	\$ 2,716,050	\$ -	\$ 334,702	\$ -	\$ (2,381,348)
Special programs	1,496,887	-	403,222	-	(1,093,665)
Other instructional programs	134,941	3,855	838,586	-	707,500
Support services:					
Pupils	456,389	120,585	29,578	-	(306,226)
Instructional staff	13,960	-	-	-	(13,960)
General administration	365,585	-	-	-	(365,585)
School administration	435,391	-	-	-	(435,391)
Business	992,625	151,474	19,309	50,000	(771,842)
Other	441,232	-	-	-	(441,232)
Transportation	668,010	-	354,277	-	(313,733)
Community services	48,538	-	-	-	(48,538)
Payments to other governments	831,050	-	-	-	(831,050)
Debt service:					
Interest and fees	52,663	-	-	-	(52,663)
Total	\$ 8,653,321	\$ 275,914	\$ 1,979,674	\$ 50,000	(6,347,733)
General revenues:					
Taxes:					
Property taxes, general purposes					5,349,991
Property taxes, debt service					720,861
Corporate property replacement taxes					177,111
State aid-formula grants					3,042,508
Interest					291,636
Total general revenues					9,582,107
Change in net position					3,234,374
Net position:					
July 1, 2022					18,504,096
June 30, 2023					\$ 21,738,470

See notes to basic financial statements.

Fund Financial Statements (FFS)

Atwood Heights School District 125

**Balance Sheet - Modified Cash Basis
Governmental Funds
June 30, 2023**

	<u>Major Fund</u> General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 13,056,095	\$ 2,439,772	\$ 15,495,867
Prepaid payroll expenses	32,769	-	32,769
Total assets	<u>\$ 13,088,864</u>	<u>\$ 2,439,772</u>	<u>\$ 15,528,636</u>
Liabilities and Fund Balances			
Accrued liabilities	\$ 11,906	\$ 2,097	\$ 14,003
Fund balances:			
Restricted	844,658	2,437,675	3,282,333
Unassigned	12,232,300	-	12,232,300
Total fund balances	<u>13,076,958</u>	<u>2,437,675</u>	<u>15,514,633</u>
Total liabilities and fund balances	<u>\$ 13,088,864</u>	<u>\$ 2,439,772</u>	<u>\$ 15,528,636</u>

See notes to basic financial statements.

Atwood Heights School District 125

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position - Modified Cash Basis
June 30, 2023**

Total fund balances - governmental funds	\$ 15,514,633
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	7,298,837
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.	
Long-term obligations	<u>(1,075,000)</u>
Net position of governmental activities	<u><u>\$ 21,738,470</u></u>

See notes to basic financial statements.

Atwood Heights School District 125

**Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis
Governmental Funds
Year Ended June 30, 2023**

	Major Fund General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Property taxes	\$ 4,693,206	\$ 1,377,646	\$ 6,070,852
Corporate property replacement taxes	173,392	3,719	177,111
Charges for services	275,914	-	275,914
Unrestricted state aid	3,042,508	-	3,042,508
Restricted state aid	450,449	354,277	804,726
Restricted federal aid	1,224,948	-	1,224,948
Interest	228,752	62,884	291,636
Total revenues	10,089,169	1,798,526	11,887,695
Expenditures:			
Current:			
Instruction:			
Regular programs	2,557,449	51,240	2,608,689
Special programs	987,821	44,099	1,031,920
Other instructional programs	610,028	9,384	619,412
Support services:			
Pupils	359,743	8,818	368,561
Instructional staff	12,465	1,021	13,486
General administration	348,979	4,200	353,179
School administration	404,955	15,661	420,616
Business	873,983	51,986	925,969
Other	329,387	-	329,387
Transportation	-	668,010	668,010
Community services	46,258	-	46,258
Payments to other governments	831,050	-	831,050
Capital outlay	601,763	-	601,763
Debt service:			
Principal	-	675,000	675,000
Interest and fees	-	52,663	52,663
Total expenditures	7,963,881	1,582,082	9,545,963
Excess of revenues over expenditures	2,125,288	216,444	2,341,732
Other financing sources (uses):			
Transfers in	800,000	-	800,000
Transfers out	-	(800,000)	(800,000)
Total other financing sources (uses)	800,000	(800,000)	-
Net change in fund balances	2,925,288	(583,556)	2,341,732
Fund balances:			
July 1, 2022	10,151,670	3,021,231	13,172,901
June 30, 2023	\$ 13,076,958	\$ 2,437,675	\$ 15,514,633

See notes to basic financial statements.

Atwood Heights School District 125

**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Modified Cash Basis
Year Ended June 30, 2023**

Net change in fund balances - total governmental funds	\$ 2,341,732
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures paid while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital outlays	\$ 450,967	
Depreciation expense	<u>(233,325)</u>	217,642

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term debt in the statement of net position.

Bond principal retirement	<u>675,000</u>
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Change in net position of governmental activities	<u><u>\$ 3,234,374</u></u>
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See notes to basic financial statements.

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 1. Significant Accounting Policies

Nature of Operations

Atwood Heights School District 125 (the District) operates as a public school system governed by an elected seven-member board. The District is organized under The School Code of the State of Illinois, as amended. The District serves the community of Alsip, Illinois.

The accounting policies of the District conform to the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the more significant accounting policies:

Financial Reporting Entity

As defined by generally accepted accounting principles established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government and the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

Financial benefit or financial burden is created if any one of the following relationships exists:

- 1) The primary government is legally entitled to or has access to the component unit's resources.
- 2) The primary government is legally required or has assumed the obligation to finance the deficits of, provide support to, the component unit.
- 3) The primary government is obligated in some manner for the other component unit's debt.

Based upon the application criteria, no component units have been included within the reporting entity.

Basis of Presentation

Government-Wide Financial Statements (GWFS): The government-wide Statement of Net Position - modified cash basis and Statement of Activities - modified cash basis report the overall financial activity of the District. Eliminations have been made to minimize the double counting of internal activities of the District. The financial activities of the District consist of governmental activities, which are primarily supported by taxes and intergovernmental revenues.

The Statement of Net Position - modified cash basis presents the District's non-fiduciary assets and liabilities arising out of cash transactions with the difference reported as net position.

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 1. Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

The Statement of Activities - modified cash basis demonstrates the degree to which the direct expenses of a given function (i.e., instruction, support services, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

Fund Financial Statements (FFS): Separate financial statements are provided for governmental funds. The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The remaining governmental funds are aggregated and reported as nonmajor governmental funds.

The District administers the following major governmental funds:

General Fund – This is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

In the government-wide Statement of Net Position - modified cash basis and the Statement of Activities - modified cash basis, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent, financial or nonfinancial) are reported within the limitations of the modified cash basis of accounting. Equity is classified as net position.

