

***ANNUAL FINANCIAL REPORT***

**FOX LAKE GRADE SCHOOL  
DISTRICT NO. 114  
SPRING GROVE, ILLINOIS**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2023**

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**JUNE 30, 2023**

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### **INDEPENDENT AUDITOR'S REPORT**

To the Board of Education  
Fox Lake Grade School District No. 114  
Spring Grove, Illinois

#### **Opinions**

We have audited the accompanying financial statements of the Fox Lake Grade School District No. 114, Spring Grove, Illinois, (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School 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 District, as of June 30, 2023, and its revenues received and expenditures disbursed during the year then ended, based on 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 District, as of June 30, 2023, and 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 District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 1, the financial statements of District, on the basis of the financial reporting provisions of 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 comply with 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.

## **Emphasis of Matter**

### *Basis of Accounting*

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of 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 the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

## **Other Matters**

### *Other Information*

Management is responsible for the other information included in the annual report. The other information comprises the management's discussion and analysis and budgetary comparison information but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2023, on our consideration of District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 District's internal control over financial reporting and compliance.

*Evans, Marshall & Pease, P.C.*

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

Rolling Meadows, Illinois  
October 9, 2023  
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FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
STATEMENT OF ASSETS AND LIABILITIES  
ARISING FROM CASH TRANSACTIONS - REGULATORY BASIS  
JUNE 30, 2023

	Educational	Operations and Maintenance	Debt Service	Transportation
<b>Assets</b>				
Cash	\$ 1,496,984	\$ 740,600	\$ -	\$ 79,030
Interfund receivables	-	-	-	-
Capital assets:				
Land	-	-	-	-
Construction in progress	-	-	-	-
Buildings	-	-	-	-
Improvements other than buildings	-	-	-	-
Equipment	-	-	-	-
Transportation equipment	-	-	-	-
Right-of-use assets	-	-	-	-
Other debits:				
Amount to be provided for payment of:				
Bond principal	-	-	-	-
Lease principal	-	-	-	-
Amount available in debt service fund	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 1,496,984</u></b>	<b><u>\$ 740,600</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 79,030</u></b>
<b>Liabilities</b>				
Current liabilities				
Interfund payables	\$ 3,003,156	\$ -	\$ 114,339	\$ 109,302
Payroll deductions and withholdings	160,843	5,306	-	15,804
Flex benefit plan payable	31,232	-	-	-
Cash overdraft	-	-	134,323	-
Other payables	1,452	-	-	-
<b>Total current liabilities</b>	<b><u>3,196,683</u></b>	<b><u>5,306</u></b>	<b><u>248,662</u></b>	<b><u>125,106</u></b>
Long-term liabilities				
Bonds payable	-	-	-	-
Lease payable	-	-	-	-
<b>Total long-term liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Liabilities</b>	<b><u>3,196,683</u></b>	<b><u>5,306</u></b>	<b><u>248,662</u></b>	<b><u>125,106</u></b>
<b>Fund Balance</b>				
Investment in general fixed assets	-	-	-	-
Fund balance - unreserved - designated	3,644,451	464,201	131,791	365,103
Fund balance - unreserved - undesignated	(5,344,150)	271,093	(380,453)	(411,179)
<b>Total Fund Balance</b>	<b><u>(1,699,699)</u></b>	<b><u>735,294</u></b>	<b><u>(248,662)</u></b>	<b><u>(46,076)</u></b>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 1,496,984</u></b>	<b><u>\$ 740,600</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 79,030</u></b>

Municipal Retirement/ Social Security	Capital Projects	Working Cash	General Fixed Assets	General Long-Term Debt	Total
\$ 159,245	\$ 2,950,203	\$ 862,769	\$ -	\$ -	\$ 6,288,831
-	-	3,226,797	-	-	3,226,797
-	-	-	57,292	-	57,292
-	-	-	4,531,985	-	4,531,985
-	-	-	18,915,991	-	18,915,991
-	-	-	487,161	-	487,161
-	-	-	2,604,770	-	2,604,770
-	-	-	1,022,561	-	1,022,561
-	-	-	531,904	-	531,904
-	-	-	-	10,358,662	10,358,662
-	-	-	-	190,295	190,295
-	-	-	-	(248,662)	(248,662)
<u>\$ 159,245</u>	<u>\$ 2,950,203</u>	<u>\$ 4,089,566</u>	<u>\$ 28,151,664</u>	<u>\$ 10,300,295</u>	<u>\$ 47,967,587</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,226,797
-	-	-	-	-	181,953
-	-	-	-	-	31,232
-	-	-	-	-	134,323
-	-	-	-	-	1,452
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,575,757</u>
-	-	-	-	10,110,000	10,110,000
-	-	-	-	190,295	190,295
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,300,295</u>	<u>10,300,295</u>
-	-	-	-	10,300,295	13,876,052
-	-	-	28,151,664	-	28,151,664
172,523	-	2,107	-	-	4,780,176
(13,278)	2,950,203	4,087,459	-	-	1,159,695
<u>159,245</u>	<u>2,950,203</u>	<u>4,089,566</u>	<u>28,151,664</u>	<u>-</u>	<u>34,091,535</u>
<u>\$ 159,245</u>	<u>\$ 2,950,203</u>	<u>\$ 4,089,566</u>	<u>\$ 28,151,664</u>	<u>\$ 10,300,295</u>	<u>\$ 47,967,587</u>

(Continued)



FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
STATEMENT OF ASSETS AND LIABILITIES  
ARISING FROM CASH TRANSACTIONS - REGULATORY BASIS  
JUNE 30, 2023

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Debt Service</u>	<u>Transportation</u>
Assets/Liabilities - Student Activity Funds				
Cash	<u>\$ 18,412</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Assets	<u><u>\$ 18,412</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Fund Balance - reserved	<u>\$ 18,412</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities and Fund Balance	<u><u>\$ 18,412</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Total Assets/Liabilities - with Student Activity Funds				
Total Assets	<u><u>\$ 1,515,396</u></u>	<u><u>\$ 740,600</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 79,030</u></u>
Total Liabilities	<u><u>\$ 3,196,683</u></u>	<u><u>\$ 5,306</u></u>	<u><u>\$ 248,662</u></u>	<u><u>\$ 125,106</u></u>
Fund balance - reserved				
- Student Activity Funds	18,412	-	-	-
Fund balance - unreserved	<u>(1,699,699)</u>	<u>735,294</u>	<u>(248,662)</u>	<u>(46,076)</u>
Total Liabilities and Fund Balance	<u><u>\$ 1,515,396</u></u>	<u><u>\$ 740,600</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 79,030</u></u>

The accompanying notes are an integral part of these financial statements.

EXHIBIT A  
(Concluded)

<u>Municipal Retirement/ Social Security</u>	<u>Capital Projects</u>	<u>Working Cash</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	<u>Total</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,412</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,412</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,412</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,412</u>
<u>\$ 159,245</u>	<u>\$ 2,950,203</u>	<u>\$ 4,089,566</u>	<u>\$ 28,151,664</u>	<u>\$ 10,300,295</u>	<u>\$ 47,985,999</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,300,295</u>	<u>\$ 13,876,052</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,412</u>
<u>159,245</u>	<u>2,950,203</u>	<u>4,089,566</u>	<u>28,151,664</u>	<u>-</u>	<u>34,091,535</u>
<u>\$ 159,245</u>	<u>\$ 2,950,203</u>	<u>\$ 4,089,566</u>	<u>\$ 28,151,664</u>	<u>\$ 10,300,295</u>	<u>\$ 47,985,999</u>

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2023

	Educational	Operations and Maintenance	Debt Service
Revenues Received:			
Local sources	\$ 8,031,344	\$ 988,085	\$ 267,374
State sources	1,797,675	12,195	-
Federal sources	1,216,813	-	-
Total Direct Revenues Received	<u>11,045,832</u>	<u>1,000,280</u>	<u>267,374</u>
Revenues for On-Behalf Payments	<u>3,064,590</u>	<u>-</u>	<u>-</u>
Expenditures Disbursed:			
Instruction	5,265,967	-	-
Support services	3,227,465	919,810	-
Community services	35,218	-	-
Payments to other districts and governmental units	1,440,519	-	1,505
Debt services	<u>-</u>	<u>-</u>	<u>812,995</u>
Total Direct Expenditures Disbursed	<u>9,969,169</u>	<u>919,810</u>	<u>814,500</u>
Expenditures for On-Behalf Payments	<u>3,064,590</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed Before Other Financing Sources (Uses)	<u>1,076,663</u>	<u>80,470</u>	<u>(547,126)</u>
Other Financing Sources (Uses)			
Transfers in	-	-	440,753
Transfers out	<u>(440,753)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(440,753)</u>	<u>-</u>	<u>440,753</u>
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed and Other Financing Sources (Uses)	635,910	80,470	(106,373)
Fund Balance, July 1,	<u>(2,335,609)</u>	<u>654,824</u>	<u>(142,289)</u>
Fund Balance, June 30,	<u>\$ (1,699,699)</u>	<u>\$ 735,294</u>	<u>\$ (248,662)</u>
Student Activity Fund Balance, July 1,	<u>\$ 18,789</u>		
Student Activity Revenues	21,922		
Student Activity Expenditures	<u>22,299</u>		
(Deficiency) of Revenues (Under) Expenditures	<u>(377)</u>		
Student Activity Fund Balance, June 30,	<u>\$ 18,412</u>		

The accompanying notes are an integral part of these financial statements.

Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Total
\$ 736,279	\$ 376,135	\$ 97,802	\$ 41,189	\$ 10,538,208
647,391	-	-	-	2,457,261
-	-	-	-	1,216,813
1,383,670	376,135	97,802	41,189	14,212,282
-	-	-	-	3,064,590
-	144,244	-	-	5,410,211
1,266,514	244,777	3,995,533	-	9,654,099
-	-	-	-	35,218
-	-	-	-	1,442,024
151,056	-	-	-	964,051
1,417,570	389,021	3,995,533	-	17,505,603
-	-	-	-	3,064,590
(33,900)	(12,886)	(3,897,731)	41,189	(3,293,321)
-	-	-	-	440,753
-	-	-	-	(440,753)
-	-	-	-	-
(33,900)	(12,886)	(3,897,731)	41,189	(3,293,321)
(12,176)	172,131	6,847,934	4,048,377	9,233,192
\$ (46,076)	\$ 159,245	\$ 2,950,203	\$ 4,089,566	\$ 5,939,871

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
STATEMENT OF REVENUES RECEIVED  
FOR THE YEAR ENDED JUNE 30, 2023

	Educational	Operations and Maintenance	Debt Service
Revenues Received:			
Local Sources:			
General tax levy	\$ 7,423,229	\$ 960,286	\$ 266,449
Special education levy	112,611	-	-
FICA/Medicare levy	-	-	-
Corporate replacement taxes	316,895	-	-
Earnings on investments	21,042	21,247	925
Student activities	21,922	-	-
Food service	11,207	-	-
Pupil activities	12,056	-	-
Rental	27,814	5,500	-
Donations from private sources	255	-	-
Refund of prior year expenditures	759	-	-
Services provided to other districts	91,007	-	-
Other	14,469	1,052	-
Total Local Sources	<u>8,053,266</u>	<u>988,085</u>	<u>267,374</u>
States Sources:			
Evidence based funding formula	1,244,468	-	-
Special education	268,354	-	-
State free lunch	1,841	-	-
Early childhood	282,162	-	-
School Infrastructure projects	-	12,195	-
Other	850	-	-
Transportation	-	-	-
Total State Sources	<u>1,797,675</u>	<u>12,195</u>	<u>-</u>
Federal Sources:			
Title I - low income	114,160	-	-
Title II - teacher quality	20,872	-	-
Title III - language instruction program	17,239	-	-
Title IV - student support and academic enrichment	3,262	-	-
National school lunch	297,272	-	-
Special milk	559	-	-
School breakfast program	106,547	-	-
Summer food service program	7,031	-	-
NSLP equipment assistance grant	63,491	-	-
Special education	153,790	-	-
Medicaid matching - fee-for-service	59,976	-	-
Medicaid matching - administrative outreach	47,344	-	-
Other	325,270	-	-
Total Federal Sources	<u>1,216,813</u>	<u>-</u>	<u>-</u>
On-Behalf Payments	<u>3,064,590</u>	<u>-</u>	<u>-</u>
Total Revenues Received	<u><u>\$ 14,132,344</u></u>	<u><u>\$ 1,000,280</u></u>	<u><u>\$ 267,374</u></u>

The accompanying notes are an integral part of these financial statements.

<u>Transportation</u>	<u>Municipal Retirement/ Social Security</u>	<u>Capital Projects</u>	<u>Working Cash</u>	<u>Total</u>
\$ 682,807	\$ 166,556	\$ -	\$ 4,363	\$ 9,503,690
-	-	-	-	112,611
-	184,243	-	-	184,243
-	20,000	-	-	336,895
2,084	5,336	97,802	36,826	185,262
-	-	-	-	21,922
-	-	-	-	11,207
-	-	-	-	12,056
-	-	-	-	33,314
-	-	-	-	255
-	-	-	-	759
39,727	-	-	-	130,734
11,661	-	-	-	27,182
<u>736,279</u>	<u>376,135</u>	<u>97,802</u>	<u>41,189</u>	<u>10,560,130</u>
-	-	-	-	1,244,468
-	-	-	-	268,354
-	-	-	-	1,841
-	-	-	-	282,162
-	-	-	-	12,195
-	-	-	-	850
647,391	-	-	-	647,391
<u>647,391</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,457,261</u>
-	-	-	-	114,160
-	-	-	-	20,872
-	-	-	-	17,239
-	-	-	-	3,262
-	-	-	-	297,272
-	-	-	-	559
-	-	-	-	106,547
-	-	-	-	7,031
-	-	-	-	63,491
-	-	-	-	153,790
-	-	-	-	59,976
-	-	-	-	47,344
-	-	-	-	325,270
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,216,813</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,064,590</u>
<u>\$ 1,383,670</u>	<u>\$ 376,135</u>	<u>\$ 97,802</u>	<u>\$ 41,189</u>	<u>\$ 17,298,794</u>

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
EDUCATIONAL FUND  
STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

	Salaries	Employee Benefits	Purchased Services	Supplies and Materials
Instruction:				
Regular programs	\$ 2,864,751	\$ 286,534	\$ 68,932	\$ 222,204
Pre-K programs	245,848	44,487	-	7,531
Special education programs	756,203	103,380	6,325	10,362
Remedial and supplemental programs	163,957	22,370	2,874	5,909
Interscholastic programs	70,218	582	5,713	3,533
Summer school programs	102,874	1,096	-	1,190
Bilingual programs	182,346	22,405	-	-
Student activities	-	-	-	-
Total Instruction	4,386,197	480,854	83,844	250,729
Support Services:				
Pupil:				
Attendance and social work services	184,630	16,408	12,311	-
Health services	47,502	7,724	7,263	4,966
Speech and pathology services	190,702	16,462	1,450	-
Other services	-	-	210	7,828
Total Pupil	422,834	40,594	21,234	12,794
Instructional Staff:				
Improvement of instruction services	94,037	14,696	57,630	5,079
Educational media services	67,607	1,201	-	6,795
Assessment and testing services	-	-	8,823	845
Total Instructional Staff	161,644	15,897	66,453	12,719
General Administration:				
Board of education services	-	4,238	191,295	9,359
Executive administration services	249,027	62,573	2,024	10,829
Special area administration services	-	117,541	-	-
Total General Administration	249,027	184,352	193,319	20,188
School Administration:				
Office of the principal services	571,357	148,181	2,299	4,475
Total School Administration	571,357	148,181	2,299	4,475

Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
\$ 46,521	\$ 1,646	\$ -	\$ -	\$ 3,490,588	\$ 3,534,879
-	-	-	-	297,866	355,994
12,916	-	-	-	889,186	1,126,213
-	-	-	-	195,110	191,076
-	3,260	-	-	83,306	47,700
-	-	-	-	105,160	141,450
-	-	-	-	204,751	193,821
-	22,299	-	-	22,299	-
59,437	27,205	-	-	5,288,266	5,591,133
-	-	-	-	213,349	225,839
-	-	-	-	67,455	85,269
-	-	-	-	208,614	207,067
-	-	-	-	8,038	7,000
-	-	-	-	497,456	525,175
-	-	-	-	171,442	247,110
-	-	-	-	75,603	70,926
-	-	-	-	9,668	16,500
-	-	-	-	256,713	334,536
-	8,408	-	-	213,300	244,185
-	5,180	-	-	329,633	330,034
-	-	-	-	117,541	118,925
-	13,588	-	-	660,474	693,144
-	-	-	-	726,312	727,603
-	-	-	-	726,312	727,603

(Continued)



FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
EDUCATIONAL FUND  
STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

	Salaries	Employee Benefits	Purchased Services	Supplies and Materials
Business:				
Direction of business support services	\$ 143,599	\$ 28,879	\$ -	\$ -
Fiscal services	78,384	11,289	29,876	1,551
Food services	196,444	37,223	1,288	273,467
Total Business	418,427	77,391	31,164	275,018
Central:				
Information services	-	-	-	-
Data processing services	144,687	22,437	-	-
Total Central	144,687	22,437	-	-
Other Support Services:	-	-	106,757	1,181
Total Other Support Services	-	-	106,757	1,181
Total Support Services	1,967,976	488,852	421,226	326,375
Community Services	32,735	23	2,460	-
Payments to Other Districts and Governmental Units	-	-	554,181	-
Total Expenditures Disbursed	\$ 6,386,908	\$ 969,729	\$ 1,061,711	\$ 577,104

The accompanying notes are an integral part of these financial statements.

EXHIBIT D  
(Concluded)

Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
\$ -	\$ -	\$ -	\$ -	\$ 172,478	\$ 169,733
-	9,448	-	-	130,548	112,790
-	-	-	-	508,422	414,213
-	9,448	-	-	811,448	696,736
-	-	-	-	-	2,000
-	-	-	-	167,124	314,696
-	-	-	-	167,124	316,696
-	-	-	-	107,938	500
-	-	-	-	107,938	500
-	23,036	-	-	3,227,465	3,294,390
-	-	-	-	35,218	-
-	886,338	-	-	1,440,519	1,128,611
<u>\$ 59,437</u>	<u>\$ 936,579</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,991,468</u>	<u>\$ 10,014,134</u>

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
 OPERATIONS AND MAINTENANCE FUND  
 STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2023

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	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
Support Services:				
Business:				
Operations and maintenance of plant services	<u>\$ 312,980</u>	<u>\$ 34,529</u>	<u>\$ 265,185</u>	<u>\$ 171,439</u>
Total Business	<u>312,980</u>	<u>34,529</u>	<u>265,185</u>	<u>171,439</u>
Total Support Services	<u>312,980</u>	<u>34,529</u>	<u>265,185</u>	<u>171,439</u>
Total Expenditures Disbursed	<u><u>\$ 312,980</u></u>	<u><u>\$ 34,529</u></u>	<u><u>\$ 265,185</u></u>	<u><u>\$ 171,439</u></u>

The accompanying notes are an integral part of these financial statements.

