

**SHIRLAND COMMUNITY
CONSOLIDATED SCHOOL
DISTRICT #134
Shirland, Illinois**

Annual Financial Report

June 30, 2023

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

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SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Annual Financial Report
June 30, 2023

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Independent Auditor's Report

Board of Education
Shirland Community Consolidated School District #134
Winnebago County, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Shirland Community Consolidated School District #134, as of and for the fiscal 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.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of Shirland Community Consolidated School District #134 as of June 30, 2023, and the revenues it received and expenditures it paid, and budgetary results for the year then ended, in accordance with the financial reporting provisions of the Illinois State Board of Education as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Shirland Community Consolidated School District #134, as of June 30, 2023, or the changes in its financial position for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of Shirland Community Consolidated School District #134 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.

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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by Shirland Community Consolidated School District #134 on the basis of the financial reporting provisions prescribed or permitted by the Illinois State Board of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Illinois State Board of Education. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions prescribed or permitted by the Illinois State Board of Education. Management is also responsible 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 Shirland Community Consolidated School District #134's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Shirland Community Consolidated School District #134'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 Shirland Community Consolidated School District #134's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Shirland Community Consolidated School District #134's basic financial statements. The schedules listed in the table of contents as "Supplementary Information" are presented for the 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 auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting as described in Note 1.

Other Information

Management is responsible for the information listed in the table of contents as "Other Information" and "Statistical Information" included in the annual report (collectively, the Other Information). The Other Information 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2023, on our consideration of Shirland Community Consolidated School District #134's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Shirland Community Consolidated School District #134'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 Shirland Community Consolidated School District #134's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Panning Group, LLC". The signature is written in a cursive, flowing style.

Freeport, Illinois
September 25, 2023



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**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Board of Education
Shirland Community Consolidated School District #134
Winnebago County, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Shirland Community Consolidated School District #134 as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Shirland Community Consolidated School District #134's basic financial statements, and have issued our report thereon dated September 25, 2023. Our opinion was adverse because the financial statements are not prepared in accordance with generally accepted accounting principles. However, the financial statements were found to be fairly stated on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles, in accordance with regulatory reporting requirements established by the Illinois State Board of Education.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Shirland Community Consolidated School District #134's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

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may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and responses as item 2023-001, that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Shirland Community Consolidated School District #134's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we reported to management of Shirland Community Consolidated School District #134 in a separate letter dated September 25, 2023.

District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Shirland Community Consolidated School District #134's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. Shirland Community Consolidated School District #134's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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



Freeport, Illinois
September 25, 2023

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Statements of Assets and Liabilities
Arising from Cash Transactions
June 30, 2023

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety	Agency Funds	Account Groups	
											General Fixed Assets	General Long-Term Debt
ASSETS												
Current assets												
Cash	\$ 1,142,263	\$ 291,576	\$ -	\$ 369,920	\$ 143,195	\$ 324	\$ 4,277	\$ 28,963	\$ 83,104	\$ -	\$ -	\$ -
Cash - student activity funds	22,140	-	-	-	-	-	-	-	-	-	-	-
Total current assets	1,164,403	291,576	-	369,920	143,195	324	4,277	28,963	83,104	-	-	-
Capital assets												
Land	-	-	-	-	-	-	-	-	-	-	19,481	-
Building & building improvements	-	-	-	-	-	-	-	-	-	-	1,690,716	-
Site improvements & infrastructure	-	-	-	-	-	-	-	-	-	-	23,097	-
Capitalized equipment	-	-	-	-	-	-	-	-	-	-	73,885	-
Total assets	\$ 1,164,403	\$ 291,576	\$ -	\$ 369,920	\$ 143,195	\$ 324	\$ 4,277	\$ 28,963	\$ 83,104	\$ -	\$ 1,807,179	\$ -
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Current liabilities												
Contracts payable	\$ 1,222	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payroll deductions & withholdings	(14,012)	-	-	-	-	-	-	-	-	-	-	-
Total current liabilities	(12,790)	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	(12,790)	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES												
Reserved fund balances	22,140	-	-	-	61,714	-	-	-	47,311	-	-	-
Unreserved fund balances	1,155,053	291,576	-	369,920	81,481	324	4,277	28,963	35,793	-	-	-
Investment in general fixed assets	-	-	-	-	-	-	-	-	-	-	1,807,179	-
Total fund balances	1,177,193	291,576	-	369,920	143,195	324	4,277	28,963	83,104	-	1,807,179	-
Total liabilities and fund balances	\$ 1,164,403	\$ 291,576	\$ -	\$ 369,920	\$ 143,195	\$ 324	\$ 4,277	\$ 28,963	\$ 83,104	\$ -	\$ 1,807,179	\$ -

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See accompanying notes to financial statements.

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Statements of Revenue Received, Expenditures Disbursed,
Other Sources (Uses) and Changes in Fund Balances
Year ended June 30, 2023

	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
REVENUE									
Local sources	\$ 1,159,728	\$ 195,476	\$ -	\$ 66,324	\$ 53,933	\$ 714	\$ -	\$ 42,578	\$ 29,299
State sources	116,085	-	-	30,876	-	-	-	-	50,000
Federal sources	195,859	-	-	-	9,334	394,547	-	-	-
Total direct revenue	1,471,672	195,476	-	97,200	63,267	395,261	-	42,578	79,299
Revenue for on-behalf payments	464,989	-	-	-	-	-	-	-	-
Total revenue	\$ 1,936,661	\$ 195,476	\$ -	\$ 97,200	\$ 63,267	\$ 395,261	\$ -	\$ 42,578	\$ 79,299
EXPENDITURES									
Instruction	\$ 957,894	\$ -	\$ -	\$ -	\$ 12,253	\$ -	\$ -	\$ -	\$ -
Support services	461,144	246,917	-	71,687	22,308	394,547	-	38,293	14,831
Community services	762	-	-	-	-	-	-	-	-
Payments to other districts & gov't units	33,505	-	-	-	-	-	-	-	-
Total direct expenditures	1,453,305	246,917	-	71,687	34,561	394,547	-	38,293	14,831
Expenditures for on-behalf payments	464,989	-	-	-	-	-	-	-	-
Total expenditures	\$ 1,918,294	\$ 246,917	\$ -	\$ 71,687	\$ 34,561	\$ 394,547	\$ -	\$ 38,293	\$ 14,831
Excess of direct revenue over (under) direct expenditures	\$ 18,367	\$ (51,441)	\$ -	\$ 25,513	\$ 28,706	\$ 714	\$ -	\$ 4,285	\$ 64,468
OTHER SOURCES (USES) OF FUNDS									
Transfer among funds	\$ -	\$ 45,000	\$ -	\$ (45,000)	\$ -	\$ -	\$ -	\$ -	\$ -
Total other sources (uses) of funds	\$ -	\$ 45,000	\$ -	\$ (45,000)	\$ -	\$ -	\$ -	\$ -	\$ -
Excess of revenues and other sources of funds over (under) expenditures and other uses of funds	\$ 18,367	\$ (6,441)	\$ -	\$ (19,487)	\$ 28,706	\$ 714	\$ -	\$ 4,285	\$ 64,468
FUND BALANCES - July 1, 2022	1,158,826	298,017	-	389,407	114,489	(390)	4,277	24,678	18,636
FUND BALANCES - June 30, 2023	\$ 1,177,193	\$ 291,576	\$ -	\$ 369,920	\$ 143,195	\$ 324	\$ 4,277	\$ 28,963	\$ 83,104

See accompanying notes to financial statements.

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Educational Fund

Statement of Revenue Received - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
REVENUE FROM LOCAL SOURCES			
Ad valorem taxes levied by local education agency:			
Designated purposes levies	\$ 1,032,815	\$ 982,334	\$ 50,481
Special education purposes levy	<u>3,462</u>	<u>3,423</u>	<u>39</u>
Total ad valorem taxes levied by district	<u>1,036,277</u>	<u>985,757</u>	<u>50,520</u>
Payments in lieu of taxes:			
Corporate personal property replacement taxes	<u>46,438</u>	<u>40,800</u>	<u>5,638</u>
Total payments in lieu of taxes	<u>46,438</u>	<u>40,800</u>	<u>5,638</u>
Tuition:			
Regular - Tuition from Pupils or Parents (In State)	<u>7,411</u>	<u>6,800</u>	<u>611</u>
Total tuition	<u>7,411</u>	<u>6,800</u>	<u>611</u>
Earnings on investments:			
Interest on investments	<u>31,052</u>	<u>1,200</u>	<u>29,852</u>
Total earnings on investments	<u>31,052</u>	<u>1,200</u>	<u>29,852</u>
Food service:			
Sales to pupils - Lunch	16,432	2,300	14,132
Sales to adults	<u>862</u>	<u>300</u>	<u>562</u>
Total food service	<u>17,294</u>	<u>2,600</u>	<u>14,694</u>
District/school activity income:			
Admissions - athletic	1,709	800	909
Fees	4,646	3,000	1,646
Other district/school activity revenue	2,164	-	2,164
Student activity fund revenues	<u>12,490</u>	<u>8,000</u>	<u>4,490</u>
Total district/school activity income	<u>21,009</u>	<u>11,800</u>	<u>9,209</u>
Other revenue from local sources:			
Refund of prior years' expenditures	(1,575)	-	(1,575)
Other local revenues	<u>1,822</u>	<u>-</u>	<u>1,822</u>
Total other revenue from local sources	<u>247</u>	<u>-</u>	<u>247</u>
Total revenue from local sources	<u>\$ 1,159,728</u>	<u>\$ 1,048,957</u>	<u>\$ 110,771</u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Educational Fund

Statement of Revenue Received - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
REVENUE FROM STATE SOURCES			
Unrestricted grants-in-aid:			
Evidence based funding formula - Sec. 18-8.05	\$ 116,026	\$ 116,026	\$ -
Total unrestricted grants-in-aid	<u>116,026</u>	<u>116,026</u>	<u>-</u>
Restricted grants-in-aid:			
State free lunch and breakfast	59	200	(141)
Total restricted grants-in-aid	<u>59</u>	<u>200</u>	<u>(141)</u>
Total revenue from state sources	<u>\$ 116,085</u>	<u>\$ 116,226</u>	<u>\$ (141)</u>
REVENUE FROM FEDERAL SOURCES			
Restricted grants-in-aid received directly from federal government:			
Other restricted grants-in-aid received directly from the federal government	\$ 11,322	\$ 11,322	\$ -
Total revenue from other restricted grants	<u>11,322</u>	<u>11,322</u>	<u>-</u>
Restricted grants-in-aid received from federal government through the state:			
Food service:			
National school lunch program	26,389	18,000	8,389
Total food service	<u>26,389</u>	<u>18,000</u>	<u>8,389</u>
Title I:			
Low income	50,095	56,530	(6,435)
Total Title I	<u>50,095</u>	<u>56,530</u>	<u>(6,435)</u>
Title IV:			
Safe and drug free schools	4,282	10,000	(5,718)
Total Title IV	<u>4,282</u>	<u>10,000</u>	<u>(5,718)</u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Educational Fund

Statement of Revenue Received - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
Federal - special education:			
Preschool flow-through	1,098	511	587
IDEA flow-through	<u>30,576</u>	<u>27,222</u>	<u>3,354</u>
Total federal - special education	<u>31,674</u>	<u>27,733</u>	<u>3,941</u>
Title II - teacher quality	5,595	3,586	2,009
Medicaid matching funds - administrative outreach	2,111	400	1,711
Medicaid matching funds - fee-for-service program	4,846	1,500	3,346
Other restricted revenue from federal sources	<u>59,545</u>	<u>122,308</u>	<u>(62,763)</u>
Total revenue from federal sources	<u>\$ 195,859</u>	<u>\$ 251,379</u>	<u>\$ (55,520)</u>
Total direct revenue	<u><u>\$ 1,471,672</u></u>	<u><u>\$ 1,416,562</u></u>	<u><u>\$ 55,110</u></u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Educational Fund