In the fund financial statements, the "current financial resources" measurement focus, as applied to the modified cash basis of accounting, is used. Under a "current financial resources" measurement focus, only current financial assets and liabilities are generally included on the balance sheet. The operating statement presents sources and uses of available spendable financial resources during a given period. The funds use fund balances as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide and the fund financial statements, governmental activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, deferred inflows and outflows, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for depreciation and accreted interest on capital appreciation bonds in the government-wide statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 1. Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting (Continued)

As a result of the use of the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting and all government-wide financials would be presented on the accrual basis of accounting.

Significant Accounting Policies

Cash and Investments

Cash and investments consist of pooled cash and investments held by the Worth Township Trustees and are reported at cost.

Interfund Receivables, Payables, and Activity

The District has the following types of transactions between funds:

Loans – amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are eliminated in the government-wide statement of net assets.

Reimbursements – repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

Capital Assets

Capital assets, which include land, buildings, and other equipment, are reported in the Statement of Net Position - modified cash basis. Capital assets are defined as assets with an initial individual cost of more than \$1,000 and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized in the government-wide financial statements. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

These assets have been valued at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement, if applicable, are recorded at acquisition value.

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

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 1. Significant Accounting Policies (Continued)

Significant Accounting Policies (Continued)

Depreciation of capital assets is recorded in the Statement of Activities - modified cash basis with accumulated depreciation reflected in the Statement of Net Position - modified cash basis and is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	50 years
Equipment	5 - 20 years
Land improvements	20 years

Compensated Absences

Certified employees working less than 12 months a year do not earn vacation days; however, noncertified full-time employees earn 10 to 20 vacation days per year. The number of days vested may accumulate and be carried over for use in the next year. Any unused carryover vacation time will be lost by the end of that next fiscal year.

All employees receive 10 to 15 sick days and 3 to 7 personal days per year. There is no maximum accumulation for non-certified or certified employees. For certified employees, upon resignation or retirement, a maximum of 40% of these accumulated sick days are paid to the employee at the daily substitute teacher rate. Noncertified employees' sick and personal days do not vest but may be applied toward early retirement.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are capitalized and amortized over the life of the bonds. Issuance costs, even if withheld from the actual proceeds received, are reported as expenses when incurred.

In the fund financial statements, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Net Position

The District's Statement of Net Position presents the District's non-fiduciary assets and liabilities with the difference reported in three categories:

Net investment in capital assets – consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – results when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted – consists of net position that does not meet the criteria of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 1. Significant Accounting Policies (Continued)

Significant Accounting Policies (Continued)

Fund Balances

Within the governmental fund types, the District's fund balances are reported in one of the following classifications:

Nonspendable – includes amounts that cannot be spent because they are either: a) not in spendable form; or b) legally or contractually required to be maintained intact. At June 30, 2023, the District has no nonspendable fund balance amounts.

Restricted – includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The District's highest level of decision-making authority rests with the District's Board of Education. The District passes formal resolutions to commit their fund balances. As of June 30, 2023, the District has no committed fund balance amounts.

Assigned – includes amounts that are constrained by the District's *intent* to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the District's Board of Education itself, or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The District's Board of Education has not delegated authority to any other body or official to assign amounts for a specific purpose within the General Fund. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned. As of June 30, 2023, the District has no assigned fund balance amounts.

Unassigned – includes the residual fund balance that has not been restricted, committed, or assigned within the general fund and deficit fund balances of other governmental funds.

It is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

The General Fund includes the Working Cash stabilization account. Under the State of Illinois School Code (School Code), the District is authorized to incur indebtedness and issue bonds and to levy a tax annually on all taxable property of the District in order to enable the District to have in its treasury at all times sufficient money to meet demands thereon. These working cash funds may be lent to other District governmental funds in need, but may only be expended for other purposes upon the passage of a resolution by the Board of Education to abolish the funds to the educational account, of the General Fund, or abate the fund to any fund of the District most in need. At June 30, 2023, the District had working cash stabilization fund balances of \$3,097,929 that have been classified as unassigned fund balances in the General Fund.

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 1. Significant Accounting Policies (Continued)

Significant Accounting Policies (Continued)

Property Taxes

Property taxes are levied each year on all taxable real property in the District on or before the last Tuesday in December. The 2022 tax levy was passed by the Board of Education on December 13, 2022, and attached as an enforceable lien on the property as of the preceding January 1. The taxes become due and collectible in March and September 2023, and are collected by the county collector, who in turn remits to the District its respective share. The District receives the remittances from the county collector approximately one month after collection. Property taxes are recorded upon receipt.

The Property Tax Extension Limitation Law imposes mandatory property tax limitations on the ability of taxing districts in Illinois to raise revenues through unlimited property tax increases. The increase in property tax extensions is limited to the lesser of 5% or the percentage increase in the Consumer Price Index for all Urban Consumers. The limitation includes taxes levied for purposes without a statutory maximum rate. The amount of the limitation may be adjusted for new property added or annexed to the tax base or due to vote approved increases.

Eliminations and Reclassifications

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

Use of Estimates

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

Note 2. Budgets and Budgetary Information

Annual budgets are adopted for all governmental fund types. The annual budgets are adopted on a basis consistent with the modified cash basis of accounting. All budgets lapse at fiscal year-end.

On or before July 1 of each year, the Superintendent is to submit for review by the Board of Education a proposed budget for the school year commencing on that date. After reviewing the proposed budget, the Board of Education holds public hearings and a final budget must be prepared and adopted no later than September 30.

The appropriated budget is prepared by fund and by function. The Board of Education may make transfers between functions within a fund not exceeding in the aggregate 10% of the total of such fund, and may amend the total budget following the same procedures required to adopt the original budget. The legal level of budgetary control is at the fund level.

For budgetary purposes, the District does not recognize as revenues received the retirement contributions made by the State to the Teachers' Retirement System of the State of Illinois (TRS) and to the Teachers' Health Insurance Security Fund (THIS) on behalf of the District as well as the related expenditures paid.

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 2. Budgets and Budgetary Information (Continued)

The following governmental funds over expended their budget for the year ended June 30, 2023:

	Budget	Actual
Nonmajor Fund:		
Debt Service Fund	\$ 721,713	\$ 727,663

Note 3. Cash and Investments

Substantially all cash and investments are deposits and investments maintained in pooled accounts held in the name of the Worth Township Trustees.

Deposits

State statutes authorize the District to make deposits directly or through its Township Trustees in interest bearing depository accounts in federally insured and/or state-chartered banks, savings and loan associations and credit unions. As of June 30, 2023, the District had deposits with federally insured financial institutions of \$62,225 with bank balances totaling \$65,160.

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Trustees' deposits may not be returned to it. As of June 30, 2023, none of the District's bank balances was exposed to custodial credit risk because they were uninsured or uncollateralized.

Investments

As of June 30, 2023, the District had the following investments:

Investment Type	Cost	Investment Maturity (In Years)
Pooled cash and investments held by the Worth Township Trustees	<u>\$ 15,433,642</u>	N/A

Of the total pooled cash and investments held by the Worth Township Trustees, maturities are approximately as follows: less than one year (12.1%), one to five years (35.5%), 6 to 10 years (31.2%), and greater than 10 years (21.2%). The pooled accounts hold the following types of investments: U.S. Treasury Securities, Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Municipal Bonds, Commercial Paper, Money Market Mutual Funds and Money Market Accounts.

