

**DANVILLE COMMUNITY CONSOLIDATED
SCHOOL DISTRICT NO. 118
DANVILLE, ILLINOIS**

**BASIC FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2022



CPAs | CONSULTANTS | WEALTH ADVISORS

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INDEPENDENT AUDITORS' REPORT

Board of Education
Danville Community Consolidated School District No. 118
Danville, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Danville Community Consolidated School District No. 118, (District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Emphasis of a Matter

During fiscal year ended June 30, 2022, the District corrected an error in the recording of prior year payables, which resulted in a correction to fund balance between certain funds (see Note 15). Our auditors' opinion was not modified with respect to the restatement.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the certain pension information, certain OPEB information, and general fund and major special revenue fund budgetary comparison information, be presented to supplement the basic financial statements.. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The District has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report, dated December 14, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

Danville, Illinois
December 14, 2022

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
STATEMENT OF NET POSITION
JUNE 30, 2022

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| ASSETS | |
| Cash and Cash Equivalents | \$ 5,262,567 |
| Investments | 39,300,290 |
| Property Taxes Receivable, Net | 18,444,056 |
| Due From Other Governments | 3,678,127 |
| Inventory | 315,361 |
| Prepaid Expenses | 66,430 |
| Net Pension Asset | 9,285,949 |
| Capital Assets, Net of Accumulated Depreciation | <u>54,084,637</u> |
| Total Assets | <u>130,437,417</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred Amount Related to Pension | 1,571,117 |
| Deferred Amount Related to Other Postemployment Benefit Liabilities | <u>867,600</u> |
| Total Deferred Outflows of Resources | <u>2,438,717</u> |
| Total Assets and Deferred Outflows of Resources | 132,876,134 |

See accompanying Notes to Basic Financial Statements.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2022

| | Governmental Activities |
|---|-----------------------------|
| LIABILITIES | |
| Accounts Payable | \$ 5,314,691 |
| Accrued Salaries and Benefits Payable | 5,143,759 |
| Deferred Revenue | 10,463 |
| Accrued Interest Payable | 86,375 |
| Long-Term Liabilities: | |
| Due Within One Year: | |
| Bonds | 1,470,000 |
| Financed Purchases | 539,290 |
| Due in More Than One Year: | |
| Accrued Compensated Absences | 125,347 |
| Bonds | 23,834,792 |
| Financed Purchases | 432,154 |
| Other Postemployment Benefit Liabilities | 28,954,675 |
| Accrued Worker's Compensation Liability | 819,199 |
| Net Pension Liability | 2,745,068 |
| Total Liabilities | <u>69,475,813</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Deferred Amount Related to Pension | 11,906,931 |
| Deferred Amount Related to Other Postemployment Benefit Liabilities | 13,711,115 |
| Subsequent Year's Property Taxes | 18,444,756 |
| Total Deferred Inflows of Resources | <u>44,062,802</u> |
| NET POSITION | |
| Net Investment in Capital Assets | 27,399,743 |
| Restricted for: | |
| Net Pension Asset | 9,285,949 |
| Debt Service | 787,918 |
| Fire Prevention and Safety | 569,073 |
| Municipal Retirement/Social Security | 1,925,382 |
| Tort | 594,297 |
| Transportation | 3,440,900 |
| Unrestricted | <u>(24,665,743)</u> |
| Total Net Position | <u><u>\$ 19,337,519</u></u> |

See accompanying Notes to Basic Financial Statements.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

| | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position |
|---|----------------------|-------------------------|--|--|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| FUNCTIONS/PROGRAMS | | | | | |
| Governmental Activities: | | | | | |
| Instruction and Related Services | \$ 48,858,788 | \$ 14,243 | \$ 27,154,823 | \$ - | \$ (21,689,722) |
| Support Services | 36,759,884 | 304,165 | 13,380,133 | - | (23,075,586) |
| Community Services | 2,365,424 | - | - | - | (2,365,424) |
| Payments to Other Governmental Units and Districts | 1,935,505 | - | - | - | (1,935,505) |
| Debt Service | 1,092,887 | - | 512,859 | - | (580,028) |
| Depreciation - Unallocated | 3,433,942 | - | - | - | (3,433,942) |
| Total | <u>\$ 94,446,430</u> | <u>\$ 318,408</u> | <u>\$ 41,047,815</u> | <u>\$ -</u> | (53,080,207) |
| General Revenues: | | | | | |
| Taxes: | | | | | |
| Property Taxes | | | | | 18,168,443 |
| Personal Property | | | | | |
| Replacement Tax | | | | | 10,469,150 |
| Interest on Investments | | | | | 58,281 |
| Evidence-Based Funding | | | | | 39,041,533 |
| Federal Aid | | | | | 674,099 |
| Other Local Revenue | | | | | 421,873 |
| Total General Revenues | | | | | <u>68,833,379</u> |
| CHANGE IN NET POSITION | | | | | 15,753,172 |
| Net Position - Beginning of Year | | | | | <u>3,584,347</u> |
| NET POSITION - END OF YEAR | | | | | <u>\$ 19,337,519</u> |

See accompanying Notes to Basic Financial Statements.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

| | General Fund | Municipal Retirement/Social Security Fund |
|---|-----------------------------|---|
| ASSETS | | |
| Cash and Cash Equivalents | \$ 4,772,174 | \$ 197,718 |
| Investments | 32,421,934 | 2,049,926 |
| Property Taxes Receivable, Net | 13,200,112 | 2,433,018 |
| Due from Other Governments | 3,052,082 | - |
| Inventory | 315,361 | - |
| Prepaid Expenses | 66,430 | - |
| | <u> </u> | <u> </u> |
| Total Assets | <u>\$ 53,828,093</u> | <u>\$ 4,680,662</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE | | |
| LIABILITIES | | |
| Accounts Payable | \$ 4,461,267 | \$ - |
| Accrued Salaries and Benefits Payable | 4,821,497 | 322,262 |
| Deferred Revenue | 10,463 | - |
| Total Liabilities | <u>9,293,227</u> | <u>322,262</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Subsequent Year's Property Taxes | 13,200,112 | 2,433,018 |
| Unavailable Grant Funding | 208,471 | - |
| Total Deferred Inflows of Resources | <u>13,408,583</u> | <u>2,433,018</u> |
| FUND BALANCE | | |
| Nonspendable | 381,791 | - |
| Restricted for: | | |
| Debt Service | - | - |
| Municipal Retirement/Social Security | - | 1,925,382 |
| Tort | 594,297 | - |
| Transportation | - | - |
| Fire Prevention and Safety | - | - |
| Assigned to: | | |
| Capital Projects | - | - |
| Student Activity Funds | 305,823 | - |
| Unassigned | 29,844,372 | - |
| Total Fund Balance | <u>31,126,283</u> | <u>1,925,382</u> |
| | <u> </u> | <u> </u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 53,828,093</u> | <u>\$ 4,680,662</u> |

See accompanying Notes to Basic Financial Statements.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2022

| Debt Service Fund | Other Governmental Funds | Total |
|-------------------------|--------------------------------|----------------------|
| \$ 212,947 | \$ 79,728 | \$ 5,262,567 |
| 662,046 | 4,166,384 | 39,300,290 |
| 1,948,436 | 862,490 | 18,444,056 |
| - | 626,045 | 3,678,127 |
| - | - | 315,361 |
| - | - | 66,430 |
| <u>\$ 2,823,429</u> | <u>\$ 5,734,647</u> | <u>\$ 67,066,831</u> |
| | | |
| \$ - | \$ 853,424 | \$ 5,314,691 |
| - | - | 5,143,759 |
| - | - | 10,463 |
| <u>-</u> | <u>853,424</u> | <u>10,468,913</u> |
| | | |
| 1,949,136 | 862,490 | 18,444,756 |
| - | - | 208,471 |
| <u>1,949,136</u> | <u>862,490</u> | <u>18,653,227</u> |
| | | |
| - | - | 381,791 |
| 874,293 | - | 874,293 |
| - | - | 1,925,382 |
| - | - | 594,297 |
| - | 3,440,900 | 3,440,900 |
| - | 569,073 | 569,073 |
| - | 8,760 | 8,760 |
| - | - | 305,823 |
| - | - | 29,844,372 |
| <u>874,293</u> | <u>4,018,733</u> | <u>37,944,691</u> |
| | | |
| <u>\$ 2,823,429</u> | <u>\$ 5,734,647</u> | <u>\$ 67,066,831</u> |

See accompanying Notes to Basic Financial Statements.

**DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022**

| | | |
|---|---------------------|-----------------------------|
| Total Fund Balances - Governmental Funds | | \$ 37,944,691 |
| Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because: | | |
| Deferred Inflows of Resources Related to Grants Receivable are Not Available until Future Periods; Therefore They are Not Reported in the Funds. | | 208,471 |
| Deferred Outflows and Inflows of Resources Related to Other Postemployment Benefit Liabilities are Applicable to Future Periods; Therefore Not Reported in Funds. | | (12,843,515) |
| Capital Assets Used in Governmental Activities are Not Financial Resources and Therefore are Not Reported as Assets in Governmental Funds. The Cost of the Assets and Related Accumulated Depreciation is: | | |
| Cost of Capital Assets | \$ 137,036,018 | |
| Accumulated Depreciation | <u>(82,951,381)</u> | 54,084,637 |
| Net Pension Asset is Not a Available Resource: Therefore is Not Reported in the Funds. | | 9,285,949 |
| Deferred Outflows and Inflows of Resources Related to Net Pension Liabilities are Applicable to Future Periods; Therefore Not Reported in Funds. | | (10,335,814) |
| Premiums (Discounts) on Bonds Sold are Recorded as Current Resources in the Governmental Funds, But are Amortized Over the Life of the Related Debt in the Statement of Net Position. | | (944,792) |
| Long-Term Liabilities are Not Due and Payable in the Current Period and Therefore are Not Reported as Liabilities in the Governmental Funds. | | |
| Bonds Payable | 24,360,000 | |
| Financed Purchases | 971,444 | |
| Accrued Compensated Absences | 125,347 | |
| Other Postemployment Benefit Liabilities | 28,954,675 | |
| Net Pension Liabilities | 2,745,068 | |
| Accrued Workers' Compensation | 819,199 | |
| Accrued Interest Payable | <u>86,375</u> | <u>(58,062,108)</u> |
| Total Net Position - Governmental Activities | | <u><u>\$ 19,337,519</u></u> |

See accompanying Notes to Basic Financial Statements.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

| | General Fund | Municipal Retirement/Social Security Fund |
|---|-----------------------------|---|
| REVENUE | | |
| Property Taxes | \$ 12,965,019 | \$ 2,447,071 |
| Personal Property Replacement Taxes | 10,334,150 | 135,000 |
| Fees and Charges | 72,128 | - |
| Earnings on Investments | 47,661 | 3,393 |
| Other Miscellaneous Local | 644,358 | - |
| State Sources | 59,112,148 | - |
| Federal Sources | 17,890,328 | - |
| Total Revenue | <u>101,065,792</u> | <u>2,585,464</u> |
| EXPENDITURES | | |
| Instruction and Related Services | 58,114,417 | 1,045,299 |
| Support Services | 34,246,076 | 1,442,725 |
| Community Services | 2,144,660 | 220,764 |
| Payments to Other Governmental Units and Districts | 1,935,505 | - |
| Debt Service: | | |
| Principal | - | - |
| Interest | - | - |
| Other | - | - |
| Total Expenditures | <u>96,440,658</u> | <u>2,708,788</u> |
| Excess (Deficiency) of Revenue Over Expenditures | 4,625,134 | (123,324) |
| OTHER FINANCING SOURCES (USES) | | |
| Transfers From Other Funds | - | - |
| Transfers to Other Funds | (894,506) | - |
| Total Other Financing Sources (Uses) | <u>(894,506)</u> | <u>-</u> |
| Net Change in Fund Balance | 3,730,628 | (123,324) |
| Fund Balance - Beginning of Year, as Restated | <u>27,395,655</u> | <u>2,048,706</u> |
| FUND BALANCE - END OF YEAR | <u><u>\$ 31,126,283</u></u> | <u><u>\$ 1,925,382</u></u> |

See accompanying Notes to Basic Financial Statements.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022

| Debt Service Fund | Other Governmental Funds | Total |
|-------------------------|--------------------------------|----------------------|
| \$ 1,912,047 | \$ 844,306 | \$ 18,168,443 |
| - | - | 10,469,150 |
| - | - | 72,128 |
| 926 | 6,301 | 58,281 |
| - | 23,794 | 668,152 |
| - | 3,186,535 | 62,298,683 |
| 512,859 | 554,216 | 18,957,403 |
| <u>2,425,832</u> | <u>4,615,152</u> | <u>110,692,240</u> |
| - | - | 59,159,716 |
| - | 4,826,700 | 40,515,501 |
| - | - | 2,365,424 |
| - | - | 1,935,505 |
| 2,255,528 | - | 2,255,528 |
| 1,105,044 | - | 1,105,044 |
| 2,100 | - | 2,100 |
| <u>3,362,672</u> | <u>4,826,700</u> | <u>107,338,818</u> |
| (936,840) | (211,548) | 3,353,422 |
| 894,506 | - | 894,506 |
| - | - | (894,506) |
| <u>894,506</u> | <u>-</u> | <u>-</u> |
| (42,334) | (211,548) | 3,353,422 |
| <u>916,627</u> | <u>4,230,281</u> | <u>34,591,269</u> |
| <u>\$ 874,293</u> | <u>\$ 4,018,733</u> | <u>\$ 37,944,691</u> |

See accompanying Notes to Basic Financial Statements.

**DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUE,
EXPENDITURES, AND CHANGES IN FUND BALANCES WITH THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

| | | |
|--|--------------------|-----------------------------|
| Total Net Change in Fund Balances - Governmental Funds | | \$ 3,353,422 |
| Amounts Reported for Governmental Activities in the Statement of Activities are Different Because: | | |
| Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. | | |
| Capital Outlay | \$ 8,136,727 | |
| Depreciation Expense | <u>(4,044,947)</u> | 4,091,780 |
| Amounts reported as governmental activities revenue in the Statement of Activities are different as they were not considered available in the fund statements. | | (492,638) |
| Repayment of bond and financed purchases are expenditures in the governmental funds, but the repayments reduce long-term debt in the Statement of Net Position. | | 2,255,528 |
| Interest on long-term debt is reported when paid in the governmental funds. However, in the Statement of Activities, interest expense is recorded when incurred. | | 14,257 |
| Premiums/discounts on bonds sold are recorded as current resources in the governmental funds, but are amortized over the life of the related debt in the Statement of Activities. | | 100,886 |
| Governmental funds report OPEB contributions as expenditures when made. However, in the Statement of Activities, OPEB expense is the cost of benefits earned. | | 663,638 |
| Accrued compensated absences are long-term liabilities and are not recorded in the fund statements. | | 5,424 |
| Accrued workers compensation are long-term liabilities and are not recorded in the fund statements. | | (130,346) |
| Governmental funds report pension contributions as expenditures when made. However, in the Statement of Activities, pension expense is the cost of benefits earned, adjusted for member contributions, the recognition of changes in deferred outflows or resources related to pensions, and the investment experience. | | <u>5,891,221</u> |
| Change in Net Position of Governmental Funds | | <u><u>\$ 15,753,172</u></u> |

See accompanying Notes to Basic Financial Statements.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2022

ASSETS

| | |
|---------------------------|---------------------|
| Cash and Cash Equivalents | \$ 4,075,163 |
| Total Assets | <u>\$ 4,075,163</u> |

NET POSITION

| | |
|-----------------------------------|---------------------|
| Restricted for Individuals/Others | <u>\$ 4,075,163</u> |
|-----------------------------------|---------------------|

See accompanying Notes to Basic Financial Statements.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2022

ADDITIONS

Contributions:

| | |
|--------------------------------|------------------|
| Individuals | \$ 1,683,753 |
| Employer | 4,480,418 |
| Interest, Dividends, and Other | <u>1,363</u> |
| Total Additions | <u>6,165,534</u> |

DEDUCTIONS

| | |
|-------------------------------------|------------------|
| Beneficiary Payments to Individuals | 23,371 |
| Medical Insurance Payments | <u>7,301,004</u> |
| Total Deductions | <u>7,324,375</u> |

NET DECREASE IN FIDUCIARY NET POSITION (1,158,841)

Fiduciary Net Position - Beginning of Year 5,234,004

FIDUCIARY NET POSITION - END OF YEAR \$ 4,075,163

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Danville Community Consolidated School District 118 (the District) operates a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The following is a summary of the significant accounting policies of the District:

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the significant of such policies:

(a) Financial Reporting Entity

For financial reporting purposes, the Danville Community Consolidated School District No. 118 is a primary government in that it is a school district with a separately elected governing body - one that is elected by the citizens in a general, popular election and is fiscally independent of other units of government.

The District has developed criteria to determine whether other entities are component units of the District. Component units are legally separate organizations for which the elected officials of the District are financially accountable. The District would be considered financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will (significantly influence the programs, projects, activities, or level of services performed or provided by the organization) on the organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the District (i.e., entitled to or can access the organization's resources, is legally obligated or has otherwise assumed the obligation to finance deficits of, or provide financial support to the organization, or is obligated in some manner for the debt of the organization). If an organization is fiscally dependent on the District, the District is considered financially accountable regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

Based on the foregoing criteria, there are no organizations which meet the criteria of a component unit of the District nor is the District considered a component unit of any other entity.

(b) Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to students, employees, and others who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied for budgetary purposes. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues to be available if they are collected within 90 days of the end of the current fiscal period except for property taxes which are recognized as revenue in the year they are intended to finance (subject to 60 day availability per accounting principles generally accepted in the United States of America). Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain retirement costs, are recorded only when payment is due.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The District reports the following major governmental funds:

General Fund - The Educational, Operations and Maintenance, Tort, and Working Cash Accounts comprise the general operating fund. It is used to account for all financial resources except those required to be accounted for in other funds.

The Educational Account accounts for all resources except those required to be accounted for in another fund, largely made up of property taxes and government aid. Expenditures include most of the instructional and administrative aspects of District operations.

The Operations and Maintenance Account includes the cost of maintaining, improving, or repairing school buildings and property. Revenue consists primarily of property taxes.

The Tort Account includes the taxes levied for tort immunity and judgment purposes and the related allowable expenditures for risk services.

The Working Cash Account is used to account for financial resources held by the District which may be loaned to other funds. Revenue consists primarily of property taxes, but can also include working cash bonds.

Municipal Retirement/Social Security Fund - This Special Revenue Fund accounts for the District's portion of pension contributions, funded by property taxes and replacement taxes.

Debt Service Fund - This Debt Service Fund accounts for the accumulation of resources (primarily property taxes) for the payment of long-term debt principal, interest, and related costs, including capital leases.

Additional governmental fund types are combined as nonmajor funds, as follows.

Special Revenue Fund:

Transportation Fund - The Transportation Fund pays for the cost of transportation of pupils. Revenue is derived primarily from property taxes and state grants.

Capital Projects Funds:

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources for the acquisition or construction of major capital facilities. Revenue consists typically of property taxes and bond issues, as needed, and other local sources.

Fire Prevention and Safety Fund - This fund accounts for state-approved life safety projects financed through bond issues and tax levies.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the District reports the following fund types:

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (other employment benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The District's fiduciary funds are custodial funds. Custodial funds are used to account for assets held by the District as a fiscal agent for various entities or individuals.

(d) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Deposits and Investments

The District is allowed to invest in securities as authorized by the Illinois Compiled Statutes which includes obligations of the U.S. Treasury and its agencies, interest bearing savings, certificates of deposits or time deposits, money market mutual funds, short-term discount obligations of FNMA, commercial paper, repurchase agreements, and certain authorized investment pools.

Receivables and Payables

The District records a receivable for property taxes from the 2021 tax levy. It is recorded at 98.5% of the levy, as 1.5% is estimated as uncollectable. The District did not recognize any of the 2021 levy as revenue in fiscal year 2022, in both the fund statements and the government-wide statements, as it is intended to finance the 2023 fiscal year. It is recorded as a deferred inflow of resources.

Governmental claims are accrued based on the legal and contractual requirements of the individual programs. There are essentially two types of this revenue. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the District or, if prepaid, can be retained by the District only to the extent expenditures have been incurred for the program; therefore, revenue is recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt or earlier if the "susceptible to accrual" criteria are met.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Inventories

Inventories are made up of custodial supplies, general supplies, and food service supplies and are stated at cost (first-in, first-out method). Inventories are accounted for under the consumption method whereby acquisitions are recorded in inventory accounts initially and charged as expenditures when used.

Restricted Net Position

In the government-wide financial statements, certain net position is reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applied restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Capital Assets

Capital assets, which include land, land improvements, construction in process, buildings and improvements, and equipment, are reported in the government-wide financial statements and are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

All buildings, improvements, and equipment are depreciated using the straight-line method over the following estimated useful lives:

| | |
|----------------------------|----------------|
| Buildings and Improvements | 10 to 50 Years |
| Equipment | 5 to 10 Years |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Deferred Outflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and so will not be recognized as an outflow for resources (expense/expenditure) until then. The District has deferred outflows related to pension and other postemployment benefit expense to be recognized in future periods, including contributions made after actuarial measurement dates.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that apply to a future period so will not be recognized as an inflow of resources (revenue) until that time. The District will not recognize the related revenue until a future event occurs. Property tax receivables are recorded in the current year for the 2021 levy, but 100% of the revenue will be recorded in the subsequent year in the fund and government-wide statements, as it is intended to fund fiscal year 2023. Also, deferred inflows occur related to its pension and other postemployment benefits income to be recognized in a future period. Also, the District reports revenues that are unavailable to pay current liabilities as deferred inflows in the fund financial statements.

Compensated Absences

Employees earn vacation time in varying amounts depending on length of service with the District. Accumulated unpaid vacation pay is considered a long-term liability and has been accrued when earned in the government-wide financial statements. Unused sick time is not paid out to employees upon termination.

Pensions

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

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred inflows/outflows of resources, and OPEB expense, information about the fiduciary net position of the OPEB plans and additions and deductions to/from the Plans fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefits payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Unamortized premiums or discounts on bonds sold are also reported in the statement of net position.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Fund Balance Classification

According to GASB, fund balances are to be classified into five major classifications: Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Below are the definitions of how these balances are reported.

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed.
- **Assigned:** This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the District Superintendent or Treasurer through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- **Unassigned:** This classification includes the residual fund balance for the General Fund and includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

(e) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures/expenses, gains, losses, and other changes in fund equity during the reporting period. Accordingly, actual results could differ from those estimates.

(f) Stewardship, Compliance, and Accountability

Budgetary Information

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

1. Prior to July 1, the Superintendent submits a proposed operating budget to the Board of Education for the fiscal year commencing on that date. The tentative operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments prior to final action by the Board of Education.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. The Board of Education is authorized to transfer up to 10% of the total budget between functions/departments within any fund. For any budget revisions that alter the total expenditure of any fund, an amended budget is prepared. Procedures, including public hearings, are followed with regard to the amended budget just as they had been followed with the original budget. Final adoption of the amended budget is taken, again by resolution, by the Board of Education.

The budget is prepared on the same basis as the financial statements. The level of legal control is considered to be at the fund level. All appropriations lapse at year-end.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. The District's property tax is levied each year at the time the budget for the ensuing year is passed and is extended against the assessed valuation of the District on the following January 1. Normally, taxes are due and payable in installments in July or August and September at the County Collector's office. The District receives distributions from the collector typically in August or September, October, and March. The combined tax rate for the 2020 levy financing fiscal year 2022 is 5.37968 per \$100 assessed valuation.