Statement of Expenditures Disbursed - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
INSTRUCTION			
Regular programs:			
Salaries	\$ 557,011	\$ 567,139	\$ (10,128)
Employee benefits	145,445	153,177	(7,732)
Purchased services	32,511	104,414	(71,903)
Supplies and materials	32,100	32,187	(87)
Capital outlay	2,040	-	2,040
	<u>769,107</u>	<u>856,917</u>	<u>(87,810)</u>
Total regular programs			
Special education programs:			
Salaries	80,242	97,871	(17,629)
Employee benefits	16,285	17,560	(1,275)
Supplies and materials	-	2,022	(2,022)
Capital outlay	1,598	-	1,598
	<u>98,125</u>	<u>117,453</u>	<u>(19,328)</u>
Total special education programs			
Remedial and supplemental programs K-12:			
Salaries	48,878	51,211	(2,333)
Employee benefits	20,293	20,642	(349)
Supplies and materials	83	150	(67)
	<u>69,254</u>	<u>72,003</u>	<u>(2,749)</u>
Total remedial and supplemental programs K-12			
Interscholastic programs:			
Salaries	8,970	9,400	(430)
Employee benefits	1,504	440	1,064
Purchased services	1,400	1,575	(175)
Supplies and materials	137	1,000	(863)
Other objects	95	150	(55)
	<u>12,106</u>	<u>12,565</u>	<u>(459)</u>
Total interscholastic programs			
Summer school programs:			
Supplies and materials	-	15	(15)
	<u>-</u>	<u>15</u>	<u>(15)</u>
Total summer school programs			

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Educational Fund

Statement of Expenditures Disbursed - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
Student activity fund expenditures:			
Other objects	9,302	8,500	802
Total student activity fund expenditures	<u>9,302</u>	<u>8,500</u>	<u>802</u>
Total instruction	<u>\$ 957,894</u>	<u>\$ 1,067,453</u>	<u>\$ (109,559)</u>
SUPPORT SERVICES			
Support services - pupils:			
Health services:			
Salaries	\$ 20,508	\$ 33,735	\$ (13,227)
Employee benefits	4,501	9,250	(4,749)
Purchased services	610	500	110
Supplies and materials	448	900	(452)
Total health services	<u>26,067</u>	<u>44,385</u>	<u>(18,318)</u>
Total support services - pupils	<u>26,067</u>	<u>44,385</u>	<u>(18,318)</u>
Support services - instructional staff:			
Improvement of instruction services:			
Employee benefits	3,600	3,591	9
Purchased services	3,236	3,495	(259)
Total improvement of instruction services	<u>6,836</u>	<u>7,086</u>	<u>(250)</u>
Educational media services:			
Salaries	17,635	17,880	(245)
Purchased services	9,756	-	9,756
Supplies and materials	4,067	300	3,767
Total educational media services	<u>31,458</u>	<u>18,180</u>	<u>13,278</u>
Assessment & testing:			
Supplies and materials	990	-	990
Total assessment & testing	<u>990</u>	<u>-</u>	<u>990</u>
Total support services - instructional staff	<u>39,284</u>	<u>25,266</u>	<u>14,018</u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Educational Fund

Statement of Expenditures Disbursed - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
Support services - general administration:			
Board of education services:			
Purchased services	9,397	12,445	(3,048)
Supplies and materials	699	400	299
Other objects	1,151	1,100	51
Total board of education services	<u>11,247</u>	<u>13,945</u>	<u>(2,698)</u>
Executive administration services:			
Salaries	53,420	53,421	(1)
Employee benefits	9,878	10,423	(545)
Total executive administration services	<u>63,298</u>	<u>63,844</u>	<u>(546)</u>
Total support services - general administration	<u>74,545</u>	<u>77,789</u>	<u>(3,244)</u>
Support services - school administration:			
Office of the principal services:			
Salaries	126,652	126,626	26
Employee benefits	27,570	28,925	(1,355)
Purchased services	1,607	2,090	(483)
Supplies and materials	2,178	2,500	(322)
Other objects	-	1,200	(1,200)
Total office of the principal services	<u>158,007</u>	<u>161,341</u>	<u>(3,334)</u>
Total support services - school administration	<u>158,007</u>	<u>161,341</u>	<u>(3,334)</u>
Support services - business:			
Direction of business support services:			
Salaries	50,504	44,450	6,054
Employee benefits	10,680	9,252	1,428
Purchased services	1,248	1,525	(277)
Supplies and materials	1,527	1,000	527
Other objects	526	1,600	(1,074)
Total direction of business support services	<u>64,485</u>	<u>57,827</u>	<u>6,658</u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Educational Fund

Statement of Expenditures Disbursed - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
Fiscal services:			
Salaries	22,500	22,500	-
Purchased services	14,900	15,900	(1,000)
Total fiscal services	<u>37,400</u>	<u>38,400</u>	<u>(1,000)</u>
Food services:			
Salaries	16,264	16,490	(226)
Purchased services	93	640	(547)
Supplies and materials	20,336	26,450	(6,114)
Capital outlay	-	5,000	(5,000)
Other objects	500	500	-
Total food services	<u>37,193</u>	<u>49,080</u>	<u>(11,887)</u>
Total support services - business	<u>139,078</u>	<u>145,307</u>	<u>(6,229)</u>
Support services - central:			
Staff services:			
Purchased services	493	1,480	(987)
Other objects	543	600	(57)
Total staff services	<u>1,036</u>	<u>2,080</u>	<u>(1,044)</u>
Data processing services:			
Purchased services	18,213	16,000	2,213
Supplies and materials	4,600	10,000	(5,400)
Capital outlay	-	2,000	(2,000)
Total data processing services	<u>22,813</u>	<u>28,000</u>	<u>(5,187)</u>
Total support services - central	<u>23,849</u>	<u>30,080</u>	<u>(6,231)</u>
Other support services:			
Supplies and materials	314	500	(186)
Total other support services	<u>314</u>	<u>500</u>	<u>(186)</u>
Total support services	<u>\$ 461,144</u>	<u>\$ 484,668</u>	<u>\$ (23,524)</u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Educational Fund

Statement of Expenditures Disbursed - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
COMMUNITY SERVICES			
Supplies and materials	\$ 762	\$ 250	\$ 512
Total community services	<u>\$ 762</u>	<u>\$ 250</u>	<u>\$ 512</u>
PAYMENTS TO OTHER DISTRICTS & GOV'T UNITS			
Payments to other districts & gov't units (in-state):			
Payments for special education programs:			
Purchased services	33,505	37,511	(4,006)
Total payments for special education programs	<u>33,505</u>	<u>37,511</u>	<u>(4,006)</u>
Total payments to other gov't units (in-state)	<u>33,505</u>	<u>37,511</u>	<u>(4,006)</u>
Total payments to other districts & gov't units	<u>\$ 33,505</u>	<u>\$ 37,511</u>	<u>\$ (4,006)</u>
Total direct expenditures	<u>\$ 1,453,305</u>	<u>\$ 1,589,882</u>	<u>\$ (136,577)</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 18,367</u>	<u>\$ (173,320)</u>	<u>\$ 191,687</u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Operations and Maintenance Fund

Statement of Revenue Received - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
REVENUE FROM LOCAL SOURCES			
Ad valorem taxes levied by local education agency:			
Designated purposes levies	\$ 156,664	\$ 145,588	\$ 11,076
Total ad valorem taxes levied by district	<u>156,664</u>	<u>145,588</u>	<u>11,076</u>
Payments in lieu of taxes:			
Corporate personal property replacement taxes	30,392	27,200	3,192
Total payments in lieu of taxes	<u>30,392</u>	<u>27,200</u>	<u>3,192</u>
Earnings on investments:			
Interest on investments	8,420	400	8,020
Total earnings on investments	<u>8,420</u>	<u>400</u>	<u>8,020</u>
Total revenue from local sources	<u>\$ 195,476</u>	<u>\$ 173,188</u>	<u>\$ 22,288</u>
Total direct revenue	<u><u>\$ 195,476</u></u>	<u><u>\$ 173,188</u></u>	<u><u>\$ 22,288</u></u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Operations and Maintenance Fund

Statement of Expenditures Disbursed - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
SUPPORT SERVICES			
Support services - business:			
Operations & maintenance of plant services:			
Purchased services	\$ 187,492	\$ 197,550	\$ (10,058)
Supplies and materials	34,751	52,200	(17,449)
Capital outlay	24,674	26,000	(1,326)
Other objects	-	80	(80)
	<u>246,917</u>	<u>275,830</u>	<u>(28,913)</u>
Total operations & maintenance of plant services			
	<u>246,917</u>	<u>275,830</u>	<u>(28,913)</u>
Total support services - business			
	<u>\$ 246,917</u>	<u>\$ 275,830</u>	<u>\$ (28,913)</u>
Total support services			
	<u>\$ 246,917</u>	<u>\$ 275,830</u>	<u>\$ (28,913)</u>
Total direct expenditures			
	<u>\$ 246,917</u>	<u>\$ 275,830</u>	<u>\$ (28,913)</u>
Excess (deficiency) of revenue over expenditures	<u>\$ (51,441)</u>	<u>\$ (102,642)</u>	<u>\$ 51,201</u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Debt Services Fund

Statement of Revenues Received - Actual and Budget
Year ended June 30, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
REVENUE FROM LOCAL SOURCES			
Ad valorem taxes levied by local education agency:			
Designated purposes levies	\$ -	\$ -	\$ -
	<u>-</u>	<u>-</u>	<u>-</u>
Total ad valorem taxes levied by district	-	-	-
Earnings on investments:			
Interest on investments	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total earnings on investments	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue from local sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>-</u>	<u>-</u>	<u>-</u>
Total direct revenue	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Debt Services Fund

Statement of Expenditures Disbursed - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
DEBT SERVICES			
Debt services - interest on long-term debt:			
Other objects	\$ -	\$ 1,192	\$ (1,192)
Debt services - principal on long-term debt:			
Other objects	-	7,163	(7,163)
Total debt services	-	8,355	(8,355)
Total direct expenditures	<u>\$ -</u>	<u>\$ 8,355</u>	<u>\$ (8,355)</u>
Excess (deficiency) of revenue over expenditures	<u>\$ -</u>	<u>\$ (8,355)</u>	<u>\$ 8,355</u>

See accompanying notes to financial statements.