Interest rate risk. The District's investment policy does not limit its investment portfolio to specific maturities.

Credit risk. State statutes authorize the District to invest directly or through its Township Trustees in direct obligations of, or obligations guaranteed by, the United States Treasury or agencies of the United States and short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000.

The District is also authorized to invest directly or through its Township Trustees in the Illinois School District Liquid Asset Fund Plus and the Illinois Funds, which invests member deposits, on a pooled basis, primarily in short-term certificates of deposit and in high-rated, short-term obligations of major United States corporations and banks.

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 3. Cash and Investments (Continued)

Concentration of credit risk. The District has no investment policy related to the concentration of credit risk.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Illinois School District Liquid Asset Fund Plus and the Illinois Funds pooled cash and investments held by the Worth Township Trustees are not subject to custodial credit risk.

Information related to the custodial credit risk of the other cash and investments held by the Worth Township Trustees can be obtained from the Worth Township Trustees at 10720 South Kenton, Oak Lawn, Illinois 60453, which issues a financial report that includes financial statements and certain supplementary information. This information can also be obtained online at worthtst.org.

The above deposits and investments are presented in the basic financial statements as cash and investments as follows:

Statement of Net Position (GWFS)	<u>\$ 15,495,867</u>
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Note 4. Capital Assets

Capital asset balances and activity for the year ended June 30, 2023, is as follows:

	Balance, July 1, 2022	Additions	Retirements	Balance, June 30, 2023
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 268,486	\$ -	\$ -	\$ 268,486
Capital assets, being depreciated:				
Land improvements	135,728	-	-	135,728
Buildings and improvements	10,427,801	450,967	-	10,878,768
Equipment	1,827,434	-	-	1,827,434
Total capital assets being depreciated	<u>12,390,963</u>	<u>450,967</u>	<u>-</u>	<u>12,841,930</u>
Less accumulated depreciation:				
Land improvements	135,728	-	-	135,728
Buildings	3,813,128	169,634	-	3,982,762
Equipment	1,629,398	63,691	-	1,693,089
Total accumulated depreciation	<u>5,578,254</u>	<u>233,325</u>	<u>-</u>	<u>5,811,579</u>
Total capital assets being depreciated, net	<u>6,812,709</u>	<u>217,642</u>	<u>-</u>	<u>7,030,351</u>
Governmental activities Capital assets, net	<u>\$ 7,081,195</u>	<u>\$ 217,642</u>	<u>\$ -</u>	<u>\$ 7,298,837</u>

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 4. Capital Assets (Continued)

Depreciation expense was charged to governmental activities as follows:

Instruction:	
Regular programs	\$ 91,624
Special programs	36,249
Other instructional programs	19,128
Support services:	
Pupils	12,947
Instructional staff	474
General administration	12,406
School administration	14,775
Business	32,527
Other	11,571
Community services	1,624
	<u>\$ 233,325</u>

Note 5. Long-Term Debt

Long-term debt as of June 30, 2023, and a summary of activity for the year then ended are as follows:

	<u>General Obligation Bonds</u>
Balance, July 1, 2022	\$ 1,750,000
Bonds retired	(675,000)
Balance, June 30, 2023	<u>\$ 1,075,000</u>
Amounts due within one year	<u>\$ 690,000</u>

Interest rates range from 2.90% to 3.00% on the outstanding bonds. As of June 30, 2023, the future annual debt service requirements on the outstanding debt are as follows:

Year Ending June 30,	General Obligation Bonds		Total
	Principal	Interest	
2024	\$ 690,000	\$ 21,555	\$ 711,555
2025	385,000	5,775	390,775
	<u>\$ 1,075,000</u>	<u>\$ 27,330</u>	<u>\$ 1,102,330</u>

The District's estimated legal debt limitation of \$9,189,161, based on 6.9% of the 2022 estimated equalized assessed valuation of \$133,176,253, less outstanding debt of \$1,075,000 plus available fund balance in the debt service fund of \$1,194,222 results in an estimated legal debt margin of \$9,308,383 as of June 30, 2023.

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 6. Fund Balance Classifications

At June 30, 2023, the District's fund balance restrictions were for the following purposes:

Restricted purpose:

Debt service payments	\$ 1,194,222
Operations & Maintenance	725,838
Student activities	56,037
Transportation	692,686
Fire prevention and safety	307,123
Retirement contributions	215,116
Site and construction	28,528
Tort	62,783
	<u>\$ 3,282,333</u>

Note 7. Retirement Fund Commitments

Teachers' Retirement System

Plan Description

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

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

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with 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% of final average salary up to a maximum of 75% 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% increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of 3% of the original benefit or 0.5% 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.

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 7. Retirement Fund Commitments (Continued)

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, 2026. One program allows retiring Tier 1 members to receive a partial lump sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the State of Illinois.

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2023, was 9.0% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2023, State of Illinois contributions in the amount of \$1,995,560 were paid directly to TRS based on the state's proportionate share of the collective net pension liability associated with the District.

2.2 formula contributions. Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions required for the year ended June 30, 2023, were \$19,825.

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 normal employer cost beginning with the year ended June 30, 2018.

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

For the year ended June 30, 2023, the employer pension contribution was 10.49% of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$279,750 were paid from federal and special trust funds that required District contributions of \$29,346.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary. A one-time contribution is required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit.

For the year ended June 30, 2023, the District was not required to make any payments to TRS for employer contributions due on salary increases in excess of 6% or for sick leave days granted in excess normal annual allotment

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 7. Retirement Fund Commitments (Continued)

Net Pension Liability, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021, and rolled forward to June 30, 2022. 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, 2022, relative to the projected contributions of all participating TRS employers and the state during that period.

Since the net pension liability, deferred outflows of resources, and deferred inflows of resources related to the pension are not the result of cash transactions, the modified cash basis of accounting does not allow for these to be recorded on the government-wide financial statements.

The schedule of the District's proportionate share of the net pension liability and the schedule of District contributions are presented as other information following the notes to the financial statements.

Illinois Municipal Retirement

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

Benefits Provided

The District participates in the Regular Plan (RP). 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 10 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.

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 7. Retirement Fund Commitments (Continued)

Employees Covered by Benefit Terms

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

	<u>IMRF</u>
Retirees and Beneficiaries currently receiving benefits	222
Inactive Plan Members entitled to but not yet receiving benefits	147
Active Plan Members	<u>40</u>
	<u>409</u>

Contributions

As set by statute, the District's regular plan members are required to contribute 4.50% of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's required and actual contribution rates for the calendar years ended December 31, 2023 and 2022, were 6.36% and 7.21%, respectively. For fiscal year 2023, the District contributed \$63,835 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 the IMRF Board of Trustees, while the supplemental retirement benefit rate is set by statute.

Net Pension Liability, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

The District's net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Since the net pension liability, deferred outflows of resources, and deferred inflows of resources related to the pension are not the result of cash transactions, the modified cash basis of accounting does not allow for these to be recorded on the government-wide financial statements.