<u>Capital Outlay</u>	<u>Other Objects</u>	<u>Non-Capitalized Equipment</u>	<u>Termination Benefits</u>	<u>Total</u>	<u>Budget</u>
<u>\$ 135,677</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 919,810</u>	<u>\$ 1,010,718</u>
<u>135,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>919,810</u>	<u>1,010,718</u>
<u>135,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>919,810</u>	<u>1,010,718</u>
<u><u>\$ 135,677</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 919,810</u></u>	<u><u>\$ 1,010,718</u></u>

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
DEBT SERVICE FUND  
STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

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	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
Debt Services:				
Principal retirements	\$ -	\$ -	\$ -	\$ -
Interest on bonds	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Debt Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures Disbursed	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
\$ -	\$ 379,213	\$ -	\$ -	\$ 379,213	\$ -
-	433,782	-	-	433,782	271,375
-	1,505	-	-	1,505	-
-	814,500	-	-	814,500	271,375
\$ -	\$ 814,500	\$ -	\$ -	\$ 814,500	\$ 271,375

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
TRANSPORTATION FUND  
STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
Support Services:				
Business:				
Pupil transportation services	<u>\$ 369,492</u>	<u>\$ 61,534</u>	<u>\$ 745,534</u>	<u>\$ 64,492</u>
Total Business	<u>369,492</u>	<u>61,534</u>	<u>745,534</u>	<u>64,492</u>
Total Support Services	<u>369,492</u>	<u>61,534</u>	<u>745,534</u>	<u>64,492</u>
Debt Services:				
Payments of interest on long term debt	-	-	-	-
Payments of principal on long term debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Debt Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures Disbursed	<u><u>\$ 369,492</u></u>	<u><u>\$ 61,534</u></u>	<u><u>\$ 745,534</u></u>	<u><u>\$ 64,492</u></u>

The accompanying notes are an integral part of these financial statements.

<u>Capital Outlay</u>	<u>Other Objects</u>	<u>Non-Capitalized Equipment</u>	<u>Termination Benefits</u>	<u>Total</u>	<u>Budget</u>
<u>\$ 24,267</u>	<u>\$ 1,195</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,266,514</u>	<u>\$ 1,083,296</u>
<u>24,267</u>	<u>1,195</u>	<u>-</u>	<u>-</u>	<u>1,266,514</u>	<u>1,083,296</u>
<u>24,267</u>	<u>1,195</u>	<u>-</u>	<u>-</u>	<u>1,266,514</u>	<u>1,083,296</u>
 -	 16,695	 -	 -	 16,695	 -
 -	 134,361	 -	 -	 134,361	 -
 -	 151,056	 -	 -	 151,056	 -
<u>\$ 24,267</u>	<u>\$ 152,251</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,417,570</u>	<u>\$ 1,083,296</u>



FOX LAKE GRADE SCHOOL DISTRICT NO.114  
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

	Salaries	Employee Benefits	Purchased Services	Supplies and Materials
Instruction:				
Regular programs	\$ -	\$ 65,506	\$ -	\$ -
Pre-K programs	-	20,714	-	-
Special education programs	-	32,825	-	-
Remedial and supplemental programs K-12	-	15,382	-	-
Interscholastic programs	-	4,515	-	-
Summer school	-	3,137	-	-
Bilingual programs	-	2,165	-	-
Total Instruction	-	144,244	-	-
Support Services				
Pupil:				
Attendance and social work services	-	2,638	-	-
Health services	-	7,815	-	-
Psychological services	-	-	-	-
Speech pathology and audiology services	-	2,676	-	-
Total Pupil	-	13,129	-	-
Instructional Staff:				
Improvement of instruction services	-	1,359	-	-
Educational media services	-	11,153	-	-
Total Instructional Staff	-	12,512	-	-
General Administration:				
Executive administrative services	-	12,849	-	-
Special area administrative services	-	1,374	-	-
Total General Administration	-	14,223	-	-
School Administration:				
Office of the principal services	-	30,961	-	-
Total School Administration	-	30,961	-	-
Business:				
Direction of business support		2,056		
Fiscal services	-	12,357	-	-
Operations and maintenance of plant services	-	50,264	-	-
Pupil transportation services	-	54,412	-	-
Food services	-	31,825	-	-
Total Business	-	150,914	-	-

Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
\$ -	\$ -	\$ -	\$ -	\$ 65,506	\$ 79,100
-	-	-	-	20,714	17,700
-	-	-	-	32,825	43,500
-	-	-	-	15,382	2,650
-	-	-	-	4,515	1,600
-	-	-	-	3,137	1,800
-	-	-	-	2,165	2,150
-	-	-	-	144,244	148,500
-	-	-	-	2,638	2,600
-	-	-	-	7,815	3,950
-	-	-	-	-	500
-	-	-	-	2,676	2,350
-	-	-	-	13,129	9,400
-	-	-	-	1,359	2,460
-	-	-	-	11,153	10,750
-	-	-	-	12,512	13,210
-	-	-	-	12,849	11,550
-	-	-	-	1,374	2,000
-	-	-	-	14,223	13,550
-	-	-	-	30,961	29,800
-	-	-	-	30,961	29,800
-	-	-	-	2,056	1,800
-	-	-	-	12,357	14,400
-	-	-	-	50,264	64,100
-	-	-	-	54,412	54,650
-	-	-	-	31,825	31,750
-	-	-	-	150,914	166,700

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FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

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	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
Central:				
Data processing services	<u>\$ -</u>	<u>\$ 23,038</u>	<u>\$ -</u>	<u>\$ -</u>
Total Central	<u>-</u>	<u>23,038</u>	<u>-</u>	<u>-</u>
Total Support Services	<u>-</u>	<u>244,777</u>	<u>-</u>	<u>-</u>
Total Expenditures Disbursed	<u><u>\$ -</u></u>	<u><u>\$ 389,021</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
\$ -	\$ -	\$ -	\$ -	\$ 23,038	\$ 23,500
-	-	-	-	23,038	23,500
-	-	-	-	244,777	256,160
\$ -	\$ -	\$ -	\$ -	\$ 389,021	\$ 404,660

FOX LAKE GRADE SCHOOL DISTRICT NO.114  
CAPITAL PROJECTS FUND  
STATEMENT OF EXPENDITURES DISBURSED, BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

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	<u>Salaries</u>	<u>Employee Benefits</u>	<u>Purchased Services</u>	<u>Supplies and Materials</u>
Support Services				
Facilities acquisition and construction services	\$ -	\$ -	\$ 1,304	\$ -
Total Support Services	<u>-</u>	<u>-</u>	<u>1,304</u>	<u>-</u>
Total Expenditures Disbursed	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,304</u>	<u>\$ -</u>

Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
<u>\$ 3,994,229</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,995,533</u>	<u>\$ 4,830,161</u>
<u>3,994,229</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,995,533</u>	<u>4,830,161</u>
<u><u>\$ 3,994,229</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,995,533</u></u>	<u><u>\$ 4,830,161</u></u>

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FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

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

Fox Lake Grade School District No. 114's (the "District") accounting policies conform to the cash basis of accounting as defined by the Illinois State Board of Education Audit Guide.

***A. Principles Used to Determine Scope of Entity***

The reporting entity includes the 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 its citizens, including joint agreements which serve pupils from numerous districts, should be included within its financial reporting entity. The criteria include, but is 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.

The joint agreement has 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 is therefore excluded from the accompanying financial statements because the District does not control the assets, operations, or management of the joint agreement. 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***

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 disbursed. The District maintains individual funds required by the State of Illinois. These funds are grouped 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 funds and account groups are used by the District.

Educational Fund – The Educational Fund is the general operating fund of the District. It is used to account for all transactions that are not specifically covered in another fund. Certain expenditures that must be charged to this fund include the direct costs of instructional programs, health and attendance services, lunch programs, all costs of administration, and related insurance costs. Certain revenues that must be credited to this fund include educational tax levies, tuition, and textbook rentals. Tort, Special Education, and student activities are included in this fund.

Operations and Maintenance Fund – The Operations and Maintenance Fund is used to account for all costs of maintaining, improving, or repairing school buildings and property, renting buildings and property for school purposes, or paying of premiums for insurance on school buildings. Operations of this fund are generally financed by a special tax levied for these purposes and contributions and donations from private sources.

Debt Service Fund – The Debt Service Fund is used to account for all principal, interest, and administrative costs for tax-financed bond payments. Operations of this fund are generally financed by a special tax levied for these purposes.

Transportation Fund – The Transportation Fund is used to account for the costs associated with transporting pupils for any purpose. Revenue received for transportation purposes from any source must be deposited into this fund, including property taxes levied and state grants received for these purposes.



FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Municipal Retirement/Social Security Fund – The Municipal Retirement/Social Security Fund is used to account for costs of providing retirement benefits under Municipal Retirement Fund and Social Security if there are separate taxes levied for these purposes. If separate taxes are not levied for these purposes, then the payments shall be charged to the fund where the salaries are charged.

Working Cash Fund – The Working Cash Fund is used to account for a separate tax levied for working cash purposes and for any bonds sold for this purpose. Cash available in this fund may be loaned to any fund of the District.

General Fixed Assets Account Group – The General Fixed Assets Account Group is used to record physical assets of the District that have a long-term (i.e., more than one year) period of usefulness.

General Long-Term Debt Account Group – The General Long-Term Debt Account Group is used to record total bonded debt and other long-term debt of the District.

Measurement Focus

The financial statements of all funds, except the agency fund and two account groups, 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.” 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 capital assets and long-term liabilities associated with a fund are determined by its measurement focus. Capital assets used in operations are accounted for in the General Fixed Assets Account Group rather than in the funds. Long-term liabilities expected to be financed from funds are accounted for in the General Long-Term Debt Account Group, not in the 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 revenues received and expenditures disbursed 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, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

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.

If the District utilized accounting principles generally accepted in the United States of America, the basic financial statements would be replaced with government-wide financial statements and fund financial statements. The fund financial statements would use the modified accrual basis of accounting. The government-wide financial statements would be presented on the accrual basis of accounting.

**D. Cash and Deposits**

Cash and deposits are considered to be cash on hand, demand deposits, money market accounts and non-negotiable certificates of deposit.