NOTE 3 INVENTORY

Inventory consists of the following at fiscal year-end:

| | |
|--------------------------------|-------------------|
| General and Custodial Supplies | \$ 231,748 |
| Food Service Supplies | 83,613 |
| Total | <u>\$ 315,361</u> |

NOTE 4 DEPOSITS AND INVESTMENTS

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's deposit and investment policy requires all deposits and investments in excess of the federally insured amount to be collateralized in accordance with the Public Funds Investment Act.

As of June 30, 2022, none of the District's bank and investment balance of \$49,274,219 was exposed to custodial credit risk.

The District's investments of \$39,300,290 are in the Illinois School District Liquid Asset Fund Plus – Liquid Fund and Max Fund. The Liquid Fund and Max Fund were rated AAAM by Standard & Poor's Ratings. This is an external government investment pool and the assets are valued at amortized cost. All the investments have less than one year to maturity. There is no minimum investment. They are subject to a penalty if shares are redeemed within 14 days after purchase. Shares may be redeemed on any Illinois banking day.

Below is a reconciliation of deposits and investments as shown in the financial statements.

| | |
|--|----------------------|
| Cash and Cash Equivalents - Government-Wide Statements | \$ 5,262,567 |
| Investments - Government-Wide Statements | 39,300,290 |
| Cash - Custodial Funds | 4,075,163 |
| Total | <u>\$ 48,638,020</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 CAPITAL ASSETS

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

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|----------------------|---------------------|---------------------|----------------------|
| Governmental Activities: | | | | |
| Capital Assets, Not Being Depreciated: | | | | |
| Land | \$ 2,453,383 | \$ 10,195 | \$ - | \$ 2,463,578 |
| Construction in Progress | 2,308,410 | 5,594,554 | 3,795,918 | 4,107,046 |
| Total Capital Assets Not Being Depreciated | 4,761,793 | 5,604,749 | 3,795,918 | 6,570,624 |
| Capital Assets Being Depreciated: | | | | |
| Buildings and Improvements | 118,643,427 | 2,609,401 | - | 121,252,828 |
| Equipment | 5,494,071 | 3,718,495 | - | 9,212,566 |
| Total Capital Assets Being Depreciated | 124,137,498 | 6,327,896 | - | 130,465,394 |
| Capital Assets at Cost | 128,899,291 | 11,932,645 | 3,795,918 | 137,036,018 |
| Less Accumulated Depreciation for: | | | | |
| Buildings and Improvements | 74,084,141 | 3,667,001 | - | 77,751,142 |
| Equipment | 4,822,293 | 377,946 | - | 5,200,239 |
| Total Accumulated Depreciation | 78,906,434 | 4,044,947 | - | 82,951,381 |
| Governmental Activities Capital Assets, Net | <u>\$ 49,992,857</u> | <u>\$ 7,887,698</u> | <u>\$ 3,795,918</u> | <u>\$ 54,084,637</u> |

Depreciation expense of \$611,005 was charged to support services - student based, while \$3,433,942 was unallocated.

NOTE 6 INTERFUND TRANSFERS AND BALANCES

Interfund Transfers

Interfund transfers are defined as the flow of assets, such as cash or goods, without equivalent flows of assets in return. Interfund borrowings are reflected as "Due from/to Other Funds" on the accompanying financial statements.

Interfund transfers made during the year ended June 30, 2022 were as follows:

| <u>Transfer Out</u> | <u>Transfer in Debt Service Fund</u> |
|---------------------|--|
| General | \$ 894,506 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 INTERFUND TRANSFERS AND BALANCES (CONTINUED)

This transfer was made in order to pay principal and interest debt service on financed purchases in the Debt Service Fund, as required by ISBE.

Interfund Borrowings

There were no interfund borrowing balances as of June 30, 2022.

NOTE 7 LONG-TERM DEBT

The following is a summary of changes in long-term debt of the District for the year ended June 30, 2022:

| | School District Bonds | Accrued Compensated Absences | Financed Purchases - Direct Borrowings | Total |
|--|-----------------------------|------------------------------------|---|----------------------|
| Total Long-Term Debt at June 30, 2021 | \$ 25,760,000 | \$ 130,771 | \$ 1,826,972 | \$ 27,717,743 |
| Debt Issuance | - | - | - | - |
| Net Decrease in Accrued Compensated Absences | - | (5,424) | - | (5,424) |
| Less: | | | | |
| Bonds Retired | 1,400,000 | - | - | 1,400,000 |
| Financed Purchase Payments | - | - | 855,528 | 855,528 |
| Total Long-Term Debt at June 30, 2022 | <u>\$ 24,360,000</u> | <u>\$ 125,347</u> | <u>\$ 971,444</u> | <u>\$ 25,456,791</u> |
| Current Portion Payable | \$ 1,470,000 | \$ - | \$ 539,290 | \$ 2,009,290 |
| Long-Term Portion | <u>22,890,000</u> | <u>125,347</u> | <u>432,154</u> | <u>23,447,501</u> |
| Total | <u>\$ 24,360,000</u> | <u>\$ 125,347</u> | <u>\$ 971,444</u> | <u>\$ 25,456,791</u> |
| Unamortized Premium on Bonds at June 30, 2021 | \$ 1,045,678 | | | |
| Premium on Bonds Issued | - | | | |
| Current Year Amortization | <u>100,886</u> | | | |
| Unamortized Premium on Bonds at June 30, 2022 | <u>\$ 944,792</u> | | | |

See Note 9 for information on the long-term net pension liability (asset) and Note 10 for long-term other postemployment benefit liabilities.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 LONG-TERM DEBT (CONTINUED)

Bonds Payable

District bonds payable at June 30, 2022 are comprised of the following original issues:

General Obligation School Bonds, Series 2011QZAB, interest rates varying from 5.95% to 6.5%. Original issue of \$6,600,000. Interest payments are due each December and June, commencing December 1, 2025.

General Obligation School Bonds, Series 2012BQ, interest rates varying from 2% to 4%. Original issue of \$6,705,000. Interest payments are due each December and June, commencing December 1, 2032.

General Obligation School Bonds, Series 2012QZAB, interest rate of 4.2%. Original issue of \$1,200,000. Interest payments are due each December and June, commencing December 1, 2032.

General Obligation School Bonds, Series 2016A, interest rate of 4.75%. Original issue of \$3,365,000. Interest payments are due each December and June, commencing December 1, 2041.

General Obligation Refunding School Bonds, Series 2020A, interest rate of 3.00%. Original issue of \$8,050,000. Interest payments are due each December and June, commencing December 1, 2030.

Taxable General Obligation Refunding School Bonds, Series 2020B, interest rates varying from 1.55% to 1.70%. Original issue of \$1,090,000. Interest payments are due each December and June, commencing December 1, 2027.

The annual requirements to amortize all bonds outstanding as of June 30, 2022, including interest, are as follows:

| <u>Fiscal Year Ending June 30,</u> | <u>General Obligation School Bonds, Series 2011 QZAB</u> | | |
|------------------------------------|--|-------------------|--|
| | <u>Principal</u> | <u>Interest</u> | <u>Combined Principal and Interest</u> |
| 2023 | \$ 1,435,000 | \$ 347,660 | \$ 1,782,660 |
| 2024 | 1,515,000 | 255,453 | 1,770,453 |
| 2025 | 1,570,000 | 157,490 | 1,727,490 |
| 2026 | 1,650,000 | 53,625 | 1,703,625 |
| Total | <u>\$ 6,170,000</u> | <u>\$ 814,228</u> | <u>\$ 6,984,228</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 LONG-TERM DEBT (CONTINUED)

| General Obligation School Bonds, Series 2012 BQ | | | |
|--|---------------------|---------------------|---------------------------------------|
| <u>Fiscal Year Ending June 30,</u> | Principal | Interest | Combined Principal and Interest |
| 2023 | \$ 35,000 | 175,288 | \$ 210,288 |
| 2024 | 15,000 | 174,663 | 189,663 |
| 2025 | 20,000 | 174,225 | 194,225 |
| 2026 | 10,000 | 173,850 | 183,850 |
| 2027 | 60,000 | 172,975 | 232,975 |
| 2028-2032 | 2,845,000 | 782,313 | 3,627,313 |
| 2033 | 1,500,000 | 30,000 | 1,530,000 |
| Total | <u>\$ 4,485,000</u> | <u>\$ 1,683,314</u> | <u>\$ 6,168,314</u> |

| General Obligation School Bonds, Series 2012 QZAB | | | |
|--|---------------------|-------------------|---------------------------------------|
| <u>Fiscal Year Ending June 30,</u> | Principal | Interest | Combined Principal and Interest |
| 2023 | \$ - | \$ 50,400 | \$ 50,400 |
| 2024 | - | 50,400 | 50,400 |
| 2025 | - | 50,400 | 50,400 |
| 2026 | - | 50,400 | 50,400 |
| 2027 | - | 50,400 | 50,400 |
| 2028-2032 | - | 252,000 | 252,000 |
| 2033 | 1,200,000 | 25,200 | 1,225,200 |
| Total | <u>\$ 1,200,000</u> | <u>\$ 529,200</u> | <u>\$ 1,729,200</u> |

| General Obligation School Bonds, Series 2016A | | | |
|--|---------------------|---------------------|---------------------------------------|
| <u>Fiscal Year Ending June 30,</u> | Principal | Interest | Combined Principal and Interest |
| 2023 | \$ - | \$ 159,838 | \$ 159,838 |
| 2024 | - | 159,838 | 159,838 |
| 2025 | - | 159,838 | 159,838 |
| 2026 | - | 159,838 | 159,838 |
| 2027 | - | 159,838 | 159,838 |
| 2028-2032 | - | 799,188 | 799,188 |
| 2033-2037 | - | 799,188 | 799,188 |
| 2038-2042 | 3,365,000 | 719,269 | 4,084,269 |
| Total | <u>\$ 3,365,000</u> | <u>\$ 3,116,835</u> | <u>\$ 6,481,835</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 LONG-TERM DEBT (CONTINUED)

| General Obligation Refunding School Bonds 2020A | | | |
|--|---------------------|---------------------|---------------------------------------|
| <u>Fiscal Year Ending June 30,</u> | Principal | Interest | Combined Principal and Interest |
| 2023 | \$ - | \$ 241,500 | \$ 241,500 |
| 2024 | - | 241,500 | 241,500 |
| 2025 | - | 241,500 | 241,500 |
| 2026 | - | 241,500 | 241,500 |
| 2027 | 1,070,000 | 225,450 | 1,295,450 |
| 2028-2032 | 6,980,000 | 459,900 | 7,439,900 |
| Total | <u>\$ 8,050,000</u> | <u>\$ 1,651,350</u> | <u>\$ 9,701,350</u> |

| General Obligation Refunding School Bonds 2020B | | | |
|--|---------------------|------------------|---------------------------------------|
| <u>Fiscal Year Ending June 30,</u> | Principal | Interest | Combined Principal and Interest |
| 2023 | \$ - | \$ 16,895 | \$ 16,895 |
| 2024 | - | 16,895 | 16,895 |
| 2025 | - | 16,895 | 16,895 |
| 2026 | - | 16,895 | 16,895 |
| 2027 | 560,000 | 13,138 | 573,138 |
| 2028 | 530,000 | 4,691 | 534,691 |
| Total | <u>\$ 1,090,000</u> | <u>\$ 85,409</u> | <u>\$ 1,175,409</u> |

| <u>Fiscal Year Ending June 30,</u> | Total Principal | Total Interest | Total Combined Principal and Interest |
|------------------------------------|----------------------|---------------------|--|
| 2023 | \$ 1,470,000 | \$ 991,581 | \$ 2,461,581 |
| 2024 | 1,530,000 | 898,749 | 2,428,749 |
| 2025 | 1,590,000 | 800,348 | 2,390,348 |
| 2026 | 1,660,000 | 696,108 | 2,356,108 |
| 2027 | 1,690,000 | 621,801 | 2,311,801 |
| 2028-2032 | 10,355,000 | 2,298,092 | 12,653,092 |
| 2033-2037 | 2,700,000 | 854,388 | 3,554,388 |
| 2038-2042 | 3,365,000 | 719,269 | 4,084,269 |
| Total | <u>\$ 24,360,000</u> | <u>\$ 7,880,336</u> | <u>\$ 32,240,336</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 LONG-TERM DEBT (CONTINUED)

Financed Purchases

During fiscal year 2019, the District entered into three purchase agreements for computers. Annual payments for the first agreement are \$97,653, commencing July 2019. Payments were due annually through July 2021. Annual payments for the second agreement are \$113,227, commencing July 2020. Payments are due annually through July 2022. Annual payments for the third agreement are \$56,329, commencing July 2019. Payments are due annually through July 2023.