The schedule of employer contributions and the schedule of changes in net pension liability and related ratios are presented as other information following the notes to the financial statements.

Note 8. Postemployment Benefits

Teachers' Health Insurance Security Fund

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

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

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 8. Postemployment Benefits (Continued)

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

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

- Active members contribute 0.90% of covered payroll.
- Employers contribute 0.67% of covered payroll. The percentage of employer required contributions in the future will not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. For the year ended June 30, 2023, the District paid \$22,902 to the THIS Fund, which was 100% of the required contribution.
- The State of Illinois makes contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members. The State contributed 0.90% of covered payroll. For the year ended June 30, 2023, State of Illinois contributions on behalf of the District's employees were \$30,763.
- Retired members contribute through premium payments based on the coverage elected, Medicare eligibility, and the age of the member and dependents. The premium for retired members is not permitted to increase by more than 5.0% per year by statute. The Federal Government provides a Medicare Part D subsidy.

OPEB Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources. The collective total OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the collective total OPEB liability was determined by an actuarial valuation as June 30, 2021, and rolled forward to June 30, 2022. The employer's proportionate share of the total OPEB liability was based on the employer's share of contributions to THIS for the measurement year ended June 30, 2022, relative to the contributions of all participating employers and the State during that period.

Since the collective total OPEB liability, deferred outflows of resources, and deferred inflows of resources related to the OPEB plan are not the result of cash transactions, the modified cash basis of accounting does not allow for these be recorded on the government-wide financial statements.

The schedule of the District's proportionate share of the collective total pension liability and the schedule of District contributions are presented as other information following the notes to the financial statements.

Medical and Prescription

Plan Description. As required by state law, the District provides postemployment health care benefits in the form of medical (including prescription drug coverage) to eligible retired employees and their dependents during the life of the retiree. Providing this coverage creates a single employer defined benefit other postemployment benefit plan (OPEB). The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 8. Postemployment Benefits (Continued)

The current eligibility criterion for retirees is as follows: employees must be enrolled in the active medical plan immediately prior to retiring. Illinois Municipal Retirement Fund (IMRF) employees must be eligible for benefits upon meeting the qualifications necessary to receive an IMRF annuity upon the completion of 8 years of service credit and be at least age 55. Certified staff, upon retirement, has a choice either to remain in the District plan or cease coverage with the District.

Benefits Provided. The state has set a minimum standard for benefits which is that all IMRF employees who retire before Medicare eligibility are allowed to stay on the District's health insurance plan. Additional benefits, such as benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual.

Retirees pay 100% of the premium, which is an amount provided by the insurance provider. The plan is funded on a pay-as-you-go basis. For fiscal year 2023, the District did not make any contributions to the plan. However, as a result of having older participants (retirees) on the health plan, the District's premiums are higher than they would be without those participants creating an implicit cost. At June 30, 2023, the plan was unfunded.

OPEB Liabilities, Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. The District has not engaged an actuary to determine the OPEB obligation as it does not arise out of cash transactions. Since the District's financial statements have been prepared using a modified cash basis of accounting as discussed in Note 1, only contributions, if any are made, to the OPEB plan are recorded as an expense in the accompanying financial statements.

Note 9. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction to assets; errors and omissions; injuries to employees; and natural disasters. The District participates in the School Employees Loss Fund (SELF) for its workers' compensation coverages, the Suburban School Cooperative Insurance Pool (SSCIP) for its general liability and property, and Educational Benefits Cooperative (EBC) for employee health coverage. SELF, SSCIP, and EBC are organizations of school districts in Illinois which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs.

The cooperative agreements provide that SSCIP and EBC will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$250,000 per occurrence and \$475,000 in aggregate for general liability and property, and \$100,000 per individual and approximately \$7,200,000 in aggregate for employee health. The SELF pool purchases commercial insurance for its workers' compensation coverage through member premiums. The District, along with other members of SELF, SSCIP, and EBC, has a contractual obligation to fund any premium deficiency of the pools attributable to a year during which it was a member. SELF, SSCIP, and EBC can assess supplemental premiums to fund these premium deficiencies. In the past three years, the District has not made any supplemental payments for workers' compensation, general liability and property and employee health coverage.

Each district appoints one representative to each Board of Directors. The District does not exercise any control over the activities of the pools beyond its representation on the Board of Directors.

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 10. Contingencies

The District received financial awards from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2023.

Note 11. Other Financial Disclosures

Interfund Transfers

Transfers for the year ended June 30, 2023, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Fund:		
General:		
Educational Account	\$ 800,000	\$ 1,500,000
Operations and Maintenance Account	1,500,000	-
Aggregate Nonmajor Funds:		
Transportation Fund	-	800,000
	<u>\$ 2,300,000</u>	<u>\$ 2,300,000</u>

Interfund transfers are to pay for construction projects within the District.

Note 12. Pronouncements Issued But Not Yet Adopted

The following is a description of GASB authoritative pronouncements, which have been issued but are not yet required to be implemented:

GASB Statement No. 99, *Omnibus 2022*, will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements. The statement will be effective for the District at various times between issuance and with its year ending June 30, 2024.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections. The statement will be effective for the District with its year ending June 30, 2024.

Atwood Heights School District 125

Notes to Basic Financial Statements

Note 12. Pronouncements Issued But Not Yet Adopted (Continued)

GASB Statement No. 101, *Compensated Absences*, will through its unified recognition and remeasurement model, result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. The statement will be effective for the District with its year ending June 30, 2024.

Management has not yet completed its evaluation of the impact, if any, of the provisions of these standards on its financial statements.

Note 13. Subsequent Events

Property Taxes - Delay in issuance of 2nd Installment property tax bills

Pursuant to State Statute, Cook County Property tax bill's first installment, which is equal to 55% of the prior year's total taxes, must be mailed in January. The second installment, to be mailed out by June 30, seeks the remaining amount of taxes due. The Cook County Treasurer's office has not yet issued the Tax Year 2022 Second Installment Property Tax bills. The delays in issuance of the tax bills will delay property tax collections and receipts of the District potentially into the start of calendar year 2024.