**E. Capital Assets**

Capital assets have been acquired for general governmental purposes. At the time of purchase, capital assets are recorded as disbursements in the fund for which the asset was purchased and capitalized at cost in the General Fixed Assets Account Group. Donated capital assets are stated at acquisition value as of the date of acquisition.

Capital assets are defined by the District as assets with an initial individual cost of more than \$500 and an estimated useful life in excess of one year or more. Such assets are recorded at historical cost or acquisition value.

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

Depreciation of capital assets is provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Improvements, other than buildings	20
Buildings	40
Equipment	5-10

**F. Leases**

The District is a party to a lease for equipment (copiers) and buses. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in general fixed assets and general long-term debt account groups.

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

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

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

**G. Total Memorandum Only**

The “Total Memorandum Only” column represents the aggregation (by addition) of the line items amounts reported for each fund type and account group. No consolidations or other eliminations were made in arriving at the totals; thus, they do not present consolidated information.

These totals are presented only to facilitate financial analysis and are not intended to reflect the financial position or results of operations of the District as a whole.

**H. Corporate Replacement Taxes**

Corporate replacement taxes are first allocated to the Municipal Retirement/Social Security Fund to the extent required by Illinois law, then the balance is allocated to the Educational Fund at the discretion of the District.

**I. Fund Balance Reporting**

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

*Nonspendable* – the nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

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

- *Student Activities* – Revenues and the related expenditures of this restricted fund accounted for in the Educational Account. At June 30, 2023, \$18,412 is the reserved fund balance.
- *Special Education* – revenues and the related expenditures of this restricted tax levy are accounted for in the Educational Fund.
- *State Grants* – proceeds from state grants and the related expenditures have been included in the Educational Fund and Transportation Fund.
- *Federal Grants* – proceeds from federal grants and the related expenditures have been included in the Educational Fund.

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

- *Social Security* – expenditures and the related expenditures of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund.

*Committed* – the committed fund balance refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the school board. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

*Assigned* – the assigned fund balance classification refers to amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Assignments may take place after the end of the reporting period.

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

*Expenditures of fund balances* – unless specifically identified, expenditures reduce restricted balances first, then to 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.

**NOTE 2 – RESERVED FUND BALANCES**

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.

***Social Security Tax Levy***

Cash receipts and the related cash disbursements of this reserved tax levy are accounted for in the Illinois Municipal Retirement/Social Security Fund. The Social Security portion of the fund balance at June 30, 2023, is \$99,817.

**NOTE 3 – DESIGNATED FUND BALANCE**

The District has designated receipts from the 2022 tax levy for expenditures to be incurred during fiscal year ending June 30, 2023. At June 30, 2023, the following balances were designated:

Fund	Amount
Educational	\$ 3,644,451
Operations and Maintenance	464,201
Debt Service	131,791
Transportation	365,103
Municipal Retirement/Social Security	172,523
Working Cash	2,107
Total	<u>\$ 4,780,176</u>

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 4 – BUDGETS AND BUDGETARY ACCOUNTING**

***Budgets and Budgetary Accounting***

The budget for all funds 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 Chapter 105, Section 5/17-1 of the Illinois Compiled Statutes. The budget was passed on September 20, 2022.

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

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

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

***Expenditures in Excess of Budget***

Excluding unbudgeted on-behalf payments in the Educational Fund, the District over-expended its budget in the Debt Service Fund by \$543,125, and the Transportation Fund by \$334,274.

**NOTE 5 – 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 2022 levy was passed by the Board on December 20, 2022. The 2021 levy was passed by the Board on December 14, 2021. 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 approximately one month after these dates. Taxes recorded in these financial statements are from the 2022 and 2021 tax levies.

The following are the tax rate limits permitted by the School Code and by local referendum and the actual rates levied per \$100 of assessed valuation:

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 5 – PROPERTY TAXES (CONT'D)**

	<u>Tax Rate Limits</u>	<u>2022 Levy</u>	<u>2021 Levy</u>
Educational	3.5000	2.6526	2.7773
Special Education	0.4000	0.0402	0.0422
Operations and Maintenance	0.5500	0.3432	0.3596
Transportation	As needed	0.2696	0.2299
Municipal Retirement	As needed	0.0611	0.0610
Social Security	As needed	0.0665	0.0683
Bond and Interest	As needed	0.1064	0.1064
Working Cash	0.05	0.0016	0.0017
		<u>3.5412</u>	<u>3.6464</u>

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

<u>Tax Year</u>	<u>2022</u>		<u>2021</u>	
Equalized				
Assessed Valuation	<u>\$273,733,189</u>		<u>\$252,276,724</u>	
	<u>Rates</u>	<u>Extensions</u>	<u>Rates</u>	<u>Extensions</u>
<u>Purpose</u>				
Educational	2.6526	\$ 7,243,875	2.7773	\$ 7,006,504
Special Education	0.0402	109,853	0.0422	106,342
Operations and Maintenance	0.3432	937,259	0.3596	907,311
Transportation	0.2696	736,337	0.2299	580,052
Municipal Retirement	0.0611	166,904	0.0610	153,864
Social Security	0.0665	181,631	0.0683	172,343
Bond and Interest	0.1064	290,503	0.1064	268,364
Working Cash	0.0016	4,413	0.0017	4,271
	<u>3.5412</u>	<u>\$ 9,670,775</u>	<u>3.6464</u>	<u>\$ 9,199,051</u>

**NOTE 6 – CASH AND DEPOSITS**

The District has adopted a formal cash and investment management policy. The financial institutions in which accounts are made must be approved by the Board of Education.

Separate deposit and investment accounts are not maintained for all District funds; instead, the individual funds maintain their balances in the common accounts, with accounting records being maintained to show the portion of the common account balance attributable to each participating fund.

At June 30, 2023, the carrying amount of the District's cash and deposits totaled \$6,172,920. The bank balances totaled \$6,715,874.

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 6 – CASH AND DEPOSITS (CONT'D)**

For disclosure purposes, the amounts are classified as follows:

<u>Cash and Deposits</u>	<u>Amount</u>	<u>Maturities</u>		
		<u>Less Than Six Months</u>	<u>Six Months to One Year</u>	<u>One Year to Three Years</u>
Cash with Financial Institutions	\$ 340,015	\$ 340,015	\$ -	\$ -
ISDLAF+	<u>6,375,859</u>	<u>5,424,909</u>	<u>950,950</u>	<u>-</u>
Total	<u>\$ 6,715,874</u>	<u>\$ 5,764,924</u>	<u>\$ 950,950</u>	<u>\$ -</u>

*Interest Rate Risk.* The District limits its exposure to losses arising from increasing interest rates by limiting the amount of cash held for a period longer than one year.

*Credit Risk.* The District is allowed to invest in securities as authorized by Chapter 30, Sections 23 5/2, and 23 5/6, and Chapter 105, Section 5/8-7 of the *Illinois Compiled Statutes*. These Statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. Agencies' accounts and any other investments constituting direct obligations of any bank as defined by the Illinois Bank Act, certain short-term commercial paper, accounts of federally insured savings and loans, and the state treasurers' investment pool. The District has no cash and investment policy that would further limit its cash and investment choices.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit investment trust fund formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. This fund is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940. Investments are valued at net asset value (NAV) per share price, which is the price at which the investment could be sold, as determined by the pool.

*Custodial Risk.* Custodial credit risk is the risk that, in the event of the failure of the bank or the counterparty, the District will not be able to recover the value of its deposits that are in the possession of an outside party. The bank balances of \$6,715,874 are as follows:

<u>Depository Account</u>	<u>Bank Balance</u>
FDIC Insured	\$ 302,143
Collateralized	1,198,950
Uncollateralized	<u>5,214,781</u>
Total	<u>\$ 6,715,874</u>

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 7 – CHANGES IN CAPITAL ASSETS**

A summary of changes in capital assets follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated				
Land	\$ 57,292	\$ -	\$ -	\$ 57,292
Construction in progress	537,757	3,994,228	-	4,531,985
Total	595,049	3,994,228	-	4,589,277
Capital assets being depreciated/ amortized				
Site improvements	438,084	49,077	-	487,161
Buildings and improvements	18,833,239	82,752	-	18,915,991
Equipment	2,541,484	63,286	-	2,604,770
Transportation equipment	998,294	24,267	-	1,022,561
Leased equipment	531,904	-	-	531,904
Total	23,343,005	219,382	-	23,562,387
Total Capital Assets	<u>\$ 23,938,054</u>	<u>\$ 4,213,610</u>	<u>\$ -</u>	<u>\$ 28,151,664</u>

**NOTE 8 – GENERAL LONG-TERM DEBT**

Changes in general long-term debt are summarized as follows:

	Balance July 1, 2022	Issued	Retired/ Refunded	Balance June 30, 2023
Capital Appreciation School Bonds, 4/29/2004	\$ 50,625	\$ -	\$ 50,625	\$ -
Limited School Bonds, 11/13/18	2,560,000	-	-	2,560,000
School Bonds, 7/21/20	1,235,000	-	145,000	1,090,000
School Bonds, 9/29/21	6,615,000	-	155,000	6,460,000
Right-to-use asset - buses	272,162	-	134,361	137,801
Right-to-use asset - copiers	81,081	-	28,587	52,494
Total	<u>\$ 10,813,868</u>	<u>\$ -</u>	<u>\$ 513,573</u>	<u>\$ 10,300,295</u>

Bonds

On April 29, 2004, the District issued \$1,459,463 in General Obligation Limited Tax Capital Appreciation School Bonds. The bond's interest rate ranges from 4.7% to 6.7%. Interest is due on the bonds every July 1 and January 1 beginning January 1, 2010, and continuing until January 1, 2023. Principal payments are due every January 1 beginning January 1, 2010, and ending January 1, 2023.

On November 13, 2018, the District issued \$2,560,000 in General Obligation Limited School Bonds to advance refund \$84,880 of outstanding 2004 General Obligation Limited Tax Capital Appreciation School Bonds. The bonds' interest rate ranges from 3.70% to 4.25%. Interest is due on the bonds every July 1 and January 1 beginning July 1, 2019, and continuing until January 1, 2035. Principal payments are due every January 1 beginning January 1, 2024, and ending January 1, 2035.