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Transportation Fund

Statement of Revenues Received - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
REVENUE FROM LOCAL SOURCES			
Ad valorem taxes levied by local education agency:			
Designated purposes levies	\$ 54,933	\$ 87,677	\$ (32,744)
Total ad valorem taxes levied by district	<u>54,933</u>	<u>87,677</u>	<u>(32,744)</u>
Transportation fees:			
Regular - transp fees from co-curricular activities (in state)	700	1,000	(300)
Total transportation fees	<u>700</u>	<u>1,000</u>	<u>(300)</u>
Earnings on investments:			
Interest on investments	10,691	500	10,191
Total earnings on investments	<u>10,691</u>	<u>500</u>	<u>10,191</u>
Total revenue from local sources	<u>\$ 66,324</u>	<u>\$ 89,177</u>	<u>\$ (22,853)</u>
REVENUE FROM STATE SOURCES			
Restricted grants-in-aid:			
Transportation:			
Regular and vocational	\$ 30,876	\$ 38,000	\$ (7,124)
Total transportation	<u>30,876</u>	<u>38,000</u>	<u>(7,124)</u>
Total restricted grants-in-aid	<u>30,876</u>	<u>38,000</u>	<u>(7,124)</u>
Total revenue from state sources	<u>\$ 30,876</u>	<u>\$ 38,000</u>	<u>\$ (7,124)</u>
Total direct revenue	<u>\$ 97,200</u>	<u>\$ 127,177</u>	<u>\$ (29,977)</u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Transportation Fund

Statement of Expenditures Disbursed - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
SUPPORT SERVICES			
Support services - business:			
Pupil transportation services:			
Purchased services	\$ 71,687	\$ 72,000	\$ (313)
Total pupil transportation services	<u>71,687</u>	<u>72,000</u>	<u>(313)</u>
Total support services	<u>71,687</u>	<u>72,000</u>	<u>(313)</u>
Total direct expenditures	<u>\$ 71,687</u>	<u>\$ 72,000</u>	<u>\$ (313)</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 25,513</u>	<u>\$ 55,177</u>	<u>\$ (29,664)</u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Municipal Retirement / Social Security Fund

Statement of Revenue Received - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
REVENUE FROM LOCAL SOURCES			
Ad valorem taxes levied by local education agency:			
Designated purposes levies	\$ 16,698	\$ 18,919	\$ (2,221)
FICA/Medicare only purposes levies	29,689	31,857	(2,168)
Total ad valorem taxes levied by district	<u>46,387</u>	<u>50,776</u>	<u>(4,389)</u>
Payments in lieu of taxes:			
Corporate personal property replacement taxes	3,400	-	3,400
Total payments in lieu of taxes	<u>3,400</u>	<u>-</u>	<u>3,400</u>
Earnings on investments:			
Interest on investments	4,146	175	3,971
Total earnings on investments	<u>4,146</u>	<u>175</u>	<u>3,971</u>
Total revenue from local sources	<u>\$ 53,933</u>	<u>\$ 50,951</u>	<u>\$ 2,982</u>
REVENUE FROM FEDERAL SOURCES			
Restricted grants-in-aid received from federal government through the state:			
Title I:			
Low income	\$ 6,972	\$ -	\$ 6,972
Total Title I	<u>6,972</u>	<u>-</u>	<u>6,972</u>
Federal - special education:			
IDEA flow-through	886	-	886
Total federal - special education	<u>886</u>	<u>-</u>	<u>886</u>
Other restricted revenue from federal sources	1,476	4,609	(3,133)
Total revenue from federal sources	<u>\$ 9,334</u>	<u>\$ 4,609</u>	<u>\$ 4,725</u>
Total direct revenue	<u>\$ 63,267</u>	<u>\$ 55,560</u>	<u>\$ 7,707</u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Municipal Retirement / Social Security Fund

Statement of Expenditures Disbursed - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
INSTRUCTION			
Regular programs:			
Employee benefits	\$ 7,891	\$ 8,224	\$ (333)
Special education programs:			
Employee benefits	3,168	5,021	(1,853)
Remedial and supplemental programs K-12:			
Employee benefits	709	743	(34)
Interscholastic programs:			
Employee benefits	485	456	29
Total instruction	\$ 12,253	\$ 14,444	\$ (2,191)
SUPPORT SERVICES			
Support services - pupils:			
Health services:			
Employee benefits	\$ 2,787	\$ 4,585	\$ (1,798)
Total support services - pupils	2,787	4,585	(1,798)
Support services - instructional staff:			
Improvement of instruction services:			
Employee benefits	57	-	57
Educational media services:			
Employee benefits	2,330	2,468	(138)
Total support services - instructional staff	2,387	2,468	(81)
Support services - general administration:			
Executive administration services:			
Employee benefits	780	775	5
Total support services - general administration	780	775	5

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Municipal Retirement / Social Security Fund

Statement of Expenditures Disbursed - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
Support services - school administration:			
Office of the principal services:			
Employee benefits	5,117	5,486	(369)
	<u>5,117</u>	<u>5,486</u>	<u>(369)</u>
Total support services - school administration	<u>5,117</u>	<u>5,486</u>	<u>(369)</u>
Support services - business:			
Direction of business support services:			
Employee benefits	9,085	9,322	(237)
	<u>9,085</u>	<u>9,322</u>	<u>(237)</u>
Food services:			
Employee benefits	2,152	2,261	(109)
	<u>2,152</u>	<u>2,261</u>	<u>(109)</u>
Total support services - business	<u>11,237</u>	<u>11,583</u>	<u>(346)</u>
Total support services	<u>\$ 22,308</u>	<u>\$ 24,897</u>	<u>\$ (2,589)</u>
Total direct expenditures	<u>\$ 34,561</u>	<u>\$ 39,341</u>	<u>\$ (4,780)</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 28,706</u>	<u>\$ 16,219</u>	<u>\$ 12,487</u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Capital Projects Fund

Statement of Revenue Received - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
REVENUE FROM LOCAL SOURCES			
Earnings on investments:			
Interest on investments	\$ 714	\$ 100	\$ 614
Total earnings on investments	<u>714</u>	<u>100</u>	<u>614</u>
Total revenue from local sources	<u>\$ 714</u>	<u>\$ 100</u>	<u>\$ 614</u>
REVENUE FROM FEDERAL SOURCES			
Restricted grants-in-aid received from federal government through the state:			
Other restricted revenue from federal sources	\$ 394,547	\$ 407,572	\$ (13,025)
Total revenue from federal sources	<u>\$ 394,547</u>	<u>\$ 407,572</u>	<u>\$ (13,025)</u>
Total direct revenue	<u><u>\$ 395,261</u></u>	<u><u>\$ 407,672</u></u>	<u><u>\$ (12,411)</u></u>

See accompanying notes to financial statements.

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Capital Projects Fund

Statement of Expenditures Disbursed - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
SUPPORT SERVICES			
Support services - business:			
Facilities acquisition and construction services:			
Purchased services	\$ 19,470	\$ 27,095	\$ (7,625)
Capital outlay	<u>375,077</u>	<u>380,477</u>	<u>(5,400)</u>
Total facilities acquisition and construction services	<u>394,547</u>	<u>407,572</u>	<u>(13,025)</u>
Total support services	<u>\$ 394,547</u>	<u>\$ 407,572</u>	<u>\$ (13,025)</u>
Total direct expenditures	<u>\$ 394,547</u>	<u>\$ 407,572</u>	<u>\$ (13,025)</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 714</u>	<u>\$ 100</u>	<u>\$ 614</u>

See accompanying notes to financial statements.

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Tort Fund

Statement of Revenue Received - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
REVENUE FROM LOCAL SOURCES			
Ad valorem taxes levied by local education agency:			
Designated purposes levies	\$ 38,606	\$ 40,288	\$ (1,682)
Other	3,536	-	3,536
	<u>42,142</u>	<u>40,288</u>	<u>1,854</u>
Earnings on investments:			
Interest on investments	436	75	361
	<u>436</u>	<u>75</u>	<u>361</u>
Total earnings on investments	<u>436</u>	<u>75</u>	<u>361</u>
Total revenue from local sources	<u>\$ 42,578</u>	<u>\$ 40,363</u>	<u>\$ 2,215</u>
Total direct revenue	<u><u>\$ 42,578</u></u>	<u><u>\$ 40,363</u></u>	<u><u>\$ 2,215</u></u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Tort Fund

Statement of Expenditures Disbursed - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
SUPPORT SERVICES			
Support services - business:			
Operations and maintenance of plant services:			
Purchased services	\$ 19,822	\$ 19,822	\$ -
Total operations and maintenance of plant services	<u>19,822</u>	<u>19,822</u>	<u>-</u>
Total support services - business	<u>19,822</u>	<u>19,822</u>	<u>-</u>
Other support services:			
Purchased services	18,471	18,472	(1)
Total other support services	<u>18,471</u>	<u>18,472</u>	<u>(1)</u>
Total support services	<u>\$ 38,293</u>	<u>\$ 38,294</u>	<u>\$ (1)</u>
Total direct expenditures	<u>\$ 38,293</u>	<u>\$ 38,294</u>	<u>\$ (1)</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 4,285</u>	<u>\$ 2,069</u>	<u>\$ 2,216</u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Fire Prevention and Safety Fund

Statement of Revenue Received - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
REVENUE FROM LOCAL SOURCES			
Ad valorem taxes levied by local education agency:			
Designated purposes levies	\$ 26,355	\$ 10,126	\$ 16,229
Total ad valorem taxes levied by district	<u>26,355</u>	<u>10,126</u>	<u>16,229</u>
Earnings on investments:			
Interest on investments	2,944	75	2,869
Total earnings on investments	<u>2,944</u>	<u>75</u>	<u>2,869</u>
Total revenue from local sources	<u>\$ 29,299</u>	<u>\$ 10,201</u>	<u>\$ 19,098</u>
REVENUE FROM STATE SOURCES			
Restricted grants-in-aid:			
Other restricted revenue from state sources	\$ 50,000	\$ -	\$ 50,000
Total restricted grants-in-aid	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total revenue from state sources	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 50,000</u>
Total direct revenue	<u><u>\$ 79,299</u></u>	<u><u>\$ 10,201</u></u>	<u><u>\$ 69,098</u></u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Fire Prevention and Safety Fund

Statement of Expenditures Disbursed - Actual and Budget
Year ended June 30, 2023

	<u>Actual</u>	<u>Budget</u>	<u>Actual over (under) Budget</u>
SUPPORT SERVICES			
Support services - business:			
Operation & maintenance of plant services:			
Purchased services	\$ 14,831	\$ -	\$ 14,831
Total operation & maintenance of plant services	<u>14,831</u>	<u>-</u>	<u>14,831</u>
Total support services - business	<u>14,831</u>	<u>-</u>	<u>14,831</u>
Total support services	<u>\$ 14,831</u>	<u>\$ -</u>	<u>\$ 14,831</u>
Total direct expenditures	<u>\$ 14,831</u>	<u>\$ -</u>	<u>\$ 14,831</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 64,468</u>	<u>\$ 10,201</u>	<u>\$ 54,267</u>

Notes to Financial Statements

June 30, 2023

(1) Summary of Significant Accounting Policies

The District's accounting policies conform to the cash basis of accounting, as defined by the Illinois State Board of Education.

(a) Principles Used to Determine the Scope of the Reporting Entity

The District's reporting entity includes the District's governing board and all related organizations for which the District exercises oversight responsibility.

The District has developed criteria to determine whether outside agencies with activities which benefit the citizens of the District, including joint agreements which serve pupils from numerous districts, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

Joint agreements have been determined not to be part of the reporting entity after applying the manifesting of oversight, scope of public service and special financing relationships criteria, and, are therefore excluded from the accompanying financial statements because the District does not control the assets, operations or management of the joint agreements. In addition, the District is not aware of any entity which would exercise such oversight as to result in the District being considered a component unit of the entity.

(b) Basis of Presentation – Fund Accounting

These financial statements comply with the regulatory basis of reporting as prescribed by the Illinois State Board of Education.

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and liabilities arising from cash transactions, fund balance, revenue received and expenditures paid. The District maintains individual funds required by the State of Illinois. These funds are presented on the regulatory basis as required for reports filed with the Illinois State Board of Education. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types and account groups are used by the District:

Notes to Financial Statements

Governmental Funds

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities arising from cash transactions are accounted for through governmental funds.

Educational Fund – This 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.