Other Information

Atwood Heights School District 125

**Schedule of Employer Contributions
Illinois Municipal Retirement Fund**

Calendar Year Ending December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2022	\$ 63,530	\$ 50,759	\$ 12,771	\$ 881,137	5.76%
2021	81,448	94,158	(12,710)	938,342	10.03%
2020	85,150	85,150	-	945,059	9.01%
2019	59,847	59,847	-	873,677	6.85%
2018	77,208	77,208	-	850,311	9.08%
2017	69,779	69,779	-	798,387	8.74%
2016	74,449	74,449	-	775,509	9.60%
2015	76,050	76,050	-	757,475	10.04%
2014	78,325	80,877	(2,552)	725,230	11.15%

Atwood Heights School District 125

**Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Illinois Municipal Retirement Fund**

Calendar Year Ended December 31,	2022	2021	2020
A. Total pension liability			
1. Service cost	\$ 80,352	\$ 98,357	\$ 91,902
2. Interest on the total pension liability	358,652	335,573	320,204
3. Changes of benefit terms	-	-	-
4. Difference between expected and actual experience of the total pension liability	28,334	246,084	131,300
5. Changes of assumptions	-	-	(44,749)
6. Benefit payments, including refunds of employee contributions	(379,822)	(325,549)	(254,234)
7. Net change in total pension liability	87,516	354,465	244,423
8. Total pension liability - beginning	5,096,657	4,742,192	4,497,769
9. Total pension liability - ending	<u>\$ 5,184,173</u>	<u>\$ 5,096,657</u>	<u>\$ 4,742,192</u>
B. Plan fiduciary net position			
1. Contributions - employer	\$ 50,759	\$ 94,158	\$ 85,150
2. Contributions - employee	39,682	43,931	42,636
3. Net investment income	(799,984)	846,707	638,808
4. Benefit payments, including refunds of employee contributions	(379,822)	(325,549)	(254,234)
5. Other (net transfer)	10,734	75,534	37,497
6. Net change in plan fiduciary net position	(1,078,631)	734,781	549,857
7. Plan fiduciary net position - beginning	5,700,940	4,966,159	4,416,302
8. Plan fiduciary net position - ending	<u>\$ 4,622,309</u>	<u>\$ 5,700,940</u>	<u>\$ 4,966,159</u>
C. Net pension liability (asset)	<u>\$ 561,864</u>	<u>\$ (604,283)</u>	<u>\$ (223,967)</u>
D. Plan fiduciary net position as a percentage of total pension liability	89.16%	111.86%	104.72%
E. Covered valuation payroll	\$ 881,137	\$ 938,342	\$ 945,059
F. Net pension liability as a percentage of covered valuation payroll	63.77%	-64.40%	-23.70%

2019	2018	2017	2016	2015
\$ 93,374	\$ 85,429	\$ 89,739	\$ 83,588	\$ 81,019
305,137	298,962	295,145	281,963	283,970
-	-	-	-	-
57,893	(37,164)	36,037	32,007	(173,880)
-	109,323	(137,401)	(4,420)	4,186
(241,472)	(234,310)	(226,632)	(224,324)	(212,327)
214,932	222,240	56,888	168,814	(17,032)
4,282,837	4,060,597	4,003,709	3,834,895	3,851,927
<u>\$ 4,497,769</u>	<u>\$ 4,282,837</u>	<u>\$ 4,060,597</u>	<u>\$ 4,003,709</u>	<u>\$ 3,834,895</u>

\$ 59,847	\$ 77,208	\$ 69,779	\$ 74,449	\$ 76,050
39,316	38,340	51,310	34,919	34,214
736,204	(255,179)	682,370	241,720	18,588
(241,472)	(234,310)	(226,632)	(224,324)	(212,327)
13,775	(39,279)	(69,621)	(9,837)	(87,348)
607,670	(413,220)	507,206	116,927	(170,823)
3,808,632	4,221,852	3,714,646	3,597,719	3,768,542
<u>\$ 4,416,302</u>	<u>\$ 3,808,632</u>	<u>\$ 4,221,852</u>	<u>\$ 3,714,646</u>	<u>\$ 3,597,719</u>

<u>\$ 81,467</u>	<u>\$ 474,205</u>	<u>\$ (161,255)</u>	<u>\$ 289,063</u>	<u>\$ 237,176</u>
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98.19%	88.93%	103.97%	92.78%	93.82%
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\$ 873,677	\$ 850,311	\$ 798,387	\$ 775,509	\$ 757,475
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9.32%	55.77%	-20.20%	37.27%	31.31%
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Atwood Heights School District 125

**Schedule of Employer Contributions
Teachers' Retirement System of the State of Illinois
Fiscal Year 2023**

	2023	2022	2021
Contractually-required contribution	\$ 49,171	\$ 43,919	\$ 37,820
Contributions in relation to the contractually-required contribution	49,280	43,905	37,820
Contribution deficiency (excess)	<u>\$ (109)</u>	<u>\$ 14</u>	<u>\$ -</u>
Employer's covered payroll	\$ 3,418,154	\$ 3,488,918	\$ 3,707,578
Contributions as a percentage of covered payroll	1.44%	1.26%	1.02%

**Schedule of the Employer's Proportionate Share of the Net Pension Liability
Teachers' Retirement System of the State of Illinois
Fiscal Year 2023**

	2023*	2022 *	2021 *
Employer's proportion of the net pension liability	0.0003408%	0.0004134%	0.0004262%
Employer's proportionate share of the net pension liability	\$ 285,699	\$ 322,481	\$ 367,489
State's proportionate share of the net pension liability associated with the employer	24,782,511	27,027,366	28,783,441
Total	<u>\$ 25,068,210</u>	<u>\$ 27,349,847</u>	<u>\$ 29,150,930</u>
Employer's covered payroll	\$ 3,488,918	\$ 3,707,578	\$ 3,582,455
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	8.19%	8.70%	10.26%
Plan fiduciary net position as a percentage of the total pension liability	42.80%	45.10%	37.80%

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

2020	2019	2018	2017	2016
\$ 37,032	\$ 36,643	\$ 20,082	\$ 19,458	\$ 19,167
37,032	36,643	20,082	19,547	19,167
\$ -	\$ -	\$ -	\$ (89)	\$ -
\$ 3,582,455	\$ 3,538,027	\$ 3,462,488	\$ 3,354,762	\$ 3,304,691
1.03%	1.04%	0.58%	0.58%	0.58%

2020 *	2019 *	2018 *	2017 *	2016 *
0.0004531%	0.0004833%	0.0015866%	0.0015639%	0.0015698%
\$ 367,518	\$ 376,370	\$ 1,196,300	\$ 1,234,473	\$ 918,474
26,155,874	25,807,599	24,838,930	26,230,862	21,539,107
\$ 26,523,392	\$ 26,183,969	\$ 26,035,230	\$ 27,465,335	\$ 22,457,581
\$ 3,538,027	\$ 3,462,488	\$ 3,354,762	\$ 3,304,691	\$ 3,322,985
10.39%	10.87%	35.66%	37.36%	27.64%
39.60%	40.00%	36.40%	36.40%	41.50%

Atwood Heights School District 125

**Schedule of Employer Contributions
Teachers' Health Insurance Security Fund
Fiscal Year 2023**

	2023	2022	2021	2020	2019	2018
Statutorily-required contribution	\$ 22,902	\$ 23,376	\$ 34,110	\$ 32,959	\$ 32,550	\$ 29,522
Contributions in relation to the statutorily-required contribution	22,902	23,376	34,110	32,959	32,550	29,522
Contribution (excess) deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 3,418,154	\$ 3,488,918	\$ 3,707,578	\$ 3,582,455	\$ 3,538,027	\$ 3,462,488
Contributions as a percentage of covered payroll	0.67%	0.67%	0.92%	0.92%	0.92%	0.85%