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**NOTE 8 – GENERAL LONG-TERM DEBT (CONT'D)**

On July 21, 2020, the District issued \$1,835,000 in General Obligation School Bonds. The bonds' interest rate ranges from 1.17% to 2.10%. Interest is due on the bonds every July 1 and January 1 beginning July 1, 2021, and continuing until January 1, 2030. Principal payments are due every January 1 beginning January 1, 2022, and ending January 1, 2030.

On September 29, 2021, the District issued \$6,615,000 in General Obligation School Bonds. The bonds' interest rate is 3.00%. Interest is due on the bonds every July 1 and January 1 beginning July 1, 2022, and continuing until January 1, 2030. Principal payments are due every January 1 beginning January 1, 2023, and ending January 1, 2040.

Leases

The District entered is a party to a lease for the right-to-use copiers, totaling \$141,862, with a monthly payment of \$2,581 including interest at 3.50%. The lease continues through March 2, 2025. These obligations will be paid from current operating funds of the Educational Fund. Accumulated amortization at June 30, 2023 on this lease is \$92,211

The District entered is a party to a lease the right-to-use buses, totaling \$423,218, with an annual payment of \$151,056 including interest at 7.25%. The lease continues through July, 2024. This obligations will be paid from current operating funds of the Transportation Fund. Accumulated amortization at June 30, 2023 on this lease is \$273,926.

**Legal Debt Margin**

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. For the tax year 2022, the equalized assessed valuation was \$273,733,189. The District's legal debt limit is \$18,887,590 and as of June 30, 2023, the District has a legal debt margin of \$8,587,295.

At June 30, 2023 the annual debt service requirements to service bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 515,000	\$ 315,705	\$ 830,705
2025	535,000	301,765	836,765
2026	555,000	286,195	841,195
2027	580,000	269,848	849,848
2028	600,000	252,380	852,380
2029	625,000	233,838	858,838
2030	645,000	214,083	859,083
2031	670,000	190,718	860,718
2032	695,000	167,160	862,160
2033	725,000	142,575	867,575
2034	760,000	117,163	877,163
2035	600,000	90,450	690,450
2036	490,000	70,800	560,800
2037	505,000	55,875	560,875
2038	520,000	40,500	560,500
2039	535,000	24,675	559,675
2040	555,000	8,325	563,325
Total	<u>\$ 10,110,000</u>	<u>\$ 2,782,055</u>	<u>\$ 12,892,055</u>

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 8 – GENERAL LONG-TERM DEBT (CONT'D)**

At June 30, 2023, the annual debt service requirements to service leases are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 167,405	\$ 14,623	\$ 182,028
2025	22,890	335	23,225
Total	<u>\$ 190,295</u>	<u>\$ 14,958</u>	<u>\$ 205,253</u>

**NOTE 9 – RETIREMENT FUND COMMITMENTS**

**Teachers' Retirement System (TRS) of the State of Illinois**

**General Information about the Pension Plan**

*Plan Description*

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

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

*Benefits Provided*

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

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

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

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**NOTE 9 – RETIREMENT FUND COMMITMENTS (CONT'D)**

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier I members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier I and II members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the state of Illinois.

*Contributions*

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

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

**On-behalf contributions to TRS.** The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2023, State of Illinois contributions recognized by the employer were based on the State's proportionate share of with the pension expense associated with the employer, and the employer recognized revenue and expenditures of \$3,017,434 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 \$30,389, and are deferred because they were paid after the June 30, 2022, measurement date.

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

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

For the year ended June 30, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$69,368 were paid from federal and special trust funds that required employer contributions of \$7,277. These contributions are deferred because they were paid after the June 30, 2022, measurement date.

**Employer retirement 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 \$4,138 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.

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 9 – RETIREMENT FUND COMMITMENTS (CONT'D)**

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

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

District's proportionate share of the net pension liability	\$ 442,841
State's proportionate share of the net pension liability associated with the District	<u>38,413,534</u>
Total	<u><u>\$ 38,856,375</u></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 projected contributions of all participating TRS employers and the state during that period. At June 30, 2022, the employer's proportion was .000528 percent, which was a decrease of .000501 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the employer recognized pension expense of \$2,948,241 and revenue of \$3,017,434 for support provided by the state. At June 30, 2023, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in pension expense in future periods</i>		
Differences between expected and actual experience	\$ 890	\$ 2,442
Changes of assumptions	2,042	845
Net difference between projected and actual earnings on pension plan investments	405	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>547,577</u>	<u>590,305</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>550,914</u>	<u>593,592</u>
<i>Pension contributions made subsequent to the measurement date</i>	<u>37,666</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u><u>\$ 588,580</u></u>	<u><u>\$ 593,592</u></u>

\$37,666 was reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date recognized as a reduction of the net pension liability in the reporting year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pensions will be recognized in pension expense as follows:

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NOTES TO FINANCIAL STATEMENTS  
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**NOTE 9 – RETIREMENT FUND COMMITMENTS (CONT'D)**

Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources
2024	\$ (54,675)
2025	(7,434)
2026	37,722
2027	15,214
2028	(33,505)
Total	<u>\$ (42,678)</u>

*Actuarial Assumptions*

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

<b>Inflation</b>	2.50 percent
<b>Salary increases</b>	varies by amount of service credit
<b>Investment rate of return</b>	7.00 percent, net of pension plan investment expense, including inflation

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	16.3%	5.73%
U.S. equities small/mid cap	1.9%	6.78%
International equities developed	14.1%	6.56%
Emerging market equities	4.7%	8.55%
U.S. bonds core	6.9%	1.15%
Cash equivalents	1.2%	-0.32%
TIPS	0.5%	0.33%
International debt developed	1.2%	6.56%
Emerging international debt	3.7%	3.76%
Real estate	16.0%	5.42%
Private debt	12.5%	5.29%
Hedge funds	4.0%	3.48%
Private equity	15.0%	10.04%
Infrastructure	2.0%	5.86%
Total	<u>100.0%</u>	

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 9 – RETIREMENT FUND COMMITMENTS (CONT'D)**

*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 of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 541,599	\$ 442,841	\$ 360,948

*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*.

**A. Illinois Municipal Retirement Fund (IMRF)**

**IMRF Plan Description**

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

**Benefits Provided**

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

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 9 – RETIREMENT FUND COMMITMENTS (CONT'D)**

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

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings.

Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- ½ 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	44
Inactive Plan Members entitled to but not yet receiving benefits	133
Active Plan Members	<u>60</u>
Total	<u><u>237</u></u>

**Contributions**

As set by statute, the District's Regular Plan Members are required to contribute 4.50 percent 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 9.49 percent. For the fiscal year ended June 30, 2023, the District contributed \$174,713 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 evaluation as of that date.

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 9 – RETIREMENT FUND COMMITMENTS (CONT'D)**

**Actuarial Assumptions**

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

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the experience-based table of rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study of the period 2017 to 2019.
- For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using 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 as of December 31, 2022:

Asset Class	Target Allocation	Return 12/31/2022	Projected Returns/Risk	
			One Year Arithmetic	Ten Year Geometric
Equities	35.50%	-19.12%	7.82%	6.50%
International Equities	18.00%	-17.86%	9.23%	7.60%
Fixed Income	25.50%	-11.83%	5.01%	4.90%
Real Estate	10.50%	12.83%	7.10%	6.20%
Alternatives	9.50%	3.99%		
Private Equity		N/A	13.43%	9.90%
Hedge Funds		N/A	N/A	N/A
Commodities		N/A	7.42%	6.25%
Cash Equivalents	1.00%	3.18%	4.00%	4.00%
Total	100.00%			



FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 9 – RETIREMENT FUND COMMITMENTS (CONT'D)**

**Single Discount Rate**

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

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

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

**Changes in Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2021	\$ 7,421,274	\$ 7,811,135	\$ (389,861)
Changes for the year:			
Service Cost	185,718	-	185,718
Interest on the Total Pension Liability	531,804	-	531,804
Differences Between Expected and Actual Experience of the Total Pension Liability	133,885	-	133,885
Contributions - Employer	-	182,643	(182,643)
Contributions - Employees	-	86,607	(86,607)
Net Investment Income	-	(920,263)	920,263
Benefits Payments, including Refunds of Employee Contributions	(357,803)	(357,803)	-
Other (Net Transfer)	-	22,166	(22,166)
Net Changes	<u>493,604</u>	<u>(986,650)</u>	<u>1,480,254</u>
Balances at December 31, 2022	<u>\$ 7,914,878</u>	<u>\$ 6,824,485</u>	<u>\$ 1,090,393</u>

**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:

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 9 – RETIREMENT FUND COMMITMENTS (CONT'D)**

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Total pension liability	\$ 8,827,773	\$ 7,914,878	\$ 7,192,229
Plan fiduciary net position	6,824,485	6,824,485	6,824,485
Net pension liability/(asset)	<u>\$ 2,003,288</u>	<u>\$ 1,090,393</u>	<u>\$ 367,744</u>

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

For the year ended June 30, 2023, the District recognized pension expense of \$174,700. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in pension expense in future periods</i>		
Differences between expected and actual experience	\$ 67,718	\$ 133,966
Changes of assumptions	-	18,313
Net difference between projected and actual earnings on pension plan investments	448,561	345,327
Total deferred amounts to be recognized in pension expense in future periods	<u>516,279</u>	<u>497,606</u>
<i>Pension contributions made subsequent to the measurement date</i>	93,471	-
Total Deferred Amounts Related to Pensions	<u>\$ 609,750</u>	<u>\$ 497,606</u>

\$93,471 was reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2023.