Student Activity Funds consist of funds owned, operated, and managed by an organization, club, or association within the student body under the guidance or direction of one or more staff members for educational, recreational, or cultural purposes. The school board, superintendent, or district employees have direct involvement with the decisions of how funds are spent or attained. Due to the District's administrative involvement with the Student Activity Funds, these funds are reported as part of the Educational Fund in the financial statements.

Operations and Maintenance Fund – This fund is also a general operating fund used to account for costs of maintaining school buildings.

Debt Service Fund – This fund is a debt retirement fund. Resources of this fund are used to retire principal and interest maturities of outstanding bond obligations and other long-term debt instruments.

Transportation Fund – This fund is a special revenue fund used to account for the costs of transporting pupils to and from school and school activities.

Municipal Retirement/Social Security Fund – This fund is a special revenue fund used to pay the District's share of municipal retirement benefits for covered employees. The District's share of Social Security and Medicare-only is also paid from this fund.

Working Cash Fund – The resources of this fund are held by the District to be used for temporary interfund loans to any fund of the District for which taxes are levied.

Capital Projects Fund – Proceeds of construction bond issues, the capital improvement tax levy, and if applicable, school facility occupation tax proceeds are accounted for in this fund.

Tort Fund – This fund is a special revenue fund used to account for tort immunity or tort judgment purposes.

Fire Prevention and Safety Fund – Proceeds of fire prevention and safety bond issues and tax levy are accounted for in this fund.

Notes to Financial Statements

Fiduciary Funds

Fiduciary funds consist of funds received from an independent, outside source in which the school board is acting in an administrative capacity. Neither the school board, the superintendent, nor any district employee has the right of approval for how the funds are spent or raised, nor do they have direct financial involvement in the funds. The district has fiduciary responsibility for the funds but does not have any control over the funds. Fiduciary funds may include outside, independent scholarship funds in which the district has no authority to decide how the funds are attained or awarded. Fiduciary funds may also include trust funds which have been established in connection with the District's employee benefit plans. Fiduciary funds are reported as *Agency Funds* in the financial statements.

Governmental Funds – Measurement Focus

The financial statements of all governmental funds focus on the measurement of spending or "financial flow" and the determination of changes in financial position rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (cash receipts and other financing sources) and decreases (cash disbursements and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

General Fixed Assets and General Long-Term Debt Account Groups

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

(c) Basis of Accounting

Basis of accounting refers to when revenue received and expenditures paid are recognized in the accounts and how they are reported on the financial statements. The District maintains its accounting records for all funds and account groups on the cash basis of accounting under guidelines prescribed by the Illinois State Board of Education. Accordingly, revenue is recognized and recorded in the accounts when cash is received.

Notes to Financial Statements

In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when cash is received or when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

Cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

Proceeds from sales of bonds are included as other financing sources in the appropriate fund on the date received. Related bond principal payable in the future is recorded at the same time in the General Long-Term Debt Account Group.

(d) Budgets and Budgetary Accounting

The budget for all Governmental Fund Types is prepared on the cash basis of accounting which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with 105 ILCS 5/17-1. The original budget was passed on September 28, 2022. The budget lapses at the end of each fiscal year.

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

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

Notes to Financial Statements

(e) Cash

The District considers cash on hand, cash on deposit with banks and other institutions, certificates of deposit, money market accounts, and repurchase agreements to be cash for financial statement purposes.

(f) Investments

All investments are reported at fair value. The District has adopted a formal written investment policy. The institutions in which investments are made must be approved by the Board of Education.

(g) Commingled Accounts

The District uses common bank accounts to hold the monies of more than one fund. Interest earned on these common accounts is credited to each participating fund based on its approximate share of the account prior to the payment of interest.

Occasionally one or more of the funds participating in the common bank account will incur overdrafts (deficits) in the account. The overdrafts result from expenditures which have been approved by the Board of Education. Negative balances incurred in commingled bank accounts at year end are shown as interfund receivables/interfund payables in the financial statements.

(h) General Fixed Assets

General fixed assets with expected useful lives that exceed one year and cost more than \$500, are recorded as expenditures paid in the Governmental or Activity Funds and capitalized at cost in the general fixed assets account group. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated general fixed assets are stated at estimated fair market value as of the date of acquisition. Depreciation accounting is not considered applicable (except to determine the per capita tuition charge). Depreciation is computed using the straight line method over estimated lives ranging from three to fifty years. Estimated lives are determined based on the policies prescribed by the Illinois State Board of Education.

Certain contracts establish intangible assets based on the District's right to use the assets of another entity. Lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. Right-to-use assets are amortized on a straight-line basis over the life of the related lease. Subscription-based information technology arrangements (SBITA) are initially measured as the sum of the initial subscription liability amount, payments made to the SBITA vendor before commencement of the subscription term, and capitalizable implementation costs, less any incentives received from the SBITA vendor at or before

Notes to Financial Statements

the commencement of the subscription term. Subscription assets are amortized on a straight-line basis over the subscription term.

(2) Property Taxes

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. The levy was passed by the board on November 16, 2022. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on approximately June 1 and September 1. The District receives significant distributions of tax receipts during June, July, August, September, October, and November. Taxes recorded in these financial statements are from the 2022, 2021, and prior tax levies.

The following are the tax rate limits permitted by the *Illinois Compiled Statutes* and by local referendum and the actual rates levied per \$100 of assessed valuation:

	- 2022 Levy Year -		- 2021 Levy Year -	
	Limit	Actual	Limit	Actual
Educational	As Needed	2.7551	As Needed	2.7360
Oper. & maint.	0.5500	0.4257	0.5500	0.4040
Bond & Interest	As Needed	0.0000	As Needed	0.0000
Transportation	As Needed	0.0774	As Needed	0.2433
Municipal retirement	As Needed	0.0387	As Needed	0.0525
Social security	As Needed	0.0723	As Needed	0.0884
Working cash	0.0500	0.0000	0.0500	0.0000
Tort	As Needed	0.1007	As Needed	0.1055
Special education	0.4000	0.0090	0.4000	0.0095
Fire prevention and safety	0.1000	0.0998	0.1000	0.0281
Revenue recapture adjustment	0.0000	0.0116	0.0000	0.0063
		<u>3.5903</u>		<u>3.6736</u>

(3) Cash Deposits and Investments

The District is allowed to invest in securities as authorized by the Illinois Public Funds Investment Act - 30 ILCS 235/2 and 6; and the Illinois School Code - 105 ILCS 5/8-7.

Cash and investments as of June 30, 2023 are classified in the accompanying financial statements as follows:

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Notes to Financial Statements

Statement of Assets and Liabilities Arising from Cash Transactions

Cash	\$ 2,085,762
Investments	-
Total cash and investments	<u>\$ 2,085,762</u>

Cash and investments as of June 30, 2023 consist of the following:

Cash on hand	\$ 150
Deposits with financial institutions	
District	2,063,472
Student activity funds	22,140
Investments	
District	-
Student activity funds	-
Total cash and investments	<u>\$ 2,085,762</u>

Deposits – custodial credit risk

Custodial credit risk for deposits is the risk that, in the event of a depository financial institution failure, the District’s deposits may not be returned to it. The District’s policy requires that all amounts deposited or invested with financial institutions in excess of any insurance limit shall be collateralized by: (1) securities eligible for District investment or any other high-quality, interest-bearing security rated at least AA/Aa by one or more standard rating services to include Standard & Poor’s, Moody’s, or Fitch (2) mortgages, (3) letters of credit issued by a Federal Home Loan Bank, or (4) loans covered by a State Guaranty under the Illinois Farm Development Act. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization. The Chief Investment Officer shall determine other collateral requirements.

As of June 30, 2023, \$1,909,251 of the District’s bank balance of \$2,159,251 was exposed to custodial credit risk as follows:

Uninsured and collateralized by FHLB letter of credit	<u>\$ 1,909,251</u>
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Investments

The District had no investments at June 30, 2023.

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Notes to Financial Statements

(4) Changes in General Fixed Assets, Depreciation, and Amortization

Under the regulatory basis of accounting, fixed assets, depreciation, and amortization are not recorded and therefore the financial statements do not reflect the amounts below.

	<u>Assets at Cost</u>			Balance 6/30/2023	Life in Years
	Balance 7/1/2022	Additions	Deletions		
Nondepreciable assets:					
Land	\$ 19,481	-	-	19,481	N/A
Construction in progress	140,576	-	140,576	-	N/A
Total nondepreciable assets	160,057	-	140,576	19,481	
Depreciable assets:					
Buildings and improvements	1,166,135	524,581	-	1,690,716	50
Temporary buildings	-	-	-	-	20
Land improvements	20,597	2,500	-	23,097	20
10-year equipment	57,001	16,884	-	73,885	10
5-year equipment	-	-	-	-	5
3-year equipment	-	-	-	-	3
Total depreciable assets	1,243,733	543,965	-	1,787,698	
Right-to-use lease assets:					
10-year equipment	-	-	-	-	10
5-year equipment	-	-	-	-	5
3-year equipment	-	-	-	-	3
Total right-to-use lease assets	-	-	-	-	
Subscription-based information technology arrangement assets					
	-	-	-	-	Varies
Total general fixed assets	\$ 1,403,790	543,965	140,576	1,807,179	

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Notes to Financial Statements

Accumulated Depreciation, Accumulated Amortization, and Undepreciated Cost (Net)

	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023	Cost (Net) 6/30/2023
Nondepreciable assets:					
Land	\$ -	-	-	-	19,481
Construction in progress	-	-	-	-	-
Total nondepreciable assets	-	-	-	-	19,481
Accumulated depreciation:					
Depreciable assets:					
Buildings and improvements	897,867	32,443	-	930,310	760,406
Temporary buildings	-	-	-	-	-
Land improvements	12,400	459	-	12,859	10,238
10-year equipment	23,173	6,335	-	29,508	44,377
5-year equipment	-	-	-	-	-
3-year equipment	-	-	-	-	-
Total depreciable assets	933,440	39,237	-	972,677	815,021
Accumulated amortization:					
Right-to-use lease assets:					
10-year equipment	-	-	-	-	-
5-year equipment	-	-	-	-	-
3-year equipment	-	-	-	-	-
Total right-to-use lease assets	-	-	-	-	-
Subscription-based information technology arrangement assets	-	-	-	-	-
Total accumulated depreciation, amortization, and cost (net)	\$ 933,440	39,237	-	972,677	834,502

(5) Employee Pensions and Other Benefit Plans

The District participates in multiple retirement plans to provide retirement benefits to its employees. For the year ended June 30, 2023, the District recorded a total of \$127,406 in payments to the various retirement plans as detailed below.

It should be noted that actuarial accrued liabilities, deferred inflows of resources and deferred out flows of resources are not recorded in the financial statements since the District uses the regulatory basis of accounting as prescribed or permitted by the Illinois State Board of Education as described in Note 1.

Notes to Financial Statements

(a) Teachers' Retirement System of the State of Illinois**Plan description**

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

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

Benefits provided

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

Tier 2 members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the highest four. Disability provisions for Tier 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different from Tier 1.

Essentially all Tier 1 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 2 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, 2026. One program allows retiring Tier 1 members to receive a partial lump-sum payment in

Notes to Financial Statements

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 will begin 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, 2022, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer. For the year ended June 30, 2023, the District reported expenditures of \$81,671 for this contribution.

- ***On behalf contributions to TRS.***

The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2023, state of with Illinois contributions recognized by the employer were based on the state's proportionate share with the pension expense associated with the employer, and the employer recognized revenue and expenditures of \$459,472 in pension contributions from the state of Illinois.