**Schedule of the Employer's Proportionate Share of the Collective Total OPEB Liability
Teachers' Health Insurance Security Fund
Fiscal Year 2023**

	2023*	2022*	2021 *	2020 *	2019 *	2018 *
Employer's proportion of the collective total OPEB liability	0.012665%	0.0014283%	0.014161%	0.014394%	0.014607%	0.016286%
Employer's proportionate share of the collective total OPEB liability	\$ 866,870	\$ 3,150,150	\$ 3,786,017	\$ 3,983,905	\$ 3,848,233	\$ 4,226,024
The portion of the State's proportionate share amount of the collective total OPEB liability associated with the employer	1,179,313	4,271,188	5,129,086	5,394,738	5,167,487	4,602,109
Total	\$ 2,046,183	\$ 7,421,338	\$ 8,915,103	\$ 9,378,643	\$ 9,015,720	\$ 8,828,133
Covered payroll	\$ 3,488,918	\$ 3,707,578	\$ 3,582,455	\$ 3,538,027	\$ 3,462,488	\$ 3,354,762
Collective total OPEB liability as a percentage of the covered payroll	24.85%	84.97%	105.68%	112.60%	111.14%	125.97%
Plan fiduciary net position as a percentage of the total pension liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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

Supplementary Information

Atwood Heights School District 125

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual - Modified Cash Basis
General Fund
Year Ended June 30, 2023**

	Original and Final Budget	Actual	Variance from Final Budget
Revenues:			
Property taxes	\$ 4,663,030	\$ 4,693,206	\$ 30,176
Corporate property replacement taxes	1,000	173,392	172,392
Charges for services	77,500	275,914	198,414
Unrestricted state aid	3,012,680	3,042,508	29,828
Restricted state aid	313,587	450,449	136,862
Restricted federal aid	899,343	1,224,948	325,605
Interest	120,000	228,752	108,752
Total revenues	<u>9,087,140</u>	<u>10,089,169</u>	<u>1,002,029</u>
Expenditures:			
Current:			
Instruction:			
Regular programs	3,127,634	2,557,449	570,185
Special programs	918,549	987,821	(69,272)
Other instructional programs	378,348	610,028	(231,680)
Support services:			
Pupils	314,168	359,743	(45,575)
Instructional staff	74,521	12,465	62,056
General administration	448,854	348,979	99,875
School administration	452,284	404,955	47,329
Business	1,023,066	873,983	149,083
Other	384,320	329,387	54,933
Community services	35,568	46,258	(10,690)
Payments to other governments	1,076,739	831,050	245,689
Capital outlay	755,403	601,763	153,640
Total expenditures	<u>8,989,454</u>	<u>7,963,881</u>	<u>1,025,573</u>
Excess (deficiency) of revenues over (under) expenditures	<u>97,686</u>	<u>2,125,288</u>	<u>2,027,602</u>
Other financing sources:			
Transfers in	-	800,000	800,000
Change in fund balance	<u>\$ 97,686</u>	<u>2,925,288</u>	<u>\$ 2,827,602</u>
Fund balance:			
July 1, 2022		<u>10,151,670</u>	
June 30, 2023		<u>\$ 13,076,958</u>	

Atwood Heights School District 125

**Combining Balance Sheet - Modified Cash Basis
General Fund, By Accounts
June 30, 2023**

	Educational Account	Operations and Maintenance Account	Working Cash Account	Tort Immunity Account	Total
Assets					
Cash and investments	\$ 9,157,639	\$ 737,744	\$ 3,097,929	\$ 62,783	\$ 13,056,095
Prepaid payroll expenses	32,769	-	-	-	32,769
Total assets	\$ 9,190,408	\$ 737,744	\$ 3,097,929	\$ 62,783	\$ 13,088,864
Liabilities and Fund Balance					
Liabilities:					
Accrued liabilities	\$ -	\$ 11,906	\$ -	\$ -	\$ 11,906
Fund balances:					
Restricted	56,037	725,838	-	62,783	844,658
Unassigned	9,134,371	-	3,097,929	-	12,232,300
Total fund balance	9,190,408	725,838	3,097,929	62,783	13,076,958
Total liabilities and fund balance	\$ 9,190,408	\$ 737,744	\$ 3,097,929	\$ 62,783	\$ 13,088,864

Atwood Heights School District 125

**Combining Schedule of Revenues, Expenditures and Changes in
Fund Balance - Modified Cash Basis
General Fund, By Accounts
Year Ended June 30, 2023**

	Educational Account	Operations and Maintenance Account	Working Cash Account	Tort Immunity Account	Eliminations	Total
Revenues:						
Property taxes	\$ 3,808,721	\$ 696,515	\$ 65,165	\$ 122,805	\$ -	\$ 4,693,206
Corporate property replacement taxes	173,392	-	-	-	-	173,392
Charges for services	275,914	-	-	-	-	275,914
Unrestricted state aid	3,042,508	-	-	-	-	3,042,508
Restricted state aid	450,449	-	-	-	-	450,449
Restricted federal aid	1,224,948	-	-	-	-	1,224,948
Interest	160,977	4,648	62,981	146	-	228,752
Total revenues	9,136,909	701,163	128,146	122,951	-	10,089,169
Expenditures:						
Current:						
Instruction:						
Regular programs	2,557,449	-	-	-	-	2,557,449
Special programs	987,821	-	-	-	-	987,821
Other instructional programs	610,028	-	-	-	-	610,028
Support services:						
Pupils	359,743	-	-	-	-	359,743
Instructional staff	12,465	-	-	-	-	12,465
General administration	270,943	-	-	78,036	-	348,979
School administration	404,955	-	-	-	-	404,955
Business	340,141	533,842	-	-	-	873,983
Other	329,387	-	-	-	-	329,387
Community services	46,258	-	-	-	-	46,258
Payments to other governments	831,050	-	-	-	-	831,050
Capital outlay	164,611	437,152	-	-	-	601,763
Total expenditures	6,914,851	970,994	-	78,036	-	7,963,881
Excess (deficiency) of revenues over (under) expenditures	2,222,058	(269,831)	128,146	44,915	-	2,125,288
Other financing sources (uses):						
Transfers in	800,000	1,500,000	-	-	(1,500,000)	800,000
Transfers out	(1,500,000)	-	-	-	1,500,000	-
Total other financing sources (uses)	(700,000)	1,500,000	-	-	-	800,000
Change in fund balance	1,522,058	1,230,169	128,146	44,915	-	2,925,288
Fund balance (deficit):						
July 1, 2022	7,668,350	(504,331)	2,969,783	17,868	-	10,151,670
June 30, 2023	\$ 9,190,408	\$ 725,838	\$ 3,097,929	\$ 62,783	\$ -	\$ 13,076,958

Atwood Heights School District 125

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Modified Cash Basis Budget and Actual - General Fund, By Accounts Year Ended June 30, 2023