During fiscal year 2020, the District entered into three purchase agreements for computers. Annual payments for the first agreement are \$76,602, commencing July 2020. Payments are due annually through July 2023. Annual payments for the second agreement are \$117,261, commencing July 2020. Payments are due annually through July 2024. Annual payments for the third agreement are \$50,452, commencing July 2020. Payments are due annually through July 2025.

During fiscal year 2022, the District entered into three purchase agreements for computers. Annual payments for the first agreement are \$103,420, commencing July 2021. Payments are due annually through July 2024. Annual payments for the second agreement are \$109,591, commencing July 2021. Payments are due annually through July 2025. Annual payments for the third agreement are \$7,377, commencing July 2021. Payments are due annually through July 2026.

Future maturities on financed purchases/direct borrowings are as follows:

| Fiscal year ending June 30, | Principal | Interest | Combined |
|-----------------------------|-------------------|------------------|---------------------|
| 2023 | \$ 539,290 | \$ 34,051 | \$ 573,341 |
| 2024 | 312,055 | 15,114 | 327,169 |
| 2025 | 112,940 | 4,028 | 116,968 |
| 2026 | 7,159 | 219 | 7,378 |
| Total | <u>\$ 971,444</u> | <u>\$ 53,412</u> | <u>\$ 1,024,856</u> |

Legal Debt Margin

The legal debt margin of the District at June 30, 2022 is as follows:

| | |
|--|-----------------------|
| Assessed Valuation 2021 | <u>\$ 369,763,741</u> |
| Statutory Debt Limitation (13.8% of Assessed Valuation) | \$ 51,027,396 |
| Less: Outstanding General Obligation Bonds and Financed Purchases | <u>25,331,444</u> |
| Legal Debt Margin | <u>\$ 25,695,952</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 OTHER REQUIRED DISCLOSURES

The following funds reflected expenditures over budget for the year ended June 30, 2022:

| | Budget | Actual |
|---|----------------------|----------------------|
| General Fund: | | |
| Educational Account (Less | | |
| On-Behalf Payments) | \$ 69,860,141 | \$ 71,182,693 |
| Educational Account - | | |
| On-Behalf TRS and THIS Payments | - | 16,000,821 |
| Tort Account | 1,232,615 | 1,660,555 |
| Operations and Maintenance Account | 7,988,011 | 7,596,589 |
| Total General Fund | <u>\$ 79,080,767</u> | <u>\$ 96,440,658</u> |
| Municipal Retirement/Social Security Fund | <u>\$ 2,445,030</u> | <u>\$ 2,708,788</u> |
| Debt Service Fund | <u>\$ 2,581,738</u> | <u>\$ 3,362,672</u> |

NOTE 9 RETIREMENT FUND COMMITMENTS

Teachers' Retirement System of the State of Illinois

Plan Description

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

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/acfrs/fy2021>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling 888-678-3675, option 2.

Benefits Provided

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

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 RETIREMENT FUND COMMITMENTS (CONTINUED)

Teachers' Retirement System of the State of Illinois (Continued)

Benefits Provided (Continued)

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2020. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. One program allows retiring Tier 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% of the total actuarial liabilities of the System by the end of fiscal year 2045.

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

On behalf contributions to TRS. The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2022, state of Illinois contributions recognized by the employer were based on the state's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$16,501,700 in pension contributions from the state of Illinois.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 RETIREMENT FUND COMMITMENTS (CONTINUED)

Teachers' Retirement System of the State of Illinois (Continued)

Contributions (Continued)

2.2 formula contributions. Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2022, were \$185,416, and are deferred because they were paid after the June 30, 2021 measurement date.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the 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, 2022, the employer pension contribution was 10.31% of salaries paid from federal and special trust funds. For the year ended June 30, 2022, salaries totaling \$555,656 were paid from federal and special trust funds that required employer contributions of \$57,288. These contributions are deferred because they were paid after the June 30, 2021 measurement date.

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2022, the District paid \$1,929 to TRS for employer contributions due on salary increases in excess of 6%, \$9,116 for salary increases in excess of 3%, and \$-0- for sick leave days granted in excess of the normal annual allotment.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 RETIREMENT FUND COMMITMENTS (CONTINUED)

Teachers' Retirement System of the State of Illinois (Continued)

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

At June 30, 2021, 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 follow:

| | |
|--|-----------------------|
| Employer's Proportionate Share of the Net Pension Liability | \$ 2,745,068 |
| State's Proportionate Share of the Net Pension Liability Associated With the Employer | 230,065,870 |
| Total | <u>\$ 232,810,938</u> |

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The 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, 2021, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2021, the employer's proportion was .00352%, which was a decrease of .00009% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the employer recognized pension expense of \$14,095,471 (including on-behalf payments made by the state) and revenue of \$16,501,700 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 pension from the following sources:

| <u>Deferred Amounts Related to TRS Pension</u> | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Differences Between Expected and Actual Experience | \$ 15,747 | \$ 11,318 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | - | 184,128 |
| Changes of Assumptions | 1,216 | 13,569 |
| Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions | <u>-</u> | <u>1,953,622</u> |
| Total Deferred Amounts to be Recognized in Future Periods | 16,963 | 2,162,637 |
| TRS Pension Contributions Made Subsequent to Measurement Date | 280,198 | - |
| Total Deferred Amounts Related to TRS Pension | <u>\$ 297,161</u> | <u>\$ 2,162,637</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 RETIREMENT FUND COMMITMENTS (CONTINUED)

Teachers' Retirement System of the State of Illinois (Continued)

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

\$280,198 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 ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to TRS pension will be recognized in pension expense as follows:

| <u>Year Ending June 30,</u> | <u>Net Deferred Inflows of Resources</u> |
|-----------------------------|--|
| 2023 | \$ (1,348,983) |
| 2024 | (583,257) |
| 2025 | (104,412) |
| 2026 | (98,413) |
| 2027 | (10,609) |
| Total | <u>\$ (2,145,674)</u> |

Actuarial Assumptions

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

Inflation 2.25%

Salary increases varies by amount of service credit

Investment rate of return 7.00%, net of pension plan investment expense, including inflation

In the June 30, 2021 actuarial valuation, mortality rates were based on the PubT-2010 Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2020. In the June 30, 2020 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2017.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 RETIREMENT FUND COMMITMENTS (CONTINUED)

Teachers' Retirement System of the State of Illinois (Continued)

Actuarial Assumptions (Continued)

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

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------------------|--------------------------|---|
| U.S. Equities Large Cap | 16.7 % | 6.20% |
| U.S. Equities Small/Mid Cap | 2.2 | 7.40% |
| International Equities Developed | 10.6 | 6.90% |
| Emerging Markets Equities | 4.5 | 9.20% |
| U.S. Bonds Core | 3.0 | 1.60% |
| Cash Equivalents | 2.0 | 0.10% |
| TIPS | 1.0 | 0.80% |
| International Debt Developed | 1.0 | 0.40% |
| Emerging International Debt | 4.0 | 4.40% |
| Real Estate | 16.0 | 5.80% |
| Private Debt | 10.0 | 6.50% |
| Hedge Funds | 10.0 | 3.90% |
| Private Equity | 15.0 | 10.40% |
| Infrastructure | 4.0 | 6.30% |
| Total | <u>100.0 %</u> | |

Discount Rate

At June 30, 2021, the discount rate used to measure the total pension liability was a blended rate of 7.00% which was the same as the June 30, 2020 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2021 was not 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.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 RETIREMENT FUND COMMITMENTS (CONTINUED)

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

| | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
|--|------------------------|----------------------------------|------------------------|
| Employer's Proportionate Share of the Net Pension Liability | \$ 3,399,710 | \$ 2,745,068 | \$ 2,201,301 |

TRS Fiduciary Net Position

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

Defined Benefit Pension Plan - Illinois Municipal Retirement Fund

IMRF Plan Description

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

Benefits Provided

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). The District only participates in the Regular Plan.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 RETIREMENT FUND COMMITMENTS (CONTINUED)

Defined Benefit Pension Plan - Illinois Municipal Retirement Fund (Continued)

Benefits Provided (Continued)

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

Employees hired **on or after** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings.

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

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

Employees Covered by Benefit Terms

As of December 31, 2021, the following employees were covered by the benefit terms:

| | <u>IMRF</u> |
|--|---------------------|
| Retirees and Beneficiaries Currently Receiving Benefits | 383 |
| Inactive Plan Members Entitled to But Not Yet Receiving Benefits | 265 |
| Active Plan Members | <u>379</u> |
| Total | <u><u>1,027</u></u> |

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2022 and 2021 was 8.05% and 9.37%, respectively. For fiscal year ended June 30, 2022, the District contributed \$1,188,322 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

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 RETIREMENT FUND COMMITMENTS (CONTINUED)

Defined Benefit Pension Plan - Illinois Municipal Retirement Fund (Continued)

Net Pension Liability (Asset)

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

Actuarial Assumptions

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

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- For **Non-disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.
- For **Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- For **Active Members**, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- There were no benefit changes during the year.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 RETIREMENT FUND COMMITMENTS (CONTINUED)

Defined Benefit Pension Plan - Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

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

| <u>Asset Class</u> | <u>Portfolio Target Percentage</u> | <u>Long-Term Expected Real Rate of Return</u> |
|-------------------------|--|---|
| Domestic Equity | 39.0 % | 1.90% |
| International Equity | 15.0 | 3.15% |
| Fixed Income | 25.0 | -0.60% |
| Real Estate | 10.0 | 3.30% |
| Alternative Investments | 10.0 | 1.70 - 5.50% |
| Cash Equivalents | 1.0 | -0.90% |
| Total | <u>100.0 %</u> | |

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability December 31, 2021. 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 when the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 1.84%, and the resulting single discount rate is 7.25%.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 RETIREMENT FUND COMMITMENTS (CONTINUED)

Defined Benefit Pension Plan - Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset)

| | Total Pension Liability (A) | Plan Fiduciary Net Position (B) | Net Pension (Asset) Liability (A) - (B) |
|---|--------------------------------------|---------------------------------------|--|
| Balances at December 31, 2020 | \$ 62,646,011 | \$ 64,913,029 | \$ (2,267,018) |
| Changes for the Year: | | | |
| Service Cost | 1,171,253 | - | 1,171,253 |
| Interest on the Total Pension Liability | 4,435,828 | - | 4,435,828 |
| Differences Between Expected and Actual Experience of the Total Pension Liability | 508,583 | - | 508,583 |
| Changes of Assumptions | - | - | - |
| Contributions - Employer | - | 1,206,275 | (1,206,275) |
| Contributions - Employees | - | 612,322 | (612,322) |
| Net Investment Income | - | 4,576,008 | (4,576,008) |
| Difference Between Projected and Actual Investment Income | - | 6,777,949 | (6,777,949) |
| Benefit Payments, Including Refunds of Employee Contributions | (4,096,537) | (4,096,537) | - |
| Administrative Expenses | - | (37,981) | 37,981 |
| Other (Net Transfer) | - | 22 | (22) |
| Net Changes | <u>2,019,127</u> | <u>9,038,058</u> | <u>(7,018,931)</u> |
| Balances at December 31, 2021 | <u>\$ 64,665,138</u> | <u>\$ 73,951,087</u> | <u>\$ (9,285,949)</u> |

Sensitivity of the Net Pension Liability (Asset) 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:

| | 1% Lower (6.25%) | Current Discount Rate (7.25%) | 1% Higher (8.25%) |
|-------------------------------|---------------------|-------------------------------------|----------------------|
| Net Pension Liability (Asset) | \$ (1,526,478) | \$ (9,285,949) | \$ (15,568,473) |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 RETIREMENT FUND COMMITMENTS (CONTINUED)

Defined Benefit Pension Plan - Illinois Municipal Retirement Fund (Continued)
Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate
(Continued)

For the year ended June 30, 2022, the District recognized pension benefit of \$2,026,851. At June 30, 2022, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

| <u>Deferred Amounts Related to IMRF Pension</u> | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Deferred Amounts to be Recognized in Pension Expense in Future Periods: | | |
| Differences Between Expected and Actual Experience | \$ 754,478 | \$ 19,292 |
| Changes of Assumptions | - | 230,949 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | <u>-</u> | <u>9,494,053</u> |
| Total Deferred Amounts to be Recognized in Pension Expense in Future Periods | 754,478 | 9,744,294 |
| IMRF Pension Contributions Made Subsequent to the Measurement Date | 519,478 | - |
| Total Deferred Amounts Related to IMRF pension | <u><u>\$ 1,273,956</u></u> | <u><u>\$ 9,744,294</u></u> |

\$519,478 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction (addition) of the net pension liability (asset) in the year ended June 30, 2023.