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

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2023	\$ (82,937)
2024	95,757
2025	160,292
2026	296,832
2027	-
Thereafter	-
Total	<u>\$ 469,944</u>

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 9 – RETIREMENT FUND COMMITMENTS (CONT'D)**

**B. Aggregate Pension Amounts**

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

	TRS	IMRF	Total
Deferred Outflows of Resources	\$ 588,580	\$ 609,750	\$ 1,198,330
Net Pension Liability/(Asset)	442,841	1,090,393	1,533,234
Deferred Inflows of Resources	593,592	497,606	1,091,198
Pension Expense, Net of State Support	37,666	174,700	212,366

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

**A. Teachers' Health Insurance Security (THIS) Fund**

**General Information about the Plan**

*Plan Description*

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

*Benefits Provided*

The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

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

*Contributions*

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

- *On-Behalf Contributions to the THIS Fund*

The State of Illinois makes employer retiree health insurance contributions on behalf of the employer. State contributions are intended to match contributions to the THIS Fund from active members which were .9 percent of pay during the year ended June 30, 2023. State of Illinois contributions were \$47,156 and the employer recognized revenue and expenditures of this amount during the year.

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (CONT'D)**

- *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 \$35,105 to the THIS Fund, which was 100 percent of the required contribution. The contributions are deferred because they were paid after the June 30, 2022 measurement date.

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

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

Employer's proportionate share of the net THIS liability	\$ 1,397,246
State's proportionate share of the net THIS liability associated with the employer	<u>1,900,816</u>
Total	<u><u>\$ 3,298,062</u></u>

The net THIS liability was measured as of June 30, 2022, and the total THIS liability used to calculate the net THIS liability was determined by an actuarial valuation as of June 30, 2021, and rolled forward to June 30, 2022. The employer's proportion of the net THIS liability was based on the employer's share of contributions to THIS for the measurement year ended June 30, 2022, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2022, the employer's proportion was .020414 percent, which was an increase of 0.001969 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the employer recognized THIS expense of \$47,156 and revenue of \$606,226 for support provided by the state. At June 30, 2022, the employer reported deferred outflows of resources and deferred inflows of resources related to THIS from the following sources:

Deferred Amounts Related to THIS	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in THIS expense in future periods</i>		
Differences between expected and actual experience	\$ -	\$ 913,868
Net difference between projected and actual earnings on pension plan investments	202	32
Changes of assumptions	1,260	3,446,635
Changes in proportion and differences between employer contributions and proportionate share of contributions	<u>1,045,478</u>	<u>425,253</u>
Total deferred amounts to be recognized in THIS expense in future periods	<u>1,046,940</u>	<u>4,785,788</u>
<i>THIS contributions subsequent to the measurement date</i>	<u>47,156</u>	<u>-</u>
Total	<u><u>\$ 1,094,096</u></u>	<u><u>\$ 4,785,788</u></u>

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (CONT'D)**

\$47,156 was reported as deferred outflows of resources related to THIS resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the THIS pension liability in the reporting year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to THIS will be recognized in THIS expense as follows:

Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources
2024	\$ (613,467)
2025	(572,542)
2026	(510,876)
2027	(494,640)
2028	(488,375)
Thereafter	<u>(1,058,948)</u>
Total	<u>\$ (3,738,848)</u>

*Actuarial Assumptions*

The total THIS liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified:

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

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

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

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

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (CONT'D)**

*Discount Rate*

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on THIS plan investments (to the extent that the plan fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since THIS is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 3.56%, as of June 30, 2017, 3.62% as of June 30, 2018, 3.13% as of June 30, 2019, 2.45% as of June 30, 2020, 1.92% as of June 30, 2021, and 3.69% as of June 30, 2022.

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

The following presents the employer's proportionate share of the net THIS liability calculated using the discount rate of 3.69 percent, as well as what the employer's proportionate share of the net THIS liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.92 percent) or 1-percentage-point higher (2.92 percent) than the current rate.

	1% Lower (2.69%)	Current Discount Rate (3.69%)	1% Higher (4.69%)
Net THIS Liability	\$ 1,552,885	\$ 1,397,246	\$ 1,237,393

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

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

	1% Lower	Healthcare Cost Trend Rates Assumption	1% Higher
Net THIS Liability	\$ 1,180,736	\$ 1,397,246	\$ 1,634,923

**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. Retiree Healthcare Plan**

The District does not provide post-employment medical insurance benefits (OPEB) for retired employees, as no formal post-employment benefit plan has been established. The District's implicit cost is equal to the difference between current premium levels and what those premiums would be if retirees were not included. The implicit cost cannot presently be determined; however, management believes that this amount is immaterial.

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 11 – COMMON BANK ACCOUNT**

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

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

The Debt Service Fund had a cash overdraft at June 30, 2023 of \$134,323.

**NOTE 12 – INTERFUND LOANS AND TRANSFERS**

**Interfund Loans**

The District had the following interfund loans at June 30, 2023:

From	To	Amount
Working Cash Fund	Educational Fund	\$ 3,003,156
Working Cash Fund	Transportation Fund	109,302
Working Cash Fund	Debt Service Fund	114,339
Total		<u>\$ 3,226,797</u>

Interfund loans are used to finance activities of a fund which has over-expended its available resources. These funds are expected to be repaid in the short term.

**Interfund Transfers**

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

- The Educational Fund to the Debt Service Fund in the amount of \$440,753 debt payments.

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

**NOTE 13 – DEFICIT FUND BALANCE**

Deficit fund balances existed in the following funds:

Fund	Amount
Educational Fund	\$ (1,699,699)
Debt Service	(248,662)
Transportation	(46,076)

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023

**NOTE 14 – TORT EXPENDITURES**

The District's tort expenditures, which were paid by the Educational Fund, consisted of payments for:

Workers' compensation	\$	60,864
Liability insurance		<u>61,117</u>
Total	\$	<u>121,981</u>

**NOTE 15 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to handle these risks of loss. During fiscal year 2023 there was no significant reduction in insurance coverage for any category. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 16 – JOINT VENTURE – SPECIAL EDUCATION DISTRICT OF LAKE COUNTY (SEDOL)**

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

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

**NOTE 17 – CONTINGENCIES/COMMITMENTS**

The District is not aware of any litigation which might have a material adverse effect on the District's financial position. The District had material outstanding construction contracts at June 30, 2023, in the amount of \$1,063,603.

**NOTE 18 – SUBSEQUENT EVENTS**

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

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



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## OTHER INFORMATION

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FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
EDUCATIONAL FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022
	Budget	Actual	Actual
Revenues Received			
Local Sources:			
General tax levy	\$ 7,372,516	\$ 7,423,229	\$ 6,638,933
Special education levy	108,678	112,611	99,566
Corporate replacement taxes	260,000	316,895	258,060
Earnings on investments	-	21,042	78
Food services	1,200	11,207	8,760
Fees	-	12,056	14,170
Student activities	13,200	21,922	27,149
Rentals	21,000	27,814	31,070
Donations from private sources	3,100	255	21,035
Refund of prior year expenditures	200	759	10,359
Services provided to other districts	110,000	91,007	108,669
Other	22,000	14,469	18,338
Total From Local Sources	7,911,894	8,053,266	7,236,187
State Sources:			
Evidence based funding formula	1,206,376	1,244,468	1,225,706
Special education	196,000	268,354	177,426
State free lunch	10,000	1,841	11,307
Early childhood	240,000	282,162	284,324
Other	-	850	8,800
Total From State Sources	1,652,376	1,797,675	1,707,563
Federal Sources:			
Title I - low income	120,000	114,160	130,472
Title II - teacher quality	20,000	20,872	28,340
Title III - language instruction program	10,000	17,239	600
Title IV - student support and academic enrichment	10,600	3,262	11,506
National school lunch	350,000	297,272	373,726
Special milk	200	559	260
School breakfast program	100,000	106,547	116,097
Summer food service program	-	7,031	15,190
NSLP equipment assistance grant	-	63,491	74,924
Special education	200,000	153,790	224,867
Medicaid matching - administrative outreach	-	47,344	46,730
Medicaid matching - fee for service	60,000	59,976	22,437
Other	277,575	325,270	1,259,258
Total From Federal Sources	1,148,375	1,216,813	2,304,407
Total Revenues Received	10,712,645	11,067,754	11,248,157

(Continued)

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
EDUCATIONAL FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022
	Budget	Actual	Actual
Expenditures Disbursed			
Instruction			
Regular Programs:			
Salaries	\$ 2,843,580	\$ 2,864,751	\$ 2,800,481
Employee benefits	330,885	286,534	290,656
Purchased services	94,264	68,932	99,031
Supplies and materials	222,150	222,204	759,541
Capital outlay	42,000	46,521	297,901
Other	2,000	1,646	2,086
Total	3,534,879	3,490,588	4,249,696
Pre-K Programs:			
Salaries	309,499	245,848	304,836
Employee benefits	42,495	44,487	43,577
Supplies and materials	4,000	7,531	11,090
Total	355,994	297,866	359,503
Special Education Programs:			
Salaries	984,506	756,203	848,449
Employee benefits	116,415	103,380	125,292
Purchased services	4,000	6,325	126
Supplies and materials	8,130	10,362	3,420
Capital outlay	13,162	12,916	-
Total	1,126,213	889,186	977,287
Special Education Programs Pre-K:			
Salaries	-	-	39,587
Employee benefits	-	-	3,831
Total	-	-	43,418
Remedial and Supplemental Programs:			
Salaries	162,501	163,957	99,020
Employee benefits	18,975	22,370	27,026
Purchased services	4,600	2,874	4,489
Supplies and materials	5,000	5,909	1,139
Total	191,076	195,110	131,674

(Continued)