	Educational Account		Operations and Maintenance Account		Working Cash Account		Tort Immunity Account		Total	
	Original and Final Budget	Actual	Original and Final Budget	Actual	Original and Final Budget	Actual	Original and Final Budget	Actual	Original and Final Budget	Actual
Revenues:										
Property taxes	\$ 3,724,892	\$ 3,808,721	\$ 745,598	\$ 696,515	\$ 67,781	\$ 65,165	\$ 124,759	\$ 122,805	\$ 4,663,030	\$ 4,693,206
Corporate property replacement taxes	1,000	173,392	-	-	-	-	-	-	1,000	173,392
Charges for services	77,500	275,914	-	-	-	-	-	-	77,500	275,914
Unrestricted state aid	3,012,680	3,042,508	-	-	-	-	-	-	3,012,680	3,042,508
Restricted state aid	263,587	450,449	50,000	-	-	-	-	-	313,587	450,449
Restricted federal aid	899,343	1,224,948	-	-	-	-	-	-	899,343	1,224,948
Interest	90,000	160,977	-	4,648	30,000	62,981	-	146	120,000	228,752
Total revenues	8,069,002	9,136,909	795,598	701,163	97,781	128,146	124,759	122,951	9,087,140	10,089,169
Expenditures:										
Current:										
Instruction:										
Regular programs	3,127,634	2,557,449	-	-	-	-	-	-	3,127,634	2,557,449
Special programs	918,549	987,821	-	-	-	-	-	-	918,549	987,821
Other instructional programs	378,348	610,028	-	-	-	-	-	-	378,348	610,028
Support services:										
Pupils	314,168	359,743	-	-	-	-	-	-	314,168	359,743
Instructional staff	74,521	12,465	-	-	-	-	-	-	74,521	12,465
General administration	329,642	270,943	-	-	-	-	119,212	78,036	448,854	348,979
School administration	452,284	404,955	-	-	-	-	-	-	452,284	404,955
Business	324,073	340,141	698,993	533,842	-	-	-	-	1,023,066	873,983
Other	384,320	329,387	-	-	-	-	-	-	384,320	329,387
Community services	35,568	46,258	-	-	-	-	-	-	35,568	46,258
Payments to other governments	1,076,739	831,050	-	-	-	-	-	-	1,076,739	831,050
Capital outlay	150,000	164,611	605,403	437,152	-	-	-	-	755,403	601,763
Total expenditures	7,565,846	6,914,851	1,304,396	970,994	-	-	119,212	78,036	8,989,454	7,963,881
Excess (deficiency) of revenues over (under) expenditures	503,156	2,222,058	(508,798)	(269,831)	97,781	128,146	5,547	44,915	97,686	2,125,288
Other financing sources (uses):										
Transfers in	-	800,000	-	1,500,000	-	-	-	-	-	2,300,000
Transfers out	-	(1,500,000)	-	-	-	-	-	-	-	(1,500,000)
Total other financing sources (uses)	-	(700,000)	-	1,500,000	-	-	-	-	-	800,000
Change in fund balance	\$ 503,156	1,522,058	\$ (508,798)	1,230,169	\$ 97,781	128,146	\$ 5,547	44,915	\$ 97,686	2,925,288
Fund balance (deficit):										
July 1, 2022		7,668,350		(504,331)		2,969,783		17,868		10,151,670
June 30, 2023		<u>\$ 9,190,408</u>		<u>\$ 725,838</u>		<u>\$ 3,097,929</u>		<u>\$ 62,783</u>		<u>\$ 13,076,958</u>

Atwood Heights School District 125

**Combining Balance Sheet - By Fund Type -
Nonmajor Governmental Funds - Modified Cash Basis
June 30, 2023**

	Special Revenue Funds		Debt Service	Capital Projects Funds		Total
	Transportation	Municipal Retirement/ Social Security	Debt Service	Capital Projects	Fire Prevention & Safety	Nonmajor Governmental Funds
	Fund	Fund	Fund	Fund	Fund	Funds
Assets						
Cash and investments	\$ 694,783	\$ 215,116	\$ 1,194,222	\$ 28,528	\$ 307,123	\$ 2,439,772
Liabilities and Fund Balances						
Liabilities	\$ 2,097	\$ -	\$ -	\$ -	\$ -	\$ 2,097
Fund balances:						
Restricted	692,686	215,116	1,194,222	28,528	307,123	2,437,675
Total liabilities and fund balances	\$ 694,783	\$ 215,116	\$ 1,194,222	\$ 28,528	\$ 307,123	\$ 2,439,772

Atwood Heights School District 125

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
By Fund Type - Modified Cash Basis
Nonmajor Governmental Funds
Year Ended June 30, 2023**

	Special Revenue Funds		Debt Service	Capital Projects Funds		Total
	Municipal			Capital	Fire Prevention	Nonmajor
	Transportation	Retirement/ Social Security	Debt Service	Projects	& Safety	Governmental
	Fund	Fund	Fund	Fund	Fund	Funds
Revenues:						
Property taxes	\$ 443,728	\$ 212,058	\$ 720,861	\$ -	\$ 999	\$ 1,377,646
Corporate property replacement taxes	-	3,719	-	-	-	3,719
Restricted state aid	354,277	-	-	-	-	354,277
Interest	29,518	3,861	22,587	589	6,329	62,884
Total revenues	827,523	219,638	743,448	589	7,328	1,798,526
Expenditures:						
Current:						
Instruction:						
Regular programs	-	51,240	-	-	-	51,240
Special programs	-	44,099	-	-	-	44,099
Other instructional programs	-	9,384	-	-	-	9,384
Support services:						
Pupils	-	8,818	-	-	-	8,818
Instructional staff	-	1,021	-	-	-	1,021
General administration	-	4,200	-	-	-	4,200
School administration	-	15,661	-	-	-	15,661
Business	-	51,986	-	-	-	51,986
Transportation	668,010	-	-	-	-	668,010
Debt service:						
Principal	-	-	675,000	-	-	675,000
Interest and fees	-	-	52,663	-	-	52,663
Total expenditures	668,010	186,409	727,663	-	-	1,582,082
Excess of revenues over expenditures	159,513	33,229	15,785	589	7,328	216,444
Other financing (uses):						
Transfers out	(800,000)	-	-	-	-	(800,000)
Change in fund balance	(640,487)	33,229	15,785	589	7,328	(583,556)
Fund balances:						
July 1, 2022	1,333,173	181,887	1,178,437	27,939	299,795	3,021,231
June 30, 2023	\$ 692,686	\$ 215,116	\$ 1,194,222	\$ 28,528	\$ 307,123	\$ 2,437,675

Atwood Heights School District 125

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Modified Cash Basis
Transportation Fund
Year Ended June 30, 2023**

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 445,218	\$ 443,728	\$ (1,490)
Restricted state aid	380,000	354,277	(25,723)
Interest	15,000	29,518	14,518
Total revenues	<u>840,218</u>	<u>827,523</u>	<u>(12,695)</u>
Expenditures:			
Current:			
Support services:			
Transportation	694,489	668,010	26,479
Excess of revenues over expenditures	145,729	159,513	13,784
Other financing (uses):			
Transfers out	-	(800,000)	800,000
Change in fund balance	<u>\$ 145,729</u>	<u>(640,487)</u>	<u>\$ 813,784</u>
Fund balance:			
July 1, 2022		<u>1,333,173</u>	
June 30, 2023		<u>\$ 692,686</u>	