- ***2.2 formula contributions.***

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2023, were \$5,350 and are deferred because they were paid after the June 30, 2022 measurement date.

- ***Federal and special trust fund contributions.***

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

Notes to Financial Statements

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

For the year ended June 30, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$55,520 were paid from federal and special trust funds that required employer contributions of \$5,824. These contributions are deferred because they were paid after the June 30, 2022 measurement date.

- **Employer retirement cost contributions.**

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

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

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

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

Employer's proportionate share of the net pension liability	\$ 67,432
State's proportionate share of the net pension liability associated with the employer	5,849,316
Total	<u>\$ 5,916,748</u>

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The employer’s proportion of the net pension liability was based on the employer’s share of contributions to TRS for the measurement year ended June 30, 2022, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2022, the employer’s proportion was .0000804296

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Notes to Financial Statements

percent, which was a decrease of .0000111281 from its proportion measured as of June 30, 2021.

At June 30, 2023, the employer had 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	\$ 136	\$ 372
Net difference between projected and actual earnings on pension plan investments	62	-
Changes of assumptions	311	129
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,035	31,868
Employer contributions subsequent to the measurement date	-	-
Total	<u>\$ 2,544</u>	<u>\$ 32,369</u>

Deferred outflows of resources and (deferred inflows) of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year ended June 30,

2024	\$ (23,759)
2025	(2,449)
2026	(2,314)
2027	(564)
2028	(739)

Actuarial assumptions

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

Inflation	2.5 percent
Salary increases	varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

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

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Notes to Financial Statements

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	16.30%	5.73%
U.S. equities small/mid cap	1.90%	6.78%
International equities developed	14.10%	6.56%
Emerging market equities	4.70%	8.55%
U.S. bonds core	6.90%	1.15%
Cash equivalents	1.20%	-0.32%
Tips	0.50%	0.33%
International debt developed	1.20%	6.56%
Emerging international debt	3.70%	3.76%
Real estate	16.00%	5.42%
Private debt	12.50%	5.29%
Hedge funds	4.00%	3.48%
Private equity	15.00%	10.04%
Infrastructure	2.00%	5.86%
Total	100.00%	

Discount rate

At June 30, 2022, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2021 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2022 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier 1's liability is partially funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 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

Notes to Financial Statements

were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the employer’s proportionate share of the net pension liability to changes in the discount rate

The following presents the employer’s proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the employer’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net pension liability	\$ 82,470	\$ 67,432	\$ 54,962

TRS fiduciary net position

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

(b) Illinois Municipal Retirement Fund Pension Plan

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 a multi-employer public pension fund. A summary of IMRF’s pension benefits is provided in the “Benefits Provided” section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan’s fiduciary net position, and required supplementary information. That report may be obtained online at www.imrf.org.

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

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they

Notes to Financial Statements

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

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

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

Employees Covered by Benefit Terms. As of December 31, 2022, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	31
Inactive plan members entitled to but not yet receiving benefits	23
Active members	6
Total	60

Contributions. As set by statute, the District’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District’s annual contribution rate for calendar year 2022 was 5.94%. For the fiscal year ended June 30, 2023, the District contributed \$10,135 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, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Notes to Financial Statements

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

- The actuarial cost method used was Entry Age Normal.
- The asset valuation method used was Market Value of Assets.
- The inflation rate was assumed to be 2.25%.
- Salary increases were expected to be 2.85% to 13.75%, including inflation.
- The investment rate of return was assumed to be 7.25%.
- Projected retirement age was from the Experience-based table of rates, specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
- For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.
- 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.
- 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	35.5%	6.50%
International Equity	18.0%	7.60%
Fixed Income	25.5%	4.90%
Real Estate	10.5%	6.20%
Alternative Investments	9.5%	6.25-9.9%
Cash Equivalents	1.0%	4.00%
	<u>100%</u>	

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

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Notes to Financial Statements

between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

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

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) Liability (A) - (B)
Balances at December 31, 2021	\$ 1,134,234	\$ 1,287,743	(153,509)
Changes for the year:			
Service cost	16,127	-	16,127
Interest on the total pension liability	79,759	-	79,759
Difference between expected and actual experience of the total pension liability	(8,168)	-	(8,168)
Changes of benefit terms	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	10,934	(10,934)
Contributions - employee	-	8,283	(8,283)
Net investment income	-	(181,759)	181,759
Benefit payments, including refunds of employee contributions	(84,358)	(84,358)	-
Other (net transfer)	-	(24,876)	24,876
Net changes	3,360	(271,776)	275,136
Balances at December 31, 2022	\$ 1,137,594	\$ 1,015,967	\$ 121,627

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

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Notes to Financial Statements

	Single Discount Rate Assumption		
	1% Decrease	Current	1% Increase
	6.25%	7.25%	8.25%
Total pension liability	\$ 1,240,764	\$ 1,137,594	\$ 1,052,293
Plan fiduciary net position	1,015,967	1,015,967	1,015,967
Net pension (asset) liability	<u>\$ 224,797</u>	<u>\$ 121,627</u>	<u>\$ 36,326</u>

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. Pension expense as reflected in the financial statements for the fiscal year ended June 30, 2023 was \$10,135.

At December 31, 2022, the District had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods:		
Difference between expected and actual experience	\$ -	\$ 1,065
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	217,486	115,404
Total deferred amounts to be recognized in pension expense in future periods	217,486	116,469
Pension contributions made subsequent to the measurement date	-	-
Total deferred amounts related to pensions	<u>\$ 217,486</u>	<u>\$ 116,469</u>

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

Year Ending December 31	Net Deferred Outflows (Inflows) of Resources
2023	\$ (5,067)
2024	18,743
2025	32,968
2026	54,373
2027	-
	<u>\$ 101,017</u>

Notes to Financial Statements

(c) Aggregate Information

Since the District participates in more than one retirement plan, GASB 68 requires disclosure of the following, which aggregates selected information from the Teachers' Retirement System and the Illinois Municipal Retirement Fund.

	TRS	IMRF	Total
Net Pension Liabilities	\$ 67,432	\$ 121,627	\$ 189,059
Net Pension Assets	-	-	-
Deferred Outflows of Resources	2,544	217,486	220,030
Deferred Inflows of Resources	32,369	116,469	148,838
Pension expenditures for the year ended June 30, 2023	92,845	10,135	102,980

(d) Social Security

Employees not qualifying for coverage under the Teachers' Retirement System of the State of Illinois or the Illinois Municipal Retirement Fund are considered "non-participating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The District paid \$10,242 the total required contribution for the current fiscal year.

(e) Medicare

All employees, except certified personnel hired prior to April 1, 1986, are covered under the Basic Hospital Insurance Plan provision of the Medicare health insurance program. The District paid \$14,184 the total required contribution for the current fiscal year.

(6) Fund Balance Reporting

According to Government Accounting Standards, fund balances are to be classified into five major classifications: Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. The Regulatory Model, followed by the District, only reports Reserved and Unreserved Fund Balances. Below are definitions of the differences and a reconciliation of how these balances are reported.

(a) Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. Due to the cash basis nature of the District, all such items are expensed at the time of purchase, so there is nothing to report for this classification.

Notes to Financial Statements

(b) Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes. The District has several revenue sources received within different funds that also fall into these categories –

1. Special Education
Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Educational Fund. At June 30, 2023, expenditures disbursed exceeded revenue received for this purpose, resulting in no restricted fund balance.
2. State Grants
Proceeds from state grants and the related expenditures have been included in multiple District funds. At June 30, 2023, revenue received exceeded expenditures disbursed from state grants, resulting in a restricted fund balance of \$47,311. This balance is included in the financial statements as Reserved in the Fire Prevention and Safety Fund.
3. Federal Grants
Proceeds from federal grants and the related expenditures have been included in multiple District funds. At June 30, 2023, expenditures disbursed exceeded revenue received from federal grants, resulting in no restricted balance.
4. IMRF/Social Security
Cash disbursed and the related cash receipts of these restricted tax levies are accounted for in the Municipal Retirement/Social Security Fund. Revenue received exceeded expenditures disbursed for these purposes, resulting in a restricted fund balance of \$143,195. For purposes of Regulatory reporting, the Social Security portion of the fund balance, \$61,714, is classified as Reserved, and the Municipal Retirement portion of the fund balance, \$81,481, is classified as Unreserved.
5. Student Activity Funds
Cash receipts and the related cash disbursements of Student Activity Funds are accounted for in the Educational Fund. At June 30, 2023, revenue received for Student Activity Funds exceeded expenditures disbursed for those specific purposes resulting in a restricted fund balance of \$22,140. This balance is included in the financial statements as Reserved in the Educational Fund.

Notes to Financial Statements

(c) Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the School Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

The School Board commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Employee contracts for services rendered during the school year for employees electing twelve month pay schedules are recorded as disbursements in the fiscal year when such checks are drawn. At June 30, 2023, the total amount of unpaid contracts for services performed during the fiscal year ended June 30, 2023 amounted to \$121,282. This amount is shown as Unreserved in the Educational Fund.

(d) Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by (a) the School Board itself or (b) the finance committee or by the Superintendent when the School Board has delegated the authority to assign amounts to be used for specific purposes.

The District budgets property tax revenue based on the tax levy approved by the Board the previous December. For the fiscal year ending June 30, 2024, the District budgets property tax revenue based on the 2022 tax levy of which \$790,694 was received by the District prior to June 30, 2023 and is therefore included as revenue under the cash method of accounting in this fiscal year. Under the assigned fund balance definition, \$700,509 received in the Educational and Operations & Maintenance funds has been designated as assigned fund balance in these funds as shown below and is shown as Unreserved in the financial statements.

(e) Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds. Unassigned Fund Balance amounts are shown in the financial statements as Unreserved Fund Balances in the Educational, Operations and Maintenance, and Working Cash Funds.

Notes to Financial Statements

(f) Regulatory – Fund Balance Definitions

Reserved Fund Balances are those balances that are reserved for a specific purpose, other than the regular purpose of any given fund. Unreserved Fund Balances are all balances that are not reserved for a specific purpose other than the specified purpose of a fund.

(g) Reconciliation of Fund Balance Reporting

The first five columns of the following table represent Fund Balance Reporting according to generally accepted accounting principles. The last two columns represent Fund Balance Reporting under the regulatory basis of accounting utilized in preparation of the financial statements.

Fund	Generally Accepted Accounting Principles					Regulatory Basis	
	Non- spendable	Restricted	Committed	Assigned	Unassigned	Financial Statements- Reserved	Financial Statements- Unreserved
Educational	-	22,140	121,282	606,757	427,014	22,140	1,155,053
Operations & Maintenance	-	-	-	93,752	197,824	-	291,576
Debt Service	-	-	-	-	-	-	-
Transportation	-	369,920	-	-	-	-	369,920
Municipal Retirement	-	143,195	-	-	-	61,714	81,481
Capital Projects	-	324	-	-	-	-	324
Working Cash	-	-	-	-	4,277	-	4,277
Tort Liability	-	28,963	-	-	-	-	28,963
Fire Prevention and Safety	-	83,104	-	-	-	47,311	35,793

(h) Expenditures of Fund Balance

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

(7) Long-Term Debt

As of June 30, 2023, the District had no long-term debt outstanding.

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Notes to Financial Statements

(8) Legal Debt Margin

2022 Equalized assessed valuation		<u>\$ 38,764,798</u>
Statutory debt limitation 6.9% of 2022 equalized assessed valuation		\$ 2,674,771
Less total indebtedness:		
Bonds	\$ -	
Leases	-	
Subscriptions	-	<u>-</u>
Legal Debt Margin		<u>\$ 2,674,771</u>

(9) Interfund Transfers and Balances

(a) Transfers

The District made the following interfund transfers during the fiscal year ended June 30, 2023.