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
EDUCATIONAL FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022
	Budget	Actual	Actual
Expenditures Disbursed			
Instruction			
Interscholastic Programs:			
Salaries	\$ 35,000	\$ 70,218	\$ 62,313
Employee benefits	200	582	570
Purchased services	7,000	5,713	4,382
Supplies and materials	3,000	3,533	2,210
Other	2,500	3,260	3,120
Total	47,700	83,306	72,595
Summer School Programs:			
Salaries	140,000	102,874	226,146
Employee benefits	1,450	1,096	3,154
Supplies and materials	-	1,190	1,407
Total	141,450	105,160	230,707
Bilingual Programs:			
Salaries	179,041	182,346	172,661
Employee benefits	14,780	22,405	14,964
Total	193,821	204,751	187,625
Student Activities:			
Other	-	22,299	31,905
Total	-	22,299	31,905
Total Instruction	5,591,133	5,288,266	6,284,410
Support Services			
Pupils			
Attendance and Social Work Services:			
Salaries	195,669	184,630	159,582
Employee benefits	20,170	16,408	19,950
Purchased services	10,000	12,311	86,892
Total	225,839	213,349	266,424
Health Services:			
Salaries	47,034	47,502	45,225
Employee benefits	8,035	7,724	6,915
Purchased services	26,200	7,263	114,614
Supplies and materials	4,000	4,966	1,046
Total	85,269	67,455	167,800

(Continued)

FOX LAKE GRADE SCHOOL DISTRICT NO.114  
EDUCATIONAL FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022
	Budget	Actual	Actual
Expenditures Disbursed			
Support Services			
Pupils			
Psychological Services:			
Salaries	\$ -	\$ -	\$ 8,441
Total	-	-	8,441
Speech Pathology and Audiology Services:			
Salaries	192,667	190,702	186,518
Employee benefits	14,400	16,462	15,242
Purchased services	-	1,450	-
Total	207,067	208,614	201,760
Other Support Services - Pupils:			
Purchased services	-	210	280
Supplies and materials	7,000	7,828	5,905
Total	7,000	8,038	6,185
Improvement of Instruction Services:			
Salaries	167,530	94,037	167,778
Employee benefits	7,780	14,696	14,205
Purchased services	67,000	57,630	79,141
Supplies and materials	4,800	5,079	6,772
Total	247,110	171,442	267,896
Instructional Staff			
Educational Media Services:			
Salaries	63,811	67,607	63,311
Employee benefits	1,115	1,201	1,176
Supplies and materials	6,000	6,795	13,559
Total	70,926	75,603	78,046

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
EDUCATIONAL FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022
	Budget	Actual	Actual
Expenditures Disbursed			
Support Services			
Instructional Staff			
Assessment and Testing Services:			
Purchased services	\$ 16,500	\$ 8,823	\$ 17,220
Supplies and materials	-	845	-
Total	16,500	9,668	17,220
General Administration			
Board of Education Services:			
Salaries	-	-	680
Employee benefits	6,000	4,238	5,274
Purchased services	227,685	191,295	188,604
Supplies and materials	5,500	9,359	10,449
Other	5,000	8,408	3,654
Total	244,185	213,300	208,661
Executive Administration Services:			
Salaries	257,154	249,027	256,913
Employee benefits	60,580	62,573	56,698
Purchased services	4,300	2,024	1,466
Supplies and materials	5,000	10,829	6,403
Other	3,000	5,180	4,335
Total	330,034	329,633	325,815
Special Area Administration Services:			
Salaries	96,338	96,338	92,633
Employee benefits	22,587	21,203	21,171
Total	118,925	117,541	113,804
School Administration			
Office of the Principal Services:			
Salaries	572,133	571,357	547,473
Employee benefits	147,470	148,181	134,136
Purchased services	3,000	2,299	1,294
Supplies and materials	5,000	4,475	2,577
Total	727,603	726,312	685,480

(Continued)



FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
EDUCATIONAL FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022
	Budget	Actual	Actual
Expenditures Disbursed			
Support Services			
Business			
Direction of Business Support Services:			
Salaries	\$ 143,600	\$ 143,599	\$ 135,471
Employee benefits	26,133	28,879	26,343
Total	169,733	172,478	161,814
Fiscal Services:			
Salaries	78,390	78,384	75,369
Employee benefits	12,400	11,289	9,836
Purchased services	12,000	29,876	30,707
Supplies and materials	-	1,551	777
Other	10,000	9,448	11,925
Total	112,790	130,548	128,614
Operation and Maintenance of plant services			
Purchased services	-	-	7,092
Total	-	-	7,092
Pupil Transportation Services:			
Other Objects	-	-	245
Total	-	-	245
Food Services:			
Salaries	206,353	196,444	199,096
Employee benefits	43,360	37,223	41,096
Purchased services	-	1,288	1,256
Supplies and materials	164,500	273,467	248,972
Total	414,213	508,422	490,420
Information Services:			
Purchased Services	2,000	-	-
Total	2,000	-	-

(Continued)

FOX LAKE SCHOOL DISTRICT NO. 114  
EDUCATIONAL FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022
	Budget	Actual	Actual
Expenditures Disbursed			
Support Services			
Central			
Data Processing Services:			
Salaries	\$ 144,140	\$ 144,687	\$ 138,591
Employee benefits	24,520	22,437	19,385
Purchased services	104,036	-	-
Supplies and materials	17,000	-	9,331
Capital outlay	25,000	-	19,425
Total	314,696	167,124	186,732
Other Support Services - Central:			
Purchased services	-	106,757	118,683
Supplies and materials	500	1,181	420
Total	500	107,938	119,103
Total Support Services	3,294,390	3,227,465	3,434,215
Community Services:			
Salaries	-	32,735	29,684
Employee benefits	-	23	-
Purchased services	-	2,460	600
Total	-	35,218	30,284
Payments to Other Districts and Governmental Units:			
Payments for Regular Programs			
Purchased services	-	4,500	-
Payments for Special Education Programs:			
Purchased services	638,611	549,681	515,922
Other	490,000	886,338	781,516
Total	1,128,611	1,440,519	1,297,438
Total Expenditures Disbursed	10,014,134	9,991,468	11,046,347
Excess of Revenues Received Over			
Expenditures Disbursed Before Other Financing Sources	698,511	1,076,286	201,810
Other Financing (Uses):			
Transfers out	-	(440,753)	(645,337)
Total Other Financing (Uses)	-	(440,753)	(645,337)
Excess (Deficiency) of Revenues Received Over (Under)			
Expenditures Disbursed and Other Financing (Uses)	\$ 698,511	\$ 635,533	\$ (443,527)

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
 OPERATIONS AND MAINTENANCE FUND  
 SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
 FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022
	Budget	Actual	Actual
Revenues Received			
Local Sources:			
General tax levy	\$ 1,006,835	\$ 960,286	\$ 906,691
Earnings on investments	50	21,247	705
Rentals	4,500.00	5,500	4,500
Other	1,000	1,052	1,923
Total Local Sources	1,012,385	988,085	913,819
State Sources:			
School Infrastructure projects	-	12,195	50,000
Total State Sources	-	12,195	50,000
Total Revenues Received	1,012,385	1,000,280	963,819
Expenditures Disbursed			
Support Services			
Operations and Maintenance of Plant Services:			
Salaries	342,623	312,980	317,845
Employee benefits	41,895	34,529	37,648
Purchased services	261,200	265,185	296,377
Supplies and materials	244,000	171,439	205,969
Capital outlay	121,000	135,677	3,282
Total Support Services	1,010,718	919,810	861,121
Total Expenditures Disbursed	1,010,718	919,810	861,121
Excess of Revenues Received Over Expenditures Disbursed	\$ 1,667	\$ 80,470	\$ 102,698

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022
	Budget	Actual	Actual
Revenues Received:			
Local Sources:			
General tax levy	\$ 279,092	\$ 266,449	\$ 253,110
Earnings on investments	-	925	44
Total Local Sources	279,092	267,374	253,154
Total Revenues Received	279,092	267,374	253,154
Expenditures Disbursed:			
Debt Service:			
Principal retirement	-	379,213	679,766
Interest on bonds	271,375	433,782	386,475
Other	-	1,505	1,150
Total Debt Service	271,375	814,500	1,067,391
Total Expenditures Disbursed	271,375	814,500	1,067,391
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed Before Other Financing Sources	7,717	(547,126)	(814,237)
Other Financing Sources:			
Transfers in	568,075	440,753	645,337
Total Other Financing Sources	568,075	440,753	645,337
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed and Other Financing Sources	\$ 575,792	\$ (106,373)	\$ (168,900)

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
TRANSPORTATION FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022
	Budget	Actual	Actual
Revenues Received			
Local Sources:			
General tax levy	\$ 538,652	\$ 682,807	\$ 467,346
Services provided other districts	15,000	39,727	26,297
Other	1,000	11,661	2,878
Earnings on investments	-	2,084	15
Total Local Sources	554,652	736,279	496,536
State Sources:			
Transportation aid	660,000	647,391	531,759
Total State Sources	660,000	647,391	531,759
Total Revenues Received	1,214,652	1,383,670	1,028,295
Expenditures Disbursed			
Support Services			
Pupil Transportation Services:			
Salaries	323,765	369,492	300,503
Employee benefits	46,775	61,534	46,367
Purchased services	611,256	745,534	590,190
Supplies and materials	64,500	64,492	53,989
Capital outlay	35,000	24,267	424,628
Other	2,000	1,195	1,342
Total Support Services	1,083,296	1,266,514	1,417,019
Debt Services			
Payments on interest on long term debt	-	16,695	-
Payments on principal of long term debt	-	134,361	151,056
Total Debt Services	-	151,056	151,056
Total Expenditures Disbursed	1,083,296	1,417,570	1,568,075
Excess (Deficiency) of Revenues Received (Under)			
Expenditures Disbursed Before Other Financing Sources	131,356	(33,900)	(539,780)
Other Financing Sources			
Leases issued	-	-	423,218
Total Other Financing Sources	-	-	423,218
Excess (Deficiency) of Revenues Received Over (Under)			
Expenditures Disbursed and Other Financing Sources	\$ 131,356	\$ (33,900)	\$ (116,562)