Atwood Heights School District 125

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Modified Cash Basis
Municipal Retirement/Social Security Fund
Year Ended June 30, 2023**

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 213,315	\$ 212,058	\$ (1,257)
Corporate property replacement taxes	2,000	3,719	1,719
Interest	-	3,861	3,861
Total revenues	<u>215,315</u>	<u>219,638</u>	<u>4,323</u>
Expenditures:			
Current:			
Instruction:			
Regular programs	63,755	51,240	12,515
Special programs	25,395	44,099	(18,704)
Other instructional programs	2,493	9,384	(6,891)
Support services:			
Pupils	10,790	8,818	1,972
Instructional staff	40	1,021	(981)
General administration	5,377	4,200	1,177
School administration	18,181	15,661	2,520
Business	62,013	51,986	10,027
Total expenditures	<u>188,044</u>	<u>186,409</u>	<u>1,635</u>
Change in fund balance	<u>\$ 27,271</u>	33,229	<u>\$ 5,958</u>
Fund balance:			
July 1, 2022		<u>181,887</u>	
June 30, 2023		<u>\$ 215,116</u>	

Atwood Heights School District 125

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Modified Cash Basis
Debt Services Fund
Year Ended June 30, 2023**

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 712,534	\$ 720,861	\$ 8,327
Interest	15,000	22,587	7,587
Total revenues	<u>727,534</u>	<u>743,448</u>	<u>15,914</u>
Expenditures:			
Debt service:			
Principal	655,000	675,000	(20,000)
Interest and fees	66,713	52,663	14,050
Total expenditures	<u>721,713</u>	<u>727,663</u>	<u>(5,950)</u>
Change in fund balance	<u>\$ 5,821</u>	15,785	<u>\$ 9,964</u>
Fund balance:			
July 1, 2022		<u>1,178,437</u>	
June 30, 2023		<u>\$ 1,194,222</u>	

Atwood Heights School District 125

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Modified Cash Basis
Capital Projects Fund
Year Ended June 30, 2023**

	Original and Final Budget	Actual	Variance
<hr/>			
Revenues:			
Interest	\$ -	\$ 589	\$ 589
<hr/>			
Expenditures:	-	-	-
<hr/>			
Change in fund balance	<u>\$ -</u>	589	<u>\$ 589</u>
Fund balance:			
July 1, 2022		<u>27,939</u>	
June 30, 2023		<u>\$ 28,528</u>	

Atwood Heights School District 125

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Modified Cash Basis
Fire Prevention and Safety Fund
Year Ended June 30, 2023**

	Original and Final Budget	Actual	Variance from Final Budget
<hr/>			
Revenues:			
Property taxes	\$ 978	\$ 999	\$ 21
Interest	2,500	6,329	3,829
Total revenues	<u>3,478</u>	<u>7,328</u>	<u>3,850</u>
<hr/>			
Expenditures:	-	-	-
Change in fund balance	<u>\$ 3,478</u>	7,328	<u>\$ 3,850</u>
<hr/>			
Fund balance:			
July 1, 2022		<u>299,795</u>	
June 30, 2023		<u>\$ 307,123</u>	

Atwood Heights School District 125

Schedule of Assessed Valuations, Tax Rates, Extensions and Collections Last Five Years

	Tax Year				
	2022 *	2021	2020	2019	2018
Assessed Valuations	\$ 133,176,253	\$ 141,245,649	\$ 141,148,105	\$ 120,433,453	\$ 119,430,543
Tax Rates:					
General Fund:					
Educational Accounts:					
Standard	2.6858	2.4216	2.3432	3.1919	3.2154
Tort Immunity	0.1160	0.0729	0.1095	0.0171	0.0517
Special Education	0.3094	0.2917	0.2919	0.1710	0.0009
PA 102-0519	0.1077	0.0294	0.0000	0.0000	0.0000
Operations and Maintenance Accounts:					
Standard	0.5500	0.5186	0.4697	0.5459	0.5500
Working Cash Accounts	0.0500	0.0471	0.0427	0.0496	0.0500
Transportation Fund	0.3867	0.2917	0.2554	0.1710	0.2587
Municipal Retirement Fund:					
Illinois Municipal Retirement Fund	0.0773	0.0729	0.1277	0.0641	0.0345
Social Security	0.0773	0.1021	0.1277	0.1026	0.1035
Bond and Interest Fund	0.5689	0.5390	0.5372	0.6305	0.6372
Fire Prevention and Safety Fund	0.0008	0.0007	0.0007	0.0009	0.0009
Total	4.9299	4.3877	4.3057	4.9446	4.9028
Extended Tax Rate	4.9299	4.3877	4.3057	4.9446	4.9028
Tax Extensions:					
General Fund:					
Educational Accounts:					
Standard	\$ 3,576,804	\$ 3,420,372	\$ 3,307,422	\$ 3,844,159	\$ 3,840,208
Tort Immunity	154,500	103,000	154,500	20,600	61,800
Special Education	412,000	412,000	412,000	206,000	1,030
PA 102-0519	143,436	41,518	-	-	-
Operations and Maintenance Accounts:					
Standard	732,469	732,469	662,920	657,445	656,868
Working Cash Accounts	66,588	66,588	60,265	59,768	59,715
Transportation Fund	515,000	412,000	360,500	206,000	309,000
Municipal Retirement Fund:					
Illinois Municipal Retirement Fund	103,000	103,000	180,250	77,250	41,200
Social Security	103,000	144,200	180,250	123,600	123,600
Bond and Interest Fund	757,638	761,379	758,261	759,311	761,030
Fire Prevention and Safety Fund	1,030	1,030	1,030	1,030	1,030
Totals	\$ 6,565,465	\$ 6,197,556	\$ 6,077,398	\$ 5,955,163	\$ 5,855,481
Tax collection	\$ 3,303,182	\$ 6,125,493	\$ 5,889,406	\$ 5,788,008	\$ 5,696,957
Percentage collected	50.31%	98.84%	96.91%	97.19%	97.29%

* 2022 amounts are estimates as the County has not yet determined the EAV and tax rates.

Atwood Heights School District 125

**Schedule of Debt Service Requirements
Year Ended June 30, 2023**

	Year Ending June 30,	Interest Rate	Total Principal	Total Interest	Total Principal and Interest
<hr/>					
Total debt service requirement					
General Obligation Limited School Bonds					
School Bond Series 2012 (2013), dated	2024	2.90	\$ 690,000	\$ 21,555	\$ 711,555
July 12, 2012 in the amount of \$3,340,000	2025	3.00	385,000	5,775	390,775
Principal payments due December 1 of each year			<u>\$ 1,075,000</u>	<u>\$ 27,330</u>	<u>\$ 1,102,330</u>
Interest payable on December 1 of each year					
Paying agent: School Treasurer					