<u>From</u>	<u>To</u>	<u>Transferred</u>	<u>Purpose</u>
Transportation Fund	Operations & Maintenance Fund	\$ 45,000	Operating expenditures

(b) Interfund Balances

There are no interfund balances as of the fiscal year ended June 30, 2023.

(10) Overexpenditure of Budget

The District overexpended its budget in the following fund during the fiscal year ended June 30, 2023.

<u>Fund</u>	<u>Expenditures</u>	<u>Budget</u>
Fire Prevention and Safety	\$ 14,831	\$ -

All other funds were operated within the legal confines of their budgets during the fiscal year ended June 30, 2023.

Notes to Financial Statements

(11) Joint Agreements

The District is a member of Winnebago County Special Education Cooperative for special education, along with other school districts. During the year ended June 30, 2023, the District paid Winnebago County Special Education Cooperative \$33,505 for special education services.

The District's pupils benefit from programs administered under this joint agreement, and the District benefits from jointly administered grants and programming. The District does not have any equity interest in this joint agreement. The joint agreement is separately audited and is not included in these financial statements. Financial information may be obtained directly from Winnebago County Special Education Cooperative at 11971 Wagon Wheel Road, Rockton, IL 61072.

(12) Other Postemployment Benefits (OPEB)**(a) *Teacher Health Insurance Security (THIS) Fund***

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

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS 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. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund.

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

- ***On behalf contributions to the THIS Fund***

The state of Illinois makes employer retiree health insurance contributions on behalf of the employer. State contributions are intended to cover the actuarial costs to the THIS Fund that are not covered by contributions from active members which were 0.90 percent of pay during the year ended June 30, 2023. State of Illinois

Notes to Financial Statements

contributions were \$5,517 and the employer recognized revenue and expenditures of this amount during the year.

- ***Employer contributions to the THIS Fund***

The employer also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2023. For the year ended June 30, 2023, the employer paid \$6,197 to the THIS Fund, which was 100 percent of the required contribution.

Further information on the THIS Fund

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

(b) *Non-certified employees*

The District has evaluated its potential liability for other postemployment benefits. The District provides continued health insurance coverage at the active employer rate to all IMRF eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the District are required to pay 100% of the current premium. For the year ended June 30, 2023, one former employee remained on the District's health insurance plan and therefore, an implicit subsidy in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* is immaterial to the financial statements.

Additionally, the District has no former employees for whom the District is providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the District has not recorded any postemployment benefit liability as of June 30, 2023.

(13) Illinois Unemployment Compensation

The District has elected to become self-insured for unemployment compensation. The District is therefore liable to the State for any payments made to any of its former employees claiming unemployment benefits. For the year ended June 30, 2023, the District made payments of \$0 to the Illinois Department of Employment Security for unemployment compensation.

(14) Risk Management

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

Notes to Financial Statements

Significant losses are covered by commercial insurance for all major programs. For all insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

(15) Contingencies

The District has received funding from state and federal grants in the current and prior years, which are subject to audits by the granting agencies. The School Board believes any adjustments that may arise from these audits will be insignificant to District operations.

(16) Change in Accounting Principle

During the year ended June 30, 2023, the District adopted new accounting guidance by implementing the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96). GASB96 improves financial reporting for governmental entities by establishing a definition for SBITAs and providing uniform guidance to account for SBITA arrangements. GASB 96 requires recognition of certain intangible assets for transactions that meet the definition of a SBITA and also requires reporting of subscription liabilities for these arrangements. The implementation of this statement has resulted in changing the presentation of the financial statements by recording SBITA assets in the General Fixed Assets account group along with a corresponding subscription liability in the General Long Term Debt account group. Annual subscription payments are recorded as principal and interest payments in the Debt Service fund. For further information, see Note 1 (h), *General Fixed Assets*, and Note 7, *Long Term Debt – Subscription-Based Information Technology Arrangements*.

Implementation of GASB 86 also requires an adjustment to recognize any SBITA assets and the present value of any corresponding subscription liabilities at the implementation date of July 1, 2022. This adjustment is reflected in Note 4, *Changes in General Fixed Assets, Depreciation, and Amortization*, and Note 7, *Long Term Debt*, as a change to the beginning balances reflected in the schedules of capital assets and long term liability activity, respectively. There is no impact on fund balance from the implementation of GASB 96, since the District uses the cash basis of accounting under guidelines prescribed by the Illinois State Board of Education. The District did not have any SBITA arrangements requiring recognition under the new standard as of July 1, 2022, therefore no changes were necessary in Notes 4 and 7 as described above.

(17) Subsequent Events

Subsequent events are events or transactions that occur after the balance sheet date but before financial statements are issued or are available to be issued. These events and transactions either provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing financial statements (that is, recognized subsequent events), or provide evidence about conditions that did not exist at the date of the balance sheet but arose after that date (that is, non-recognized subsequent events).

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Notes to Financial Statements

The District has evaluated subsequent events through September 25, 2023, which was the date that these financial statements were available for issuance, and determined that there were no significant non-recognized subsequent events through that date.

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Other Information (unaudited)

June 30, 2023

Teachers' Retirement System of the State of Illinois
Schedule of the Employer's Proportionate Share
of The Net Pension Liability

	<u>FY22*</u>	<u>FY21*</u>	<u>FY20*</u>	<u>FY19*</u>	<u>FY18*</u>	<u>FY17*</u>	<u>FY16*</u>	<u>FY15*</u>	<u>FY14*</u>
Employer's proportion of the net pension liability	1.1%	1.2%	1.3%	1.4%	1.4%	6.8%	5.2%	7.6%	6.2%
Employer's proportionate share of the net pension liability	\$ 67,432	\$ 71,425	\$ 75,650	\$ 77,110	\$ 75,150	\$ 341,078	\$ 268,407	\$ 348,619	\$ 250,853
State's proportionate share of the net pension liability associated with the employer	<u>5,849,316</u>	<u>5,986,206</u>	<u>5,925,314</u>	<u>5,487,808</u>	<u>5,148,124</u>	<u>4,661,852</u>	<u>4,926,755</u>	<u>4,234,464</u>	<u>3,775,132</u>
Total	<u>\$ 5,916,748</u>	<u>\$ 6,057,631</u>	<u>\$ 6,000,964</u>	<u>\$ 5,564,918</u>	<u>\$ 5,223,274</u>	<u>\$ 5,002,930</u>	<u>\$ 5,195,162</u>	<u>\$ 4,583,083</u>	<u>\$ 4,025,985</u>
Employer's covered-employee payroll	\$ 924,863	\$ 823,317	\$ 820,904	\$ 735,856	\$ 741,475	\$ 690,681	\$ 637,196	\$ 620,643	\$ 651,211
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	7.3%	8.7%	9.2%	10.5%	10.1%	49.4%	42.1%	56.2%	38.5%
Plan fiduciary net position as a percentage of the total pension liability	42.8%	45.1%	37.8%	39.6%	40.0%	39.3%	36.4%	41.5%	43.0%

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

Teachers' Retirement System of the State of Illinois
Schedule of Employer Contributions

Statutorily-required contribution	\$ 94,426	\$ 83,864	\$ 82,843	\$ 75,101	\$ 75,786	\$ 70,488	\$ 74,202	\$ 73,092	\$ 79,845
Contributions in relation to the statutorily-required contribution	94,204	83,864	83,707	75,083	75,010	70,877	74,629	73,417	79,986
Contribution deficiency (excess)	<u>\$ 222</u>	<u>\$ 0</u>	<u>\$ (864)</u>	<u>\$ 18</u>	<u>\$ 776</u>	<u>\$ (389)</u>	<u>\$ (427)</u>	<u>\$ (325)</u>	<u>\$ (141)</u>
Employer's covered-employee payroll	\$ 924,863	\$ 823,317	\$ 820,904	\$ 735,856	\$ 741,475	\$ 690,681	\$ 637,196	\$ 620,643	\$ 651,211
Contributions as a percentage of covered-employee payroll	10.19%	10.19%	10.20%	10.20%	10.12%	10.26%	11.71%	11.83%	12.28%

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Other Information (unaudited)

June 30, 2023

Illinois Municipal Retirement Fund
Schedule of Changes in Net Pension Liability and Related Ratios

Calendar year ending December 31,	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability									
Service cost	\$ 16,127	\$ 15,773	\$ 18,464	\$ 17,152	\$ 13,914	\$ 21,418	\$ 19,233	\$ 17,759	\$ 21,878
Interest on the total pension liability	79,759	73,121	69,916	71,877	68,922	69,546	65,371	61,313	59,015
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience of the total pension liability	(8,168)	80,951	21,905	(65,933)	16,974	(15,254)	19,847	18,306	(44,668)
Changes of assumptions	-	-	(2,488)	22,625	(27,231)	(967)	896	34,892	(84,358)
Benefit payments, including refunds of employee contributions	(84,358)	(72,569)	(51,936)	(49,663)	(53,557)	(52,538)	(47,594)	(39,895)	(36,930)
Net change in total pension liability	3,360	97,276	55,861	(26,567)	68,878	(4,059)	55,890	58,379	34,187
Total pension liability – beginning	1,134,234	1,036,958	981,097	1,007,664	938,786	942,845	886,955	828,576	794,389
Total pension liability – ending (a)	1,137,594	1,134,234	1,036,958	981,097	1,007,664	938,786	942,845	886,955	828,576
Plan fiduciary net position									
Contributions – employer	10,934	12,663	12,241	10,628	15,505	16,025	17,715	15,784	18,508
Contributions – employee	8,283	7,937	7,018	7,919	7,134	7,623	9,808	9,663	7,670
Net investment income	(181,759)	187,817	143,432	177,436	(57,531)	155,251	55,467	4,143	49,551
Benefit payments, including refunds of employee contributions	(84,358)	(72,569)	(51,936)	(49,663)	(53,557)	(52,538)	(47,594)	(39,895)	(36,930)
Other (net transfer)	(24,876)	22,696	9,549	(63,271)	23,438	(10,120)	10,577	3,062	(20,593)
Net change in plan fiduciary net position	(271,776)	158,544	120,304	83,049	(65,011)	116,241	45,973	(7,243)	18,206
Plan fiduciary net position – beginning	1,287,743	1,129,199	1,008,895	925,846	990,857	874,616	828,643	835,886	817,680
Plan fiduciary net position – ending (b)	1,015,967	1,287,743	1,129,199	1,008,895	925,846	990,857	874,616	828,643	835,886
Net pension (asset) liability – ending (a)-(b)	\$ 121,627	\$ (153,509)	\$ (92,241)	\$ (27,798)	\$ 81,818	\$ (52,071)	\$ 68,229	\$ 58,312	\$ (7,310)
Plan fiduciary net position as a percentage of the total pension liability	89.31%	113.53%	108.90%	102.83%	91.88%	105.55%	92.76%	93.43%	100.88%
Covered valuation payroll	\$ 184,080	\$ 176,368	\$ 155,948	\$ 175,973	\$ 158,541	\$ 169,400	\$ 181,132	\$ 161,059	\$ 147,346
Net pension (asset) liability as a percentage of covered valuation payroll	66.07%	-87.04%	-59.15%	-15.80%	51.61%	-30.74%	37.67%	36.21%	-4.96%

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Other Information (unaudited)

June 30, 2023

Illinois Municipal Retirement Fund
Schedule of Contributions

Calendar Year Ending December 31,	Actuarially Determined Contribution (a)	Actual Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Valuation Payroll (c)	Actual Contribution as a % of Covered Payroll (b/c)
2014	\$ 16,002	\$ 18,508	\$ (2,506)	\$ 147,346	12.56%
2015	15,784	15,784	-	161,059	9.80%
2016	17,715	17,715	-	181,132	9.78%
2017	16,025	16,025	-	169,400	9.46%
2018	15,505	15,505	-	158,541	9.78%
2019	10,629	10,628	1	175,973	6.04%
2020	12,242	12,241	1	155,948	7.85%
2021	12,663	12,663	-	176,368	7.18%
2022	10,934	10,934	-	184,080	5.94%

See notes to other information.