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022
	Budget	Actual	Actual
Revenues Received			
Local Sources:			
General tax levy	\$ 235,339	\$ 166,556	\$ 211,763
FICA/Medicare levy	196,243	184,243	173,276
Corporate replacement taxes	20,000	20,000	40,000
Earnings on investments	-	5,336	183
Total Local Sources	451,582	376,135	425,222
Total Revenues Received	451,582	376,135	425,222
Expenditures Disbursed			
Instruction			
Employee benefits	148,500	144,244	156,894
Support services			
Employee benefits	256,160	244,777	248,532
Total Expenditures Disbursed	404,660	389,021	405,426
Excess (Deficiency) of Revenues Received Over (Under)			
Expenditures Disbursed	\$ 46,922	\$ (12,886)	\$ 19,796

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022
	Budget	Actual	Actual
Revenues Received			
Local Sources:			
Earnings on investments	\$ 18,000	\$ 97,802	\$ 8,490
Total Local Sources	18,000	97,802	8,490
Total Revenues Received	18,000	97,802	8,490
Expenditures Disbursed			
Support Services			
Facilities acquisition and construction:			
Purchased services	385,000	1,304	200,653
Capital outlay	4,445,161	3,994,229	732,548
Total Support Services	4,830,161	3,995,533	933,201
Total Expenditures Disbursed	4,830,161	3,995,533	933,201
(Deficiency) of Revenues Received (Under) Expenditures Disbursed Before Other Financing Sources	(4,812,161)	(3,897,731)	(924,711)
Other Financing Sources			
Bonds issued	-	-	6,615,000
Premium on bonds issued	-	-	732,941
Total Other Financing Sources	-	-	7,347,941
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed and Other Financing Sources	\$ (4,812,161)	\$ (3,897,731)	\$ 6,423,230

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
WORKING CASH FUND  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022
	Final Budget	Actual	Actual
Revenues Received			
Local Sources:			
General tax levy	\$ 30,470	\$ 4,363	\$ 29,782
Earnings on investments	7,000	36,826	1,307
Total Local Sources	37,470	41,189	31,089
Total Revenues Received	37,470	41,189	31,089
Excess of Revenues Received Over Expenditures Disbursed	\$ 37,470	\$ 41,189	\$ 31,089



FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
STUDENT ACTIVITIES (INCLUDED IN EDUCATIONAL FUND)  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEAR ENDED JUNE 30, 2023

	Beginning Balance	Revenues Received	Expenditures Disbursed	Ending Balance
<u>Lotus School</u>				
Adopt-a-class	\$ 57	\$ -	\$ -	\$ 57
All-stars	(1,283)	-	-	(1,283)
Art clubs	230	-	-	230
Assemblies	(4,070)	-	-	(4,070)
Choir	2,178	-	-	2,178
Extra curricular activities	26	-	-	26
Field day	370	-	-	370
Field trips	(273)	-	-	(273)
Fine arts	754	-	-	754
Gymnastics	1,000	-	-	1,000
Lotus activity	1,484	2,652	2,643	1,493
Math club	(279)	-	-	(279)
Mentor	(71)	-	-	(71)
Music	1,157	-	-	1,157
PBIS	(1,357)	-	-	(1,357)
Pottery	469	-	-	469
Principal program	(254)	-	-	(254)
Principal awards	(254)	-	-	(254)
Skating	113	2,859	2,650	322
Theater	530	-	-	530
Yearbook	2,206	2,209	2,952	1,463
	<u>\$ 2,733</u>	<u>\$ 7,720</u>	<u>\$ 8,245</u>	<u>\$ 2,208</u>
Total Lotus School				
<u>Stanton School</u>				
Adopt-a-class	\$ 502	\$ 200	\$ -	\$ 702
Assemblies	420	1,025	113	1,332
Athletics	693	2,303	1,110	1,886
Basketball	(69)	131	97	(35)
Be you	-	160	171	(11)
Cheerleading	115	-	59	56
Choir	(93)	-	-	(93)
Coffee cart	-	-	98	(98)
Cross country	(53)	-	-	(53)
Dance team	(14)	-	-	(14)
Drama club	541	-	-	541
Drugs	3	-	-	3
Field day	(707)	-	252	(959)
Field trips	695	-	1,350	(655)
Fitness club	125	-	-	125
General activity	433	423	665	191
Girls basketball	(381)	109	131	(403)
Guardian fund	1,316	-	-	1,316
Library	189	56	119	126
Lullaby foundation	622	-	96	526

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
STUDENT ACTIVITIES (INCLUDED IN EDUCATIONAL FUND)  
SCHEDULE OF REVENUES RECEIVED AND EXPENDITURES DISBURSED  
FOR THE YEAR ENDED JUNE 30, 2023

	Beginning Balance	Revenues Received	Expenditures Disbursed	Ending Balance
Memorial fund	\$ 18	\$ -	\$ 40	\$ (22)
Middle school	26	-	26	-
NJHS	96	118	168	46
Orchestra	58	-	-	58
Peer leader	520	115	307	328
Physical education grants	775	95	-	870
PBIS	4,216	1,958	3,330	2,844
Scholarship	187	2,500	2,500	187
Scholastic bowl	(27)	-	-	(27)
Searle	541	-	-	541
Snowflake	15	-	-	15
Soccer	(17)	35	80	(62)
Student council	(404)	1,406	1,544	(542)
Student needs	430	67	57	440
Technology	703	-	15	688
Track	1,792	144	165	1,771
Trip - springfield	1,348	425	703	1,070
Volleyball	183	-	199	(16)
Wrestling	841	192	659	374
Yearbook	418	2,740	-	3,158
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Stanton School	\$ 16,056	\$ 14,202	\$ 14,054	\$ 16,204
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Student Activities	\$ 18,789	\$ 21,922	\$ 22,299	\$ 18,412
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
SCHEDULE OF BONDED DEBT MATURITIES AND INTEREST  
JUNE 30, 2023

	November 13, 2018 \$2,560,000 Interest Varying From 3.70 to 4.25%		July 21, 2020 \$1,835,000 Interest Varying From 1.17 to 2.10%		September 29, 2021 \$6,615,000 Fixed Rate 3.00%	
Year Ended June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 160,000	\$ 105,705	\$ 150,000	\$ 9,637	\$ 205,000	\$ 190,725
2025	170,000	99,785	150,000	17,220	215,000	184,425
2026	185,000	93,325	150,000	14,970	220,000	177,900
2027	195,000	86,203	155,000	12,495	230,000	171,150
2028	205,000	78,500	160,000	9,705	235,000	164,175
2029	220,000	70,198	160,000	6,665	245,000	156,975
2030	230,000	61,068	165,000	3,465	250,000	149,550
2031	245,000	51,293	-	-	425,000	139,425
2032	260,000	40,635	-	-	435,000	126,525
2033	275,000	29,325	-	-	450,000	113,250
2034	295,000	17,638	-	-	465,000	99,525
2035	120,000	5,100	-	-	480,000	85,350
2036	-	-	-	-	490,000	70,800
2037	-	-	-	-	505,000	55,875
2038	-	-	-	-	520,000	40,500
2039	-	-	-	-	535,000	24,675
2040	-	-	-	-	555,000	8,325
TOTAL	<u>\$ 2,560,000</u>	<u>\$ 738,775</u>	<u>\$ 1,090,000</u>	<u>\$ 74,157</u>	<u>\$ 6,460,000</u>	<u>\$ 1,959,150</u>

Totals	
Principal	Interest
\$ 515,000	\$ 306,067
535,000	301,430
555,000	286,195
580,000	269,848
600,000	252,380
625,000	233,838
645,000	214,083
670,000	190,718
695,000	167,160
725,000	142,575
760,000	117,163
600,000	90,450
490,000	70,800
505,000	55,875
520,000	40,500
535,000	24,675
555,000	8,325
<u>\$ 10,110,000</u>	<u>\$ 2,772,082</u>

FOX LAKE GRADE SCHOOL DISTRICT NO. 114  
PER CAPITA COSTS  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
<u>Total Expenditures Disbursed</u>		
Educational fund	\$ 9,905,678	\$ 10,946,855
Operation and maintenance fund	919,810	861,121
Debt service fund	814,500	1,067,391
Transportation fund	1,417,570	1,144,857
Municipal retirement/social security fund	389,021	405,426
Total	<u>13,446,579</u>	<u>14,425,650</u>
<u>Less Revenues Received or Expenditures Disbursed</u>		
<u>Not Applicable to Operating Expenses of Regular Programs</u>		
Capital outlay	219,381	336,593
Pre-k/special education/summer school programs	426,877	661,719
Payments to other districts and governmental units	1,440,519	1,297,438
Community service	35,218	30,284
Debt principal	513,574	830,822
Total	<u>2,635,569</u>	<u>3,156,856</u>
Operating Expense	<u>10,811,010</u>	<u>11,268,794</u>
<u>Less Offsetting Revenues Received</u>		
Governmental aid claims	2,416,659	3,342,072
Food service	11,207	8,760
Pupil activities	12,056	14,170
Rentals	33,314	35,570
Payment from other districts	130,734	134,966
Total	<u>2,603,970</u>	<u>3,535,538</u>
<u>Total Deductions for Tuition Computation</u>	<u>5,239,539</u>	<u>6,692,394</u>
Net Operating Expense for Tuition Computation	8,207,040	7,733,256
Add Total Depreciation Allowance	<u>764,262</u>	<u>759,380</u>
<u>Total Allowance for Tuition Computation</u>	<u>\$ 8,971,302</u>	<u>\$ 8,492,636</u>
<u>Average Daily Attendance</u>	<u>584.49</u>	<u>578.29</u>
<u>Per Pupil</u>		
Estimated Operating Expense Per Pupil	<u>\$ 18,496</u>	<u>\$ 19,486</u>
Estimated Per Capita Tuition Charge	<u>\$ 15,349</u>	<u>\$ 14,686</u>