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

| <u>Year Ending June 30,</u> | <u>Net Deferred Inflows of Resources</u> |
|-----------------------------|--|
| 2023 | \$ (2,111,238) |
| 2024 | (3,312,713) |
| 2025 | (2,210,277) |
| 2026 | (1,355,588) |
| Total | <u><u>\$ (8,989,816)</u></u> |

In aggregate, for both pension plans, District pension expense for the fiscal year ended June 30, 2022 was \$12,068,620 (including on-behalf payments made by the State for TRS).

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS

Teachers' Retirement Insurance Program (THIS) of the State of Illinois
Plan Description and Funding Policy

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

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

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

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>.

Benefits Provided

THIS provides medical, prescription, and behavioral health benefits for eligible retirees and their dependents, but it does not provide vision, dental, or life insurance benefits to annuitants of 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 premiums charged reflect approximately a 75% subsidy for members that elect a managed care plan or elect the Teachers' Choice Health Plan (TCHP) if a managed care plan is either not available or only partially available. Members receive approximately a 50% subsidy if they elect the TCHP when a managed care plan is available. Medicare primary dependent beneficiaries enrolled in a managed care plan or in the TCHP when no managed care plan is available receive a premium subsidy.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Teachers' Retirement Insurance Program (THIS) of the State of Illinois (Continued)
Contributions

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6) specifies the contribution requirements of the participating school districts and covered employees. For the year ended June 30, 2022, required contribution are as follows:

- Active members contribute 0.009% of covered payroll.
- Employers contribute 0.0067% of covered payroll. The percentage of employer required contributions in the future will not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. For the year ended June 30, 2022, the District paid \$214,187 to the THIS Fund, which was 100% of the required contribution.
- The State of Illinois makes contributions on behalf of the employer. State contributions are intended to match contributions to the THIS Fund from active members. The State contributed 0.009% of covered payroll. For the year ended June 30, 2022, State of Illinois contributions on behalf of the District's employees were \$287,714 and the employer recognized revenue and expenditures for this on-behalf contribution amount during the year in the General Fund.
- Retired members contribute through premium payments based on the coverage elected, Medicare eligibility, and the age of the member and dependents. The premium for retired members is not permitted to increase by more than 5% per year by statute. The Federal Government provides a Medicare Part D subsidy.

OPEB Liabilities, OPEB Expense (Benefit) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the District recognized OPEB benefit of \$403,909. This amount is the District's proportional share of the net OPEB liability. The State of Illinois is considered a nonemployer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Illinois' proportionate share of the net OPEB liability associated with the District totaled \$36,192,953. At June 30, 2022, the employer reported a liability for its proportionate share of the net other postemployment liability was \$26,693,779. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020 and a measurement date of June 30, 2021. The District's proportion of the net OPEB liability was based on the District's share of contributions to the OPEB plan relative to the contributions of all participating employers and the state of Illinois. At June 30, 2022, the District's proportion was 0.121031%, which was a increase of 0.0006% from its proportion measured at June 30, 2021.

In addition, the District recognized an additional \$500,879 as OPEB benefit (and revenue) for its proportionate share of the State of Illinois' contribution to the plan.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Teachers' Retirement Insurance Program (THIS) of the State of Illinois (Continued)
OPEB Liabilities, OPEB Expense (Benefit) and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to OPEB (Continued)

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Deferred Amounts Related to OPEB | | |
| Deferred Amounts to be Recognized in OPEB | | |
| Expense in Future Periods: | | |
| Differences Between Expected and Actual Experience | \$ - | \$ 1,248,702 |
| Changes of Assumptions | 9,215 | 9,995,617 |
| Net Difference Between Projected and Actual | | |
| Investment Earnings | 421 | 512 |
| Changes in Proportion and Differences between Employer | | |
| Contributions and Share of Contributions | 228,002 | 615,604 |
| Total Deferred Amounts to be Recognized in | | |
| OPEB Expense in Future Periods | 237,638 | 11,860,435 |
| OPEB Contributions Made Subsequent to the | | |
| Measurement Date | 214,187 | - |
| Total Deferred Amounts Related to OPEB | <u>\$ 451,825</u> | <u>\$ 11,860,435</u> |

\$214,187 reported as deferred outflows of resources related to OPEB contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the reporting year ending June 30, 2022.

Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <u>Year Ending June 30,</u> | Net Deferred Inflows of Resources |
|-----------------------------|---|
| 2023 | \$ (1,585,658) |
| 2024 | (1,585,658) |
| 2025 | (1,585,658) |
| 2026 | (1,585,658) |
| 2027 | (1,585,638) |
| 2028-2030 | (3,694,527) |
| Total | <u>\$ (11,622,797)</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Teachers' Retirement Insurance Program (THIS) of the State of Illinois (Continued)

Actuarial Assumptions

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

| | |
|------------------------------|--|
| Actuarial cost method: | Entry Age Normal |
| Inflation rate: | 2.50% per year |
| Salary increases: | Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption. |
| Healthcare cost trend rates: | Trend for fiscal year ending 2022 based on expected increases used to develop average costs. For fiscal years ending on and after 2023, trend starts at 8.00% for non-Medicare costs and post-Medicare costs, and gradually decreases to an ultimate trend of 4.25%. |

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

Discount Rate

Under GASB 75, the discount rate used in valuing OPEB liabilities for unfunded plans as of the Measurement Date must be based on a yield of 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The discount rate was 1.92% as of June 30, 2021.

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.92%) or 1-percentage-point higher (2.92%) than the current discount rate:

| As of June 30, 2021 | Net OPEB Liability |
|-------------------------------|-----------------------|
| 1% Decrease (0.92%) | \$ 32,067,089 |
| Current Discount Rate (1.92%) | 26,693,779 |
| 1% Increase (2.92%) | 22,434,700 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Teachers' Retirement Insurance Program (THIS) of the State of Illinois (Continued)
Discount Rate (Continued)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.00% health care trend costs, respectively, and gradually decrease to an ultimate trend of 3.25%) or 1-percentage point higher (9.00% health care trend costs, respectively, and gradually decrease to an ultimate trend of 5.25%) than the current healthcare cost trend rates.

| <u>As of June 30, 2021</u> | Net OPEB Liability |
|----------------------------|-----------------------|
| 1% Decrease | \$ 21,369,715 |
| Current Trend Rate | 26,693,779 |
| 1% Increase | 33,926,129 |

OPEB plan fiduciary net position. Detailed information about the THIS plan fiduciary net position is available in the separately issued THIS financial report.

Payable to the OPEB plan. The District had no outstanding amount of contributions to the THIS plan for the year ended June 30, 2022.

Other Postemployment Healthcare Plan
Plan Description

The District is the administrator of a single-employer Other Post Employment Benefit (OPEB) Plan and follows GASB No. 75. The plan provides for continuation of group health insurance coverage to employees (and their beneficiaries) who retire under the Illinois Municipal Retirement Fund system. The District's group health insurance plan covers both active and retired members. The health plan does not issue a publicly available financial report. Membership in the plan as of June 30, 2022 consisted of the following:

| | |
|----------------------|------------|
| Active Participants | 696 |
| Retiree Participants | 4 |
| | <u>700</u> |

Funding Policy

Retirees and beneficiaries electing coverage pay 100% of the premium to the District in accordance with rates set by the District. The plan is financed on a pay-as-you-go basis. The District's Annual Contribution Rate has been determined through the use of an actuary. There have been no OPEB contributions by either the District or employees to date. As such, there are no plan assets.

Total OPEB Liability

The District's total OPEB liability was determined for fiscal year ending June 30, 2022, using a June 30, 2022 measurement date.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Other Postemployment Healthcare Plan (Continued)

Actuarial Assumptions

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

| | |
|------------------------------|--|
| Actuarial cost method: | Entry Age Normal |
| Inflation rate: | 2.25% per year |
| Salary increases: | 2.75% plus merit and productivity increases |
| Healthcare cost trend rates: | 7.5% for 2023, decreasing 0.5% annual to an ultimate rate of 4.5% for 2029 and later years |

Mortality rates were based on the RPH-2017 Total Dataset Mortality Table fully generational using scale MP-2021. Disabled Retiree Table fully generational using scale MP-2021.

Discount Rate

Under GASB 75, the discount rate used in valuing OPEB liabilities for unfunded plans as of the measurement date must be based on a yield of 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The discount rate was 4.09% as of June 30, 2022.

Changes in the Total OPEB Liability

| | Total OPEB Liability |
|---|-------------------------|
| Total OPEB Liability at June 30, 2021 | \$ 3,708,769 |
| Changes for the Year: | |
| Service Cost | 213,904 |
| Interest | 84,312 |
| Changes in Benefit Terms | - |
| Difference Between Expected and Actual Experience | (932,979) |
| Changes in Assumptions | (666,685) |
| Benefit Payments | (146,425) |
| Net Changes | <u>(1,447,873)</u> |
| Total OPEB Liability at June 30, 2022 | <u>\$ 2,260,896</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Other Postemployment Healthcare Plan (Continued)

Changes in the Total OPEB Liability (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.09%) or 1-percentage-point higher (5.09%) than the current discount rate:

| <u>As of June 30, 2022</u> | <u>Total OPEB Liability</u> |
|-------------------------------|---------------------------------|
| 1% Decrease (3.09%) | \$ 2,426,096 |
| Current Discount Rate (4.09%) | 2,260,896 |
| 1% Increase (5.09%) | 2,103,162 |

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.50% decreasing by 0.5% annually to an ultimate rate of 3.50%) or 1-percentage point higher (8.50% decreasing by 0.5% annually to an ultimate rate of 5.50%) than the current healthcare cost trend rates.

| <u>As of June 30, 2022</u> | <u>Total OPEB Liability</u> |
|----------------------------|---------------------------------|
| 1% Decrease (6.50%) | \$ 2,018,572 |
| Current Trend Rate (7.50%) | 2,260,896 |
| 1% Increase (8.50%) | 2,541,574 |

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

For the year ended June 30, 2022, the District recognized OPEB expense of \$100,422. At June 30, 2022, the District reported deferred inflows of resources related to OPEB from the following source:

| <u>Deferred Amounts Related to OPEB</u> | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences between expected and actual experience | \$ 176,323 | \$ 1,226,066 |
| Changes in assumptions | 239,452 | 624,614 |
| Total Deferred Amounts to be Recognized in OPEB Expense in Future Periods | <u>\$ 415,775</u> | <u>\$ 1,850,680</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Other Postemployment Healthcare Plan (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as OPEB expense (income) as follows:

| <u>Year Ending June 30,</u> | <u>Net Deferred Inflows of Resources</u> |
|-----------------------------|--|
| 2023 | \$ (197,794) |
| 2024 | (197,794) |
| 2025 | (197,794) |
| 2026 | (197,791) |
| 2027 | (189,790) |
| 2028-2030 | (453,942) |
| Total | <u>\$ (1,434,905)</u> |

NOTE 11 CONTINGENCIES

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

The District is the subject of lawsuits from time to time. The outcome of these are undeterminable at this time, but management does not expect any material negative results.