Notes to Other Information

June 30, 2023

These schedules are 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.

(1) Teachers Retirement System of the State of Illinois – Changes of Assumption

For the 2022 measurement year, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated September 30, 2021.

For the 2021-2017 measurement years, the assumed investment rate of return was 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. 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 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.

(2) Illinois Municipal Retirement Fund Pension Plan – Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contribution Rate***(a) Valuation Date**

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

(b) Methods and Assumptions Used to Determine 2022 Contribution Rates

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 21-year closed period. Early retirement incentive plan liabilities: a period up to 10 years selected by the Employer upon adoption of early retirement incentive.

Notes to Other Information

Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	2.75%
Price inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
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.

(c) Other Information

There were no benefit changes during the year.

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

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Student Activity Funds

Schedule of Revenues Received and Expenditures Disbursed
Year ended June 30, 2023

Fund	Balance 07/01/22	Revenues Received	Expenditures Disbursed	Balance 06/30/23
Class of 2022	\$ 169	\$ -	\$ 169	\$ -
Class of 2023	1,707	1,513	3,220	-
Class of 2024	1,757	486	-	2,243
Class of 2025	686	521	-	1,207
Class of 2026	555	299	-	854
Class of 2027	276	468	-	744
Class of 2028	518	664	-	1,182
Class of 2029	54	840	-	894
Class of 2030	-	616	-	616
Class of 2031	-	974	-	974
Art	1,114	33	-	1,147
Assembly Programs	1,443	321	660	1,104
BB Activity	1,745	87	140	1,692
Cheerleaders	150	4	-	154
Robotics Club	285	1,082	100	1,267
Library	979	25	151	853
Make a Wish	444	10	100	354
Pep Club	3,228	1,437	2,009	2,656
School Store	495	-	495	-
Student Council	1,174	700	252	1,622
Sunshine	456	261	335	382
Volleyball	340	87	-	427
Yearbook	735	1,026	792	969
Math Team	45	-	45	-
PE	597	1,036	834	799
	<u>\$ 18,952</u>	<u>\$ 12,490</u>	<u>\$ 9,302</u>	<u>\$ 22,140</u>

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

Grantee Name	Shirland Community Consolidated School District #134
ID Numbers	AUDIT:39286 Grantee:674530 UEI:QNJ1GK3CDJL6 FEIN:366005754
Audit Period	7/1/2022 - 6/30/2023
Submitted	09/29/2023; Lindsey Minkie; Business Manager; finance@shirland134.com; 815-629-2000
Accepted	
Program Count	14

All Programs Total				
Category	State	Federal	Other	Total
Personal Services (Salaries and Wages)	0.00	20,907.50	0.00	20,907.50
Fringe Benefits	0.00	7,293.28	0.00	7,293.28
Travel	0.00	0.00	0.00	0.00
Equipment	0.00	0.00	0.00	0.00
Supplies	0.00	11,322.00	0.00	11,322.00
Contractual Services	0.00	26,049.34	0.00	26,049.34
Consultant (Professional Services)	0.00	9,213.26	0.00	9,213.26
Construction	0.00	212,794.00	0.00	212,794.00
Occupancy - Rent and Utilities	0.00	0.00	0.00	0.00
Research and Development	0.00	0.00	0.00	0.00
Telecommunications	0.00	0.00	0.00	0.00
Training and Education	0.00	0.00	0.00	0.00
Direct Administrative Costs	0.00	0.00	0.00	0.00
Miscellaneous Costs	0.00	0.00	2,135,364.00	2,135,364.00
ALN 21.027 CSLFRF	0.00	0.00	0.00	0.00
All Grant Specific Categories	2,689.00	293,497.93	0.00	296,186.93
TOTAL DIRECT EXPENDITURES	2,689.00	581,077.31	2,135,364.00	2,719,130.31
Indirect Costs	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	2,689.00	581,077.31	2,135,364.00	2,719,130.31

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	Department Of Healthcare And Family Services (478)
Program Name	Medical Assistance Program (478-00-0251)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
1st Quarter (Jul.-Sept.) Admin. Expenditures	0.00	295.78	0.00	295.78
2nd Quarter (Oct.-Dec.) Admin. Expenditures	0.00	807.19	0.00	807.19
3rd Quarter (Jan.-Mar.) Admin. Expenditures	0.00	580.75	0.00	580.75
4th Quarter (Apr.-Jun.) Admin. Expenditures	0.00	517.28	0.00	517.28
TOTAL DIRECT EXPENDITURES	0.00	2,201.00	0.00	2,201.00

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education (586)
Program Name	Fed. - Sp. Ed. - I.D.E.A. - Flow Through (586-64-0417)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Expenditure-Grant Projects during the Audit Period	0.00	23,898.00	0.00	23,898.00
TOTAL DIRECT EXPENDITURES	0.00	23,898.00	0.00	23,898.00

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education (586)
Program Name	Fed. - Sp. Ed. - Pre-School Flow Through: IDEA Part B - Consolidated Application (586-57-0420)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Expenditure-Grant Projects during the Audit Period	0.00	567.00	0.00	567.00
TOTAL DIRECT EXPENDITURES	0.00	567.00	0.00	567.00

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education (586)
Program Name	Federal Programs - Elementary and Secondary School Emergency Relief Grant (586-62-2402)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Expenditure-Grant Projects during the Audit Period	0.00	172,538.00	0.00	172,538.00
TOTAL DIRECT EXPENDITURES	0.00	172,538.00	0.00	172,538.00

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education (586)
Program Name	Federal Programs: ARP - IDEA Consolidated (586-53-2590)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
	0.00	0.00	0.00	0.00
TOTAL DIRECT EXPENDITURES	0.00	0.00	0.00	0.00

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education (586)
Program Name	Federal Programs: ARP - LEA American Rescue Plan (586-62-2578)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Personal Services (Salaries and Wages)	0.00	20,907.50	0.00	20,907.50
Fringe Benefits	0.00	7,293.28	0.00	7,293.28
Contractual Services	0.00	24,648.34	0.00	24,648.34
Consultant (Professional Services)	0.00	9,213.26	0.00	9,213.26
Construction	0.00	212,794.00	0.00	212,794.00
TOTAL DIRECT EXPENDITURES	0.00	274,856.38	0.00	274,856.38

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education (586)
Program Name	Federal Programs: Digital Equity Formula (586-43-2483)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Contractual Services	0.00	1,401.00	0.00	1,401.00
TOTAL DIRECT EXPENDITURES	0.00	1,401.00	0.00	1,401.00

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education (586)
Program Name	Fresh Fruit and Vegetables (586-18-0413) <i>This program was added by the grantee</i>
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Revenues-Grant Projects during the Audit Period	0.00	1,241.00	0.00	1,241.00
TOTAL DIRECT EXPENDITURES	0.00	1,241.00	0.00	1,241.00

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education (586)
Program Name	National School Lunch Program (586-18-0407)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Prior year project revenues in CY	0.00	2,839.93	0.00	2,839.93
Revenues-Grant Projects during the Audit Period	0.00	23,549.00	0.00	23,549.00
TOTAL DIRECT EXPENDITURES	0.00	26,388.93	0.00	26,388.93

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education (586)
Program Name	Non-Cash Commodity Value (586-18-2330) <i>This program was added by the grantee</i>
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Revenues-Grant Projects during the Audit Period	0.00	5,510.00	0.00	5,510.00
TOTAL DIRECT EXPENDITURES	0.00	5,510.00	0.00	5,510.00

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education (586)
Program Name	School Maintenance Project Grants (586-00-1723) <i>This program was added by the grantee</i>
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Expenditure-Grant Projects during the Audit Period	2,689.00	0.00	0.00	2,689.00
TOTAL DIRECT EXPENDITURES	2,689.00	0.00	0.00	2,689.00

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education (586)
Program Name	Title I - Low Income: Improving the Academic Achievement of the Disadvantaged (586-62-0414)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Expenditure-Grant Projects during the Audit Period	0.00	46,139.00	0.00	46,139.00
Prior year project lapse expends in CY	0.00	7,285.00	0.00	7,285.00
TOTAL DIRECT EXPENDITURES	0.00	53,424.00	0.00	53,424.00

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education (586)
Program Name	Title II - Teacher Quality: Preparing, Training, and Recruiting High-Quality Teachers, Principals, and Other School Leaders (586-62-0430)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Expenditure-Grant Projects during the Audit Period	0.00	5,595.00	0.00	5,595.00
TOTAL DIRECT EXPENDITURES	0.00	5,595.00	0.00	5,595.00

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

State Agency	State Board Of Education (586)
Program Name	Title IVA Student Support and Academic Enrichment (586-62-1588)
Program Limitations	No
Mandatory Match	No
Indirect Cost Rate	0.00 Base:

Category	State	Federal	Other	Total
Expenditure-Grant Projects during the Audit Period	0.00	2,135.00	0.00	2,135.00
TOTAL DIRECT EXPENDITURES	0.00	2,135.00	0.00	2,135.00

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

Program Name	Other grant programs and activities
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Category	State	Federal	Other	Total
Supplies	0.00	11,322.00	0.00	11,322.00
TOTAL DIRECT EXPENDITURES	0.00	11,322.00	0.00	11,322.00

**Illinois Grant Accountability and Transparency
Consolidated Year-End Financial Report**

Program Name	All other costs not allocated
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Category	State	Federal	Other	Total
Miscellaneous Costs	0.00	0.00	2,135,364.00	2,135,364.00
TOTAL DIRECT EXPENDITURES	0.00	0.00	2,135,364.00	2,135,364.00

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Schedule of Restricted Local Tax Levies
 Analysis of Changes in Cash Basis Fund Balance
 For the year ended June 30, 2023

	<u>Special Education</u>
	<u>Educational</u>
Operating revenues received	
Ad valorem taxes	\$ 3,462
Earnings on investments	<u>-</u>
Total operating revenues received	<u>3,462</u>
Operating expenditures disbursed	
Special education	<u>3,462</u>
Total operating expenditures disbursed	<u>3,462</u>
EXCESS OF OPERATING REVENUES RECEIVED OVER (UNDER) OPERATING EXPENDITURES DISBURSED	<u>-</u>
Fund balance, cash basis July 1, 2022	-
Transfer adjustment	<u>-</u>
Fund balance, cash basis June 30, 2023	<u><u>\$ -</u></u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Schedule of Assessed Valuations,
Property Tax Rates, Extensions and Collections (unaudited)
June 30, 2023