NOTE 12 COMMITMENTS AND SUBSEQUENT EVENTS

As of June 30, 2022 and subsequent to year-end, the District has commitments for capital contracts totaling approximately \$14,000,000, some of which will be funded by grants.

Subsequent to year end, in September 2022, the District refinanced \$4,550,000 of its Series 2012BQ bonds.

NOTE 13 TAX ABATEMENTS

Tax abatements, as defined by Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures* (GASB 77), are agreements between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefit the government or its citizens. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 13 TAX ABATEMENTS (CONTINUED)

Since the District has not entered into tax abatement agreements directly with any individuals or entities, the following estimates are from tax abatements entered into by other governments that have reduced the District's tax revenues.

The District's property tax revenues were reduced by an Enterprise Zone program, which provides real property tax abatements to new or expanding businesses in certain specified geographic areas designated by local governments and certified by the state of Illinois. The estimated tax abatement for the District related to this was \$198,560 for fiscal year 2022.

Illinois's Tax Increment Financing Act enables cities to finance certain redevelopment costs with the revenue generated from (i) payments in lieu of real estate taxes, as measured by the net increase in assessed valuation resulting from redevelopment and (ii) a portion of the increase in other local tax revenue associated with new economic activity. When a tax increment financing (TIF) plan is adopted, real estate taxes in the redevelopment are frozen at their current level. By applying the real estate tax rate of all taxing districts having taxing power within the redevelopment area to the increased assessed valuation resulting from redevelopment, a tax "increment" is produced. The District's estimated net reduced tax revenue resulting from the TIFs adopted in City of Danville was \$730,058 for fiscal year 2022.

NOTE 14 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. These risks are insured through commercial insurance, with the exception of workers' compensation, which is self-insured. There have been no significant reductions in insurance coverage from the prior year. During the past three fiscal years, there have been no settlements that exceeded insurance coverage.

For self-insured workers' compensation, claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The District has self-insured retention up to \$500,000, and purchases commercial coverage for settlements over that amount. Changes in the workers' compensation liability were as follows for fiscal year 2022 and 2021:

| | 2022 | 2021 |
|-------------------|-------------------|-------------------|
| Beginning Balance | \$ 688,853 | \$ - |
| Claims Incurred | 356,264 | 870,511 |
| Claims Paid | (225,918) | (181,658) |
| Ending Balance | <u>\$ 819,199</u> | <u>\$ 688,853</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 15 RESTATEMENT OF FUND BALANCE

A change was required to beginning fund balance to correct certain prior year payables accrued in the capital projects fund (nonmajor funds), but actually paid out of the educational fund and operations and maintenance fund (combined in the general fund). These restatements are shown below.

| | General Fund | Nonmajor Funds |
|---|----------------------|-------------------|
| Fund Balance, June 30, 2021 as Previously Reported | \$ 28,324,749 | \$ (918,044) |
| Reclassification of Capital Outlay Payables/Expenditures | (929,094) | 929,094 |
| Fund Balance, June 30, 2021 as Restated | <u>\$ 27,395,655</u> | <u>\$ 11,050</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
SCHEDULE OF CHANGES IN THE NET PENSION
LIABILITY (ASSET) AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
YEAR ENDED JUNE 30, 2022
(UNAUDITED)

| <u>Calendar Year Ended December 31,</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total Pension Liability | | | | | | | | |
| Service Cost | \$ 1,171,253 | \$ 1,283,138 | \$ 1,227,524 | \$ 1,093,858 | \$ 1,071,106 | \$ 1,071,816 | \$ 999,204 | \$ 1,079,303 |
| Interest on Total Pension Liability | 4,435,828 | 4,298,490 | 4,184,860 | 4,007,733 | 3,980,974 | 3,877,961 | 3,691,026 | 3,485,861 |
| Difference Between Expected and Actual Experience | 508,583 | 825,142 | (111,635) | 1,202,401 | 420,479 | (392,617) | 727,315 | (1,074,374) |
| Assumption Changes | - | (487,131) | - | 1,499,108 | (1,728,397) | (118,553) | 58,150 | 2,061,992 |
| Other | 10,889 | - | - | - | - | - | 113,239 | - |
| Benefit Payments and Refunds | (4,096,537) | (3,843,634) | (3,682,492) | (3,489,940) | (3,313,212) | (3,099,088) | (2,796,503) | (2,739,707) |
| Net Change in Total Pension Liability | 2,030,016 | 2,076,005 | 1,618,257 | 4,313,160 | 430,950 | 1,339,519 | 2,792,431 | 2,813,075 |
| Total Pension Liability - Beginning | 62,635,122 | 60,559,117 | 58,940,860 | 54,627,700 | 54,196,750 | 52,857,231 | 50,064,800 | 47,251,725 |
| Total Pension Liability - Ending (A) | <u>\$ 64,665,138</u> | <u>\$ 62,635,122</u> | <u>\$ 60,559,117</u> | <u>\$ 58,940,860</u> | <u>\$ 54,627,700</u> | <u>\$ 54,196,750</u> | <u>\$ 52,857,231</u> | <u>\$ 50,064,800</u> |
| Plan Fiduciary Net Position | | | | | | | | |
| Employer Contributions | \$ 1,206,275 | \$ 1,285,011 | \$ 1,046,223 | \$ 1,211,306 | \$ 1,114,574 | \$ 1,090,501 | \$ 1,058,461 | \$ 1,122,164 |
| Employee Contributions | 612,322 | 597,766 | 601,657 | 545,963 | 494,530 | 476,069 | 436,332 | 420,814 |
| Pension Plan Net Investment Income | 11,353,957 | 8,769,734 | 9,805,057 | (1,971,695) | 7,440,136 | 2,868,841 | 608,002 | 2,619,123 |
| Benefit Payments and Refunds | (4,096,537) | (3,843,634) | (3,682,492) | (3,489,940) | (3,313,212) | (3,099,088) | (2,796,503) | (2,739,708) |
| Other | (37,959) | (41,260) | (49,891) | (37,273) | (40,459) | (41,658) | (85,550) | (34,564) |
| Net Change in Plan Fiduciary Net Position | 9,038,058 | 6,767,617 | 7,720,554 | (3,741,639) | 5,695,569 | 1,294,665 | (779,258) | 1,387,829 |
| Plan Fiduciary Net Position - Beginning | 64,913,029 | 58,145,412 | 50,424,858 | 54,166,497 | 48,470,928 | 47,176,263 | 47,955,521 | 46,567,692 |
| Plan Fiduciary Net Position - Ending (B) | <u>\$ 73,951,087</u> | <u>\$ 64,913,029</u> | <u>\$ 58,145,412</u> | <u>\$ 50,424,858</u> | <u>\$ 54,166,497</u> | <u>\$ 48,470,928</u> | <u>\$ 47,176,263</u> | <u>\$ 47,955,521</u> |
| Net Pension Liability (Asset) - Ending (A) - (B) | \$ (9,285,949) | \$ (2,277,907) | \$ 2,413,705 | \$ 8,516,002 | \$ 461,203 | \$ 5,725,822 | \$ 5,680,968 | \$ 2,109,279 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 114.36% | 103.64% | 96.01% | 85.55% | 99.16% | 89.44% | 89.25% | 95.79% |
| Covered Valuation Payroll | \$ 12,873,939 | \$ 12,727,869 | \$ 12,233,632 | \$ 11,449,020 | \$ 10,558,864 | \$ 9,748,541 | \$ 9,450,497 | \$ 8,906,100 |
| Net Pension Liability (Asset) as a Percentage of Covered Valuation Payroll | -72.13% | -17.90% | 19.73% | 74.38% | 4.37% | 58.74% | 60.11% | 23.68% |

Additional years will be added to this schedule until 10 years of data is presented.

See accompanying Notes to Required Supplementary Information.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
YEAR ENDED JUNE 30, 2022
(UNAUDITED)

| Year Ended June 30, | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Payroll | Actual Contribution as a % of Covered Payroll |
|---------------------------|---|------------------------|--|--------------------|---|
| 2022 | \$ 1,188,322 | \$ 1,188,322 | \$ - | \$ 13,808,387 | 8.61% |
| 2021 | 1,184,668 | 1,184,668 | - | 11,468,001 | 10.33% |
| 2020 | 1,216,902 | 1,216,902 | - | 15,160,418 | 8.03% |
| 2019 | 1,208,529 | 1,208,529 | - | 11,322,706 | 10.67% |
| 2018 | 1,101,290 | 1,145,350 | (44,060) | 10,558,864 | 10.85% |
| 2017 | 1,070,390 | 1,073,059 | (2,669) | 9,748,541 | 11.01% |
| 2016 | 1,060,346 | 1,079,696 | (19,350) | 9,450,497 | 11.42% |
| 2015 | 1,062,498 | 1,077,906 | (15,408) | 8,906,100 | 12.10% |

Additional years will be added to this schedule until 10 years of data is presented.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
SCHEDULE OF EMPLOYER'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
TEACHER'S RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
YEAR ENDED JUNE 30, 2022
(UNAUDITED)

| | 2022 * | 2021 * | 2020 * | 2019 * | 2018 * | 2017 * | 2016 * | 2015 * |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Employer's Proportion of the Net Pension Liability | 0.00352% | 0.00361% | 0.00385% | 0.00403% | 0.01178% | 0.02258% | 0.02584% | 0.02257% |
| Employer's Proportionate Share of the Net Pension Liability | \$ 2,745,068 | \$ 3,115,814 | \$ 3,122,968 | \$ 3,141,435 | \$ 8,998,811 | \$ 17,823,380 | \$ 16,927,992 | \$ 13,736,547 |
| State's Proportionate Share of the Net Pension Liability | | | | | | | | |
| Associated With the Employer | \$ 230,065,870 | \$ 244,046,732 | \$ 222,258,239 | \$ 215,201,452 | \$ 211,660,006 | \$ 226,070,178 | \$ 184,123,303 | \$ 175,853,775 |
| Total | \$ 232,810,938 | \$ 247,162,546 | \$ 225,381,207 | \$ 218,342,887 | \$ 220,658,817 | \$ 243,893,558 | \$ 201,051,296 | \$ 189,590,322 |
| Employer's Covered Payroll | \$ 31,465,325 | \$ 30,699,837 | \$ 30,027,267 | \$ 29,423,218 | \$ 28,217,679 | \$ 28,530,575 | \$ 28,458,967 | \$ 28,458,967 |
| Employer's Proportionate Share of the Net Pension Liability as a | | | | | | | | |
| Percentage of its Covered Payroll | 8.7% | 10.1% | 10.4% | 10.7% | 31.9% | 62.5% | 59.0% | 48.2% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension | 45.1% | 37.8% | 39.6% | 40.0% | 39.3% | 36.4% | 41.5% | 43.0% |

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

Additional fiscal years will be added to this schedule until 10 years of data is presented.

See accompanying Notes to Required Supplementary Information.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHER'S RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
YEAR ENDED JUNE 30, 2022
(UNAUDITED)

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Statutorily-Required Contribution | \$ 242,704 | \$ 235,533 | \$ 278,206 | \$ 219,674 | \$ 204,601 | \$ 489,488 | \$ 876,804 | \$ 901,398 |
| Contributions in Relation to the Statutorily-Required Contribution | \$ 280,199 | \$ 240,195 | \$ 215,778 | \$ 229,006 | \$ 216,331 | \$ 495,921 | \$ 887,442 | \$ 901,704 |
| Contribution Deficiency (Excess) | \$ (37,495) | \$ (4,662) | \$ 62,428 | \$ (9,332) | \$ (11,730) | \$ (6,433) | \$ (10,638) | \$ (306) |
| Employer's Covered Payroll | \$ 31,968,213 | \$ 31,465,325 | \$ 30,699,837 | \$ 30,027,267 | \$ 29,423,218 | \$ 28,217,679 | \$ 28,530,575 | \$ 28,458,967 |
| Contributions as a Percentage of Covered Payroll | 0.88% | 0.76% | 0.70% | 0.76% | 0.74% | 1.76% | 3.11% | 3.17% |

Additional fiscal years will be added to this schedule until 10 years of data is presented.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30, 2022
(UNAUDITED)

| Total OPEB Liability | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Service Cost | \$ 213,904 | \$ 167,556 | \$ 141,116 | \$ 157,417 | \$ 157,889 |
| Interest | 84,312 | 81,574 | 100,048 | 122,903 | 109,836 |
| Changes in Benefit Terms | - | 270,060 | - | - | - |
| Difference Between Actual and Expected Experience | (932,979) | 226,701 | (126,435) | (562,428) | - |
| Changes of Assumptions | (666,685) | 106,719 | 173,170 | 73,802 | (72,015) |
| Benefit Payments | (146,425) | (85,359) | (110,339) | (91,329) | (83,788) |
| Net Change in Total OPEB Liability | (1,447,873) | 767,251 | 177,560 | (299,635) | 111,922 |
| Total OPEB Liability - Beginning | 3,708,769 | 2,941,518 | 2,763,958 | 3,063,593 | 2,951,671 |
| Total OPEB Liability - Ending | <u>\$ 2,260,896</u> | <u>\$ 3,708,769</u> | <u>\$ 2,941,518</u> | <u>\$ 2,763,958</u> | <u>\$ 3,063,593</u> |
| Covered Employee Payroll | \$44,321,426 | \$33,564,788 | \$32,508,269 | \$36,652,501 | \$35,498,790 |
| Total OPEB Liability as a Percentage of the Covered Employee Payroll | 5.10% | 11.05% | 9.05% | 7.54% | 8.63% |

NOTES TO SCHEDULE

1. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period.
2. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.
3. This schedule will ultimately present 10 years of information when available.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
SCHEDULE OF EMPLOYER'S PROPORTIONATE
SHARE OF THE NET OPEB LIABILITY
TEACHERS' HEALTH INSURANCE SECURITY FUND
YEAR ENDED JUNE 30, 2022
(UNAUDITED)

| | 2022 * | 2021 * | 2020 * | 2019 * | 2018* |
|---|---------------|---------------|---------------|---------------|---------------|
| Employer's Proportion of the Net Pension Liability | 0.12103% | 0.12038% | 0.12265% | 0.12242% | 0.12281% |
| Employer's Proportionate Share of the Net OPEB Liability | \$ 26,693,779 | \$ 32,185,015 | \$ 33,947,244 | \$ 31,251,789 | \$ 31,868,665 |
| State's Proportionate Share of the OPEB Liability | | | | | |
| Associated With the Employer | \$ 36,192,953 | \$ 43,601,855 | \$ 45,968,874 | \$ 43,307,248 | \$ 41,851,746 |
| Total | \$ 62,886,732 | \$ 75,786,870 | \$ 79,916,118 | \$ 74,559,037 | \$ 73,720,411 |
| Employer's Covered Payroll | \$ 31,465,325 | \$ 30,699,837 | \$ 30,027,267 | \$ 29,423,218 | \$ 28,217,679 |
| Employer's Proportionate Share of the Net OPEB Liability as a | | | | | |
| Percentage of its Covered Payroll | 84.8% | 104.8% | 113.1% | 106.2% | 112.9% |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB | 1.4% | 0.7% | 0.2% | -0.1% | -0.2% |

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

Additional fiscal years will be added to this schedule until 10 years of data is presented.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' HEALTH INSURANCE SECURITY FUND
YEAR ENDED JUNE 30, 2022
(UNAUDITED)

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|---------------|---------------|---------------|---------------|---------------|
| Statutorily-Required Contribution | \$ 501,901 | \$ 679,651 | \$ 663,116 | \$ 648,589 | \$ 606,118 |
| Contributions in Relation to the Statutorily-Required Contribution | \$ 509,151 | \$ 675,998 | \$ 659,812 | \$ 645,026 | \$ 599,951 |
| Contribution Deficiency (Excess) | \$ (7,250) | \$ 3,652 | \$ 3,304 | \$ 3,563 | \$ 6,157 |
| Employer's Covered Payroll | \$ 31,968,213 | \$ 31,465,325 | \$ 30,699,837 | \$ 30,027,267 | \$ 29,423,218 |
| Contributions as a Percentage of Covered Payroll | 1.59% | 2.15% | 2.15% | 2.15% | 2.04% |

Additional fiscal years will be added to this schedule until 10 years of data is presented.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2022
(UNAUDITED)

| | Budgeted Amounts | | Actual |
|--|-----------------------|-----------------------|-----------------------------|
| | Original | Final | |
| REVENUE | | | |
| Property Taxes | \$ 12,538,958 | \$ 12,538,958 | \$ 12,965,019 |
| Personal Property Replacement Taxes | 3,363,658 | 3,363,658 | 10,334,150 |
| Tuition | 2,000 | 2,000 | - |
| Fees and Charges | 250,750 | 250,750 | 72,128 |
| Earnings on Investments | 255,000 | 255,000 | 47,661 |
| Services Provided Other LEAs | 40,000 | 40,000 | 40,000 |
| Drivers' Education Fees | 4,500 | 4,500 | 8,265 |
| Other Miscellaneous Local | 7,230 | 7,230 | 234,664 |
| School Activity Income | - | - | 361,429 |
| State Sources (Including On-Behalf Payments) | 40,279,837 | 40,279,837 | 59,112,148 |
| Federal Sources | 14,293,541 | 14,293,541 | 17,890,328 |
| Total Revenue | <u>71,035,474</u> | <u>71,035,474</u> | <u>101,065,792</u> |
| EXPENDITURES | | | |
| Instruction and Related Services (Including On-Behalf Payments) | 42,836,570 | 42,836,570 | 58,114,417 |
| Support Services - Students | 4,819,877 | 4,819,877 | 4,448,896 |
| Support Services - Nonstudent Based | 26,220,818 | 26,220,818 | 29,797,180 |
| Community Services | - | - | 2,144,660 |
| Payments to Other Governmental Units and Districts | 1,403,502 | 1,403,502 | 1,935,505 |
| Provision for Contingencies | 3,800,000 | 3,800,000 | - |
| Total Expenditures | <u>79,080,767</u> | <u>79,080,767</u> | <u>96,440,658</u> |
| Excess (Deficiency) of Revenue Over Expenditures | (8,045,293) | (8,045,293) | 4,625,134 |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers to Other Funds | - | - | (894,506) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>(894,506)</u> |
| Net Change in Fund Balance | <u>\$ (8,045,293)</u> | <u>\$ (8,045,293)</u> | 3,730,628 |
| Fund Balance - Beginning of Year, as Restated | | | <u>27,395,655</u> |
| FUND BALANCE - END OF YEAR | | | <u><u>\$ 31,126,283</u></u> |

See accompanying Notes to Required Supplementary Information.

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2022
(UNAUDITED)

| | Budget | | |
|--------------------------------------|-------------------|-------------------|----------------------------|
| | Original | Final | Actual |
| REVENUE | | | |
| Local Sources: | | | |
| Taxes: | | | |
| Property Taxes | \$ 1,257,295 | \$ 1,257,295 | \$ 1,245,592 |
| FICA and Medicare Levies | 1,212,772 | 1,212,772 | 1,201,479 |
| Personal Property Replacement Tax | 135,000 | 135,000 | 135,000 |
| Total Taxes | <u>2,605,067</u> | <u>2,605,067</u> | <u>2,582,071</u> |
| Earnings on Investments: | | | |
| Interest | <u>10,000</u> | <u>10,000</u> | <u>3,393</u> |
| Total Revenue | 2,615,067 | 2,615,067 | 2,585,464 |
| EXPENDITURES | | | |
| Board's Share of Retirement Systems: | | | |
| Instruction | 1,014,126 | 1,014,126 | 1,045,299 |
| Support Services | 1,430,904 | 1,430,904 | 1,442,725 |
| Community Services | - | - | 220,764 |
| Total Expenditures | <u>2,445,030</u> | <u>2,445,030</u> | <u>2,708,788</u> |
| Net Change in Fund Balance | <u>\$ 170,037</u> | <u>\$ 170,037</u> | (123,324) |
| Fund Balance - Beginning of Year | | | <u>2,048,706</u> |
| FUND BALANCE - END OF YEAR | | | <u><u>\$ 1,925,382</u></u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022
(UNAUDITED)

NOTE 1 – BUDGETARY DATA

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

1. Prior to July 1, the Superintendent submits a proposed operating budget to the Board of Education for the fiscal year commencing on that date. The tentative operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments prior to final action by the Board of Education.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. The Board of Education is authorized to transfer up to 10% of the total budget between functions/departments within any fund. For any budget revisions that alter the total expenditure of any fund, an amended budget is prepared. Procedures, including public hearings, are followed with regard to the amended budget just as they had been followed with the original budget. Final adoption of the amended budget is taken, again by resolution, by the Board of Education.

The budget is prepared on the same basis as the financial statements. The level of legal control is considered to be at the fund level. All appropriations lapse at year-end.

NOTE 2 – IMRF – SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2021 CONTRIBUTION RATE*

Valuation Date:

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

Methods and Assumptions Used to Determine 2021 Contribution Rates:

| | |
|--------------------------------|--|
| Actuarial Cost Method: | Aggregate entry age normal |
| Amortization Method: | Level percentage of payroll, closed |
| Remaining Amortization Period: | Taxing bodies (Regular, SLEP and ECO groups): 22-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 17 years for most employers (five employers were financed over 18 years; one employer was financed over 19 years; two employers were financed over 20 years; three employers were financed over 26 years; four employers were financed over 27 years and one employer was financed over 28 years). |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022
(UNAUDITED)

NOTE 2 – IMRF – SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2021 CONTRIBUTION RATE* (CONTINUED)

Methods and Assumptions Used to Determine 2021 Contribution Rates (Continued):

| | |
|----------------------------|---|
| Asset Valuation Method: | Five-year smoothed market; 20% corridor |
| Wage Growth: | 3.25% |
| Price Inflation: | 2.50%, approximate; No explicit price inflation assumption is used in this valuation. |
| Salary Increases: | 3.35% to 14.25%, including inflation |
| Investment Rate of Return: | 7.25% |
| Retirement Age: | Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016. |
| Mortality: | For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied from nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience. |

Other Information:

Notes: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2019, actuarial valuation.