	Rate	Extension	Received Through 6/30/2022	Received Current Year	Uncollected (Over- collected) Balance
2022 LEVY - Assessed Valuation		\$ 38,764,798			
Educational	2.7551	1,068,009	-	606,757	461,252
Oper. & maint.	0.4257	165,022	-	93,752	71,270
Debt service	0.0000	-	-	-	-
Transportation	0.0774	30,004	-	17,046	12,958
Municipal retirement	0.0387	15,002	-	8,523	6,479
Social security	0.0723	28,027	-	15,923	12,104
Working cash	0.0000	-	-	-	-
Tort immunity	0.1007	39,036	-	22,177	16,859
Special education	0.0090	3,489	-	1,982	1,507
Fire prev. & safety	0.0998	38,687	-	21,979	16,708
Revenue recapture	0.0116	4,497	-	2,555	1,942
	<u>3.5903</u>	<u>1,391,773</u>	<u>-</u>	<u>790,694</u>	<u>601,079</u>
2021 LEVY - Assessed Valuation		\$ 33,956,414			
Educational	2.7360	985,962	557,285	426,058	2,619
Oper. & maint.	0.4040	145,588	82,289	62,912	387
Debt service	0.0000	-	-	-	-
Transportation	0.2433	87,677	49,557	37,887	233
Municipal retirement	0.0525	18,919	10,693	8,175	51
Social security	0.0884	31,856	18,006	13,766	84
Working cash	0.0000	-	-	-	-
Tort immunity	0.1055	38,019	21,489	16,429	101
Special education	0.0095	3,424	1,935	1,480	9
Fire prev. & safety	0.0281	10,126	5,724	4,376	26
Revenue recapture	0.0063	2,270	1,283	981	6
	<u>3.6736</u>	<u>1,323,841</u>	<u>748,261</u>	<u>572,064</u>	<u>3,516</u>
2020 LEVY - Assessed Valuation		\$ 32,687,205			
Educational	2.8438	965,653	963,084	-	2,569
Oper. & maint.	0.4213	143,058	142,677	-	381
Debt service	0.0000	-	-	-	-
Transportation	0.2875	97,625	97,364	-	261
Municipal retirement	0.0547	18,574	18,525	-	49
Social security	0.0921	31,274	31,190	-	84
Working cash	0.0000	-	-	-	-
Tort immunity	0.0863	29,304	29,226	-	78
Special education	0.0098	3,328	3,319	-	9
Fire prev. & safety	0.0292	9,915	9,889	-	26
	<u>3.8247</u>	<u>1,298,731</u>	<u>1,295,274</u>	<u>-</u>	<u>3,457</u>

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Assessed Valuations, Tax Rates and Extensions (unaudited)

<u>Year Ended June 30,</u>	<u>Levy Year</u>	<u>Assessed Valuation</u>	<u>Total Tax Rate</u>	<u>Taxes Extended</u>
2018	2016	29,057,478	4.0489	1,176,508
2019	2017	30,836,722	3.9174	1,207,998
2020	2018	31,767,090	3.9094	1,241,903
2021	2019	32,687,205	3.8763	1,267,054
2022	2020	33,956,414	3.8247	1,298,731
2023	2021	36,036,613	3.6736	1,323,841
2024	2022	38,764,798	3.5903	1,391,773

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Schedule of Average Daily Attendance, Operating Expense per Pupil,
And Total Operating Expense
(unaudited)

<u>Year ended June 30,</u>	<u>Average Daily Attendance</u>	<u>Operating Expense Per Pupil</u>	<u>Total Operating Expense</u>
2016	114	\$ 11,397	\$ 1,301,912
2017	113	11,294	1,276,318
2018	103	12,967	1,340,178
2019	101	14,480	1,465,333
2020	90	15,617	1,408,625
2021	91	17,224	1,569,137
2022	92	17,603	1,613,803
2023	98	18,105	1,772,882

SHIRLAND COMMUNITY CONSOLIDATED SCHOOL DISTRICT #134

Fund Balances Adjusted for Tax Receipts (unaudited)

	Total	Educational Fund	Operations & Maintenance Fund	Debt Services Fund	Transportation Fund	Municipal Retirement / Social Security Fund	Capital Projects Fund	Working Cash Fund	Tort Fund	Fire Prev. & Safety Fund
Fund balance, 6-30-16	\$ 1,514,120	\$ 912,192	\$ 65,980	\$ 21,705	\$ 443,117	\$ 41,986	\$ -	\$ -	\$ 19,758	\$ 9,382
Less "early tax distribution"	(652,644)	(516,593)	(83,431)	(6,917)	(7,672)	(20,250)	-	(1,541)	(11,492)	(4,748)
Adjusted fund balance	<u>\$ 861,476</u>	<u>\$ 395,599</u>	<u>\$ (17,451)</u>	<u>\$ 14,788</u>	<u>\$ 435,445</u>	<u>\$ 21,736</u>	<u>\$ -</u>	<u>\$ (1,541)</u>	<u>\$ 8,266</u>	<u>\$ 4,634</u>
Fund balance, 6-30-17	\$ 1,478,989	\$ 894,622	\$ 103,506	\$ 23,139	\$ 397,111	\$ 32,580	\$ -	\$ 2,813	\$ 19,942	\$ 5,276
Less "early tax distribution"	(646,617)	(529,237)	(87,836)	-	(6,388)	(9,901)	-	(1,581)	(11,674)	-
Adjusted fund balance	<u>\$ 832,372</u>	<u>\$ 365,385</u>	<u>\$ 15,670</u>	<u>\$ 23,139</u>	<u>\$ 390,723</u>	<u>\$ 22,679</u>	<u>\$ -</u>	<u>\$ 1,232</u>	<u>\$ 8,268</u>	<u>\$ 5,276</u>
Fund balance, 6-30-18	\$ 1,585,708	\$ 959,240	\$ 340,549	\$ 68	\$ 186,054	\$ 37,353	\$ -	\$ 4,151	\$ 24,231	\$ 34,062
Less "early tax distribution"	(645,287)	(500,940)	(89,840)	-	(6,540)	(26,635)	-	-	(15,962)	(5,370)
Adjusted fund balance	<u>\$ 940,421</u>	<u>\$ 458,300</u>	<u>\$ 250,709</u>	<u>\$ 68</u>	<u>\$ 179,514</u>	<u>\$ 10,718</u>	<u>\$ -</u>	<u>\$ 4,151</u>	<u>\$ 8,269</u>	<u>\$ 28,692</u>
Fund balance, 6-30-19	\$ 1,218,729	\$ 672,059	\$ 309,015	\$ -	\$ 141,963	\$ 36,160	\$ -	\$ 4,230	\$ 13,907	\$ 41,395
Less "early tax distribution"	(229,848)	(177,886)	(31,543)	-	(4,798)	(8,131)	-	-	(5,579)	(1,911)
Adjusted fund balance	<u>\$ 988,881</u>	<u>\$ 494,173</u>	<u>\$ 277,472</u>	<u>\$ -</u>	<u>\$ 137,165</u>	<u>\$ 28,029</u>	<u>\$ -</u>	<u>\$ 4,230</u>	<u>\$ 8,328</u>	<u>\$ 39,484</u>
Fund balance, 6-30-20	\$ 1,741,749	\$ 955,924	\$ 358,379	\$ -	\$ 233,372	\$ 63,418	\$ -	\$ 4,272	\$ 21,594	\$ 104,790
Less "early tax distribution"	(566,901)	(429,325)	(45,483)	-	(52,401)	(22,201)	-	-	(13,045)	(4,446)
Adjusted fund balance	<u>\$ 1,174,848</u>	<u>\$ 526,599</u>	<u>\$ 312,896</u>	<u>\$ -</u>	<u>\$ 180,971</u>	<u>\$ 41,217</u>	<u>\$ -</u>	<u>\$ 4,272</u>	<u>\$ 8,549</u>	<u>\$ 100,344</u>
Fund balance, 6-30-21	\$ 1,989,145	\$ 1,113,628	\$ 320,566	\$ -	\$ 333,826	\$ 85,872	\$ -	\$ 4,277	\$ 23,002	\$ 107,974
Less "early tax distribution"	(732,533)	(546,542)	(80,690)	-	(55,064)	(28,115)	-	-	(16,529)	(5,593)
Adjusted fund balance	<u>\$ 1,256,612</u>	<u>\$ 567,086</u>	<u>\$ 239,876</u>	<u>\$ -</u>	<u>\$ 278,762</u>	<u>\$ 57,757</u>	<u>\$ -</u>	<u>\$ 4,277</u>	<u>\$ 6,473</u>	<u>\$ 102,381</u>
Fund balance, 6-30-22	\$ 2,007,940	\$ 1,158,826	\$ 298,017	\$ -	\$ 389,407	\$ 114,489	\$ (390)	\$ 4,277	\$ 24,678	\$ 18,636
Less "early tax distribution"	(748,261)	(559,220)	(82,289)	-	(49,557)	(28,699)	-	-	(22,772)	(5,724)
Adjusted fund balance	<u>\$ 1,259,679</u>	<u>\$ 599,606</u>	<u>\$ 215,728</u>	<u>\$ -</u>	<u>\$ 339,850</u>	<u>\$ 85,790</u>	<u>\$ (390)</u>	<u>\$ 4,277</u>	<u>\$ 1,906</u>	<u>\$ 12,912</u>
Fund balance, 6-30-23	\$ 2,098,552	\$ 1,177,193	\$ 291,576	\$ -	\$ 369,920	\$ 143,195	\$ 324	\$ 4,277	\$ 28,963	\$ 83,104
Less "early tax distribution"	(790,694)	(608,739)	(93,752)	-	(17,046)	(24,446)	-	-	(24,732)	(21,979)
Adjusted fund balance	<u>\$ 1,307,858</u>	<u>\$ 568,454</u>	<u>\$ 197,824</u>	<u>\$ -</u>	<u>\$ 352,874</u>	<u>\$ 118,749</u>	<u>\$ 324</u>	<u>\$ 4,277</u>	<u>\$ 4,231</u>	<u>\$ 61,125</u>

The fund balances in the basic financial statements reflect all property tax distributions received by the district during each year ended June 30th, in accordance with the cash basis method of accounting used by the district. These balances have been adjusted above to exclude property tax distributions of the current year's levy received prior to June 30th of that year. These adjusted balances should not be construed to reflect the financial position of any fund.

Schedule of Findings and Responses
Year ended June 30, 2023

1. FINDING NUMBER: 2023- 001 2. THIS FINDING IS: New Repeat from Prior Year?

3. Criteria or specific requirement

The function of the District Treasurer is to review the accounting functions and provide a measure of oversight over daily financial procedures.

4. Condition

The District treasurer is also the staff person responsible for the District's bookkeeping activities.

5. Context

A system of internal controls should provide for adequate segregation in the duties of accounting personnel. Specifically, the duties of recording, reconciling, reviewing, and reporting transactions should be performed by different individuals.

6. Effect

Many of the accounting functions are performed by the same individual.

7. Cause

The District has a limited number of staff to allow for adequate segregation of duties.

8. Recommendation

It does not appear to be economically feasible to hire additional personnel to help segregate the accounting functions. However, the Board's close supervision and review of accounting information appears to be the most economical and appropriate manner to help prevent and detect errors and irregularities in the District's accounting and financial reporting. The District may also consider appointing a separate, external Treasurer.

9. Management's response

See corrective action plan.

CORRECTIVE ACTION PLAN
Year ended June 30, 2023

Finding Number: 2023-001

Summary of Finding:

Due to a limited staff size, a lack of segregation of duties exists in the District’s financial recording, reporting, and reconciliation functions which could cause inaccurate and/or incomplete financial results to be reported.

District Response and Action Plan:

The District continues to follow a previously developed handling procedure that includes a double count on all deposits before they are taken to the bank and a bank statement reconciliation review process. These processes include emphasized importance of the Board of Education’s periodic review of budget vs. actual financial reports and monthly cash balances and disbursements.

Contact Person: Lindsey Minkie, Business Manager

Anticipated Completion Date: N/A - ongoing