NOTE 3 – TEACHERS' RETIREMENT SYSTEM – CHANGES OF ASSUMPTIONS

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

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

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022
(UNAUDITED)

NOTE 3 – TEACHERS’ RETIREMENT SYSTEM – CHANGES OF ASSUMPTIONS (CONTINUED)

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

NOTE 4 – BUDGET COMPARED TO ACTUAL EXPENDITURES

The General Fund and major Special Revenue Funds with expenditures over budget are as follows:

| | <u>Budget</u> | <u>Actual</u> |
|---|----------------------|----------------------|
| General Fund: | | |
| Educational Account (Less | | |
| On-Behalf Payments) | \$ 69,860,141 | \$ 71,182,693 |
| Educational Account - | | |
| On-Behalf TRS and THIS Payments | - | 16,000,821 |
| Tort Account | 1,232,615 | 1,660,555 |
| Operations and Maintenance Account | 7,988,011 | 7,596,589 |
| Total General Fund | <u>\$ 79,080,767</u> | <u>\$ 96,440,658</u> |
| Municipal Retirement/Social Security Fund | <u>\$ 2,445,030</u> | <u>\$ 2,708,788</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
GENERAL FUND
COMBINING BALANCE SHEET
JUNE 30, 2022

| | Educational | Operations and Maintenance |
|---|----------------------|----------------------------------|
| ASSETS | | |
| Cash and Cash Equivalents | \$ 3,564,682 | \$ 928,517 |
| Investments | 25,254,634 | 2,924,937 |
| Property Taxes Receivable, Net | 9,694,397 | 1,724,982 |
| Due from Other Governments | 3,052,048 | - |
| Inventory | 315,361 | - |
| Prepaid Expenses | 66,430 | - |
| | <hr/> | <hr/> |
| Total Assets | <u>\$ 41,947,552</u> | <u>\$ 5,578,436</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE | | |
| LIABILITIES | | |
| Accounts Payable | \$ 3,291,613 | \$ 927,019 |
| Accrued Salaries and Benefits Payable | 4,797,028 | - |
| Deferred Revenue | 10,463 | - |
| | <hr/> | <hr/> |
| Total Liabilities | 8,099,104 | 927,019 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Subsequent Year's Property Taxes | 9,694,397 | 1,724,982 |
| Unavailable Grant Funding | 208,471 | - |
| | <hr/> | <hr/> |
| Total Deferred Inflows of Resources | 9,902,868 | 1,724,982 |
| FUND BALANCE | | |
| Nonspendable | 381,791 | - |
| Restricted for Tort | - | - |
| Assigned to: | | |
| Student Activity Funds | 305,823 | - |
| Unassigned | 23,257,966 | 2,926,435 |
| | <hr/> | <hr/> |
| Total Fund Balance | 23,945,580 | 2,926,435 |
| | <hr/> | <hr/> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balance | <u>\$ 41,947,552</u> | <u>\$ 5,578,436</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
GENERAL FUND
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2022

| Tort Immunity | Working Cash | Total |
|---------------------|---------------------|----------------------|
| \$ 18,502 | \$ 260,473 | \$ 4,772,174 |
| 842,865 | 3,399,498 | 32,421,934 |
| 1,608,235 | 172,498 | 13,200,112 |
| 34 | - | 3,052,082 |
| - | - | 315,361 |
| - | - | 66,430 |
| <u>\$ 2,469,636</u> | <u>\$ 3,832,469</u> | <u>\$ 53,828,093</u> |
| | | |
| \$ 242,635 | \$ - | \$ 4,461,267 |
| 24,469 | - | 4,821,497 |
| - | - | 10,463 |
| <u>267,104</u> | <u>-</u> | <u>9,293,227</u> |
| | | |
| 1,608,235 | 172,498 | 13,200,112 |
| - | - | 208,471 |
| <u>1,608,235</u> | <u>172,498</u> | <u>13,408,583</u> |
| | | |
| - | - | 381,791 |
| 594,297 | - | 594,297 |
| | | |
| - | - | 305,823 |
| - | 3,659,971 | 29,844,372 |
| <u>594,297</u> | <u>3,659,971</u> | <u>31,126,283</u> |
| | | |
| <u>\$ 2,469,636</u> | <u>\$ 3,832,469</u> | <u>\$ 53,828,093</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
GENERAL FUND
COMBINING STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022

| | Educational | Operations and Maintenance |
|---|-----------------------------|----------------------------------|
| REVENUE | | |
| Local Sources | \$ 14,614,179 | \$ 7,656,128 |
| State Sources | 59,112,148 | - |
| Federal Sources | 17,890,328 | - |
| Total Revenue | <u>91,616,655</u> | <u>7,656,128</u> |
| EXPENDITURES | | |
| Instruction | 58,114,417 | - |
| Supporting Services | 24,988,932 | 7,596,589 |
| Community Services | 2,144,660 | - |
| Payments to Other Governmental Units and Districts | 1,935,505 | - |
| Total Expenditures | <u>87,183,514</u> | <u>7,596,589</u> |
| Excess (Deficiency) of Revenue Over Expenditures | 4,433,141 | 59,539 |
| OTHER FINANCING SOURCES (USES) | | |
| Transfers to Other Funds | (894,506) | - |
| Total Other Financing Sources (Uses) | <u>(894,506)</u> | <u>-</u> |
| Net Change in Fund Balance | 3,538,635 | 59,539 |
| Fund Balances - Beginning of Year, as Restated | <u>20,406,945</u> | <u>2,866,896</u> |
| FUND BALANCES - END OF YEAR | <u><u>\$ 23,945,580</u></u> | <u><u>\$ 2,926,435</u></u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
GENERAL FUND
COMBINING STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2022

| Tort Immunity | Working Cash | Total |
|-------------------|---------------------|----------------------|
| \$ 1,619,123 | \$ 173,886 | \$ 24,063,316 |
| - | - | 59,112,148 |
| - | - | 17,890,328 |
| <u>1,619,123</u> | <u>173,886</u> | <u>101,065,792</u> |
| - | - | 58,114,417 |
| 1,660,555 | - | 34,246,076 |
| - | - | 2,144,660 |
| - | - | 1,935,505 |
| <u>1,660,555</u> | <u>-</u> | <u>96,440,658</u> |
| (41,432) | 173,886 | 4,625,134 |
| - | - | (894,506) |
| <u>-</u> | <u>-</u> | <u>(894,506)</u> |
| (41,432) | 173,886 | 3,730,628 |
| <u>635,729</u> | <u>3,486,085</u> | <u>27,395,655</u> |
| <u>\$ 594,297</u> | <u>\$ 3,659,971</u> | <u>\$ 31,126,283</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|-----------------------------------|--------------|--------------|--------------|
| | Original | Final | Actual |
| REVENUE | | | |
| Local Sources: | | | |
| Taxes: | | | |
| Educational Property Tax | \$ 8,796,820 | \$ 8,796,820 | \$ 9,186,110 |
| Special Education Property Tax | 136,366 | 136,366 | 135,082 |
| Lease Property Tax | 167,045 | 167,045 | 168,858 |
| Personal Property Replacement Tax | 1,300,000 | 1,300,000 | 4,591,812 |
| Total Taxes | 10,400,231 | 10,400,231 | 14,081,862 |
| | | | |
| Tuition | 2,000 | 2,000 | - |
| | | | |
| Earnings on Investments: | | | |
| Checking Account/Investments | | | |
| County Treasurer, | | | |
| and Other | 190,000 | 190,000 | 36,483 |
| Total Earnings on Investments | 190,000 | 190,000 | 36,483 |
| | | | |
| Food Service | 90,000 | 90,000 | 52,437 |
| Pupil Activities | 160,250 | 160,250 | 17,262 |
| Textbooks | 500 | 500 | 2,429 |
| | | | |
| Other Revenue: | | | |
| Services Provided Other LEAs | 40,000 | 40,000 | 40,000 |
| Drivers' Education Fees | 4,500 | 4,500 | 8,265 |
| District/School Activity Income | - | - | 361,429 |
| Other Miscellaneous | 1,200 | 1,200 | 14,012 |
| Total Other Revenue | 45,700 | 45,700 | 423,706 |
| | | | |
| Total Local Sources | 10,888,681 | 10,888,681 | 14,614,179 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|-------------------------------------|---------------|---------------|---------------|
| | Original | Final | Actual |
| REVENUE | | | |
| State Sources: | | | |
| Unrestricted Grants-in-Aid: | | | |
| Evidence Based Funding Formula | \$ 36,000,000 | \$ 36,000,000 | \$ 38,353,918 |
| Restricted Grants-in-Aid: | | | |
| Special Education: | | | |
| Private Facility Tuition | 480,000 | 480,000 | 448,278 |
| Orphanage - Individual | 275,000 | 275,000 | 372,076 |
| Total Special Education | 755,000 | 755,000 | 820,354 |
| Free Lunch and Breakfast | 40,000 | 40,000 | 61,674 |
| Driver Education | 42,982 | 42,982 | 41,569 |
| Early Childhood - Block Grant | 3,431,855 | 3,431,855 | 3,539,350 |
| Other Restricted From State Sources | 10,000 | 10,000 | 7,374 |
| Other Restricted Grants-in-Aid | - | - | 287,088 |
| Total Restricted Grants-in-Aid | 4,279,837 | 4,279,837 | 4,757,409 |
| Other State Sources: | | | |
| On-Behalf Payments for | | | |
| Teachers' Retirement and OPEB | - | - | 16,000,821 |
| Total State Sources | 40,279,837 | 40,279,837 | 59,112,148 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|--|------------|------------|------------|
| | Original | Final | Actual |
| REVENUE | | | |
| Federal Sources: | | | |
| Other Restricted grants in Aid Fed Govt | \$ 150,091 | \$ 150,091 | \$ 189,082 |
| Food Service | 3,238,163 | 3,238,163 | 4,242,168 |
| Title I: | | | |
| Low Income | 5,293,927 | 5,293,927 | 4,030,828 |
| Neglected | 30,558 | 30,558 | 62,361 |
| Other | 290,530 | 290,530 | 563,717 |
| Total Title I | 5,615,015 | 5,615,015 | 4,656,906 |
| Special Education: | | | |
| IDEA Flow-Through | 1,665,868 | 1,665,868 | 1,632,616 |
| Preschool Flow-Through | 85,740 | 85,740 | 34,069 |
| Preschool Discretionary | 10,000 | 10,000 | 2,649 |
| Total Special Education | 1,761,608 | 1,761,608 | 1,669,334 |
| Title II - Teacher Quality | 406,553 | 406,553 | 394,219 |
| Title III - Immigrant Education Program | 2,000 | 2,000 | - |
| Title III - English Language Acquisition | 16,700 | 16,700 | 17,430 |
| Medicaid Matching Funds: | | | |
| Administrative Outreach | 147,149 | 147,149 | 313,630 |
| Fee-for-Service | 154,187 | 154,187 | 155,944 |
| Total Medicaid Matching Funds | 301,336 | 301,336 | 469,574 |
| Title IVA- Student Support & Academic Enrichment Grant | 250,012 | 250,012 | 310,215 |
| Total Title IVa | 250,012 | 250,012 | 310,215 |
| Other Miscellaneous (includes ESSER) | 2,552,063 | 2,552,063 | 5,941,400 |
| Total Federal Sources | 14,293,541 | 14,293,541 | 17,890,328 |
| Total Revenue | 65,462,059 | 65,462,059 | 91,616,655 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|---|---------------|---------------|---------------|
| | Original | Final | Actual |
| EXPENDITURES | | | |
| Instruction: | | | |
| Regular Programs: | | | |
| Salaries | \$ 21,731,569 | \$ 21,731,569 | \$ 19,902,183 |
| Employee Benefits | 5,174,255 | 5,174,255 | 4,486,073 |
| Purchased Services | 436,826 | 436,826 | 943,074 |
| Supplies and Materials | 853,179 | 853,179 | 1,439,504 |
| Capital Outlay | 1,275,000 | 1,275,000 | 1,113,278 |
| Noncapitalized Equipment | 150,000 | 150,000 | 329,531 |
| Total Regular Programs | 29,620,829 | 29,620,829 | 28,213,643 |
| Pre-K Programs: | | | |
| Salaries | 980,290 | 980,290 | 964,748 |
| Employee Benefits | 471,328 | 471,328 | 215,247 |
| Purchased Services | 4,952 | 4,952 | 7,362 |
| Supplies and Materials | 5,400 | 5,400 | 112,446 |
| Noncapitalized Equipment | 5,000 | 5,000 | 31,269 |
| Total Pre-K Programs | 1,466,970 | 1,466,970 | 1,331,072 |
| Special Education Programs: | | | |
| Salaries | 5,686,601 | 5,686,601 | 5,529,049 |
| Employee Benefits | 1,747,477 | 1,747,477 | 1,305,680 |
| Purchased Services | 9,306 | 9,306 | 41,108 |
| Supplies and Materials | 70,624 | 70,624 | 90,635 |
| Noncapitalized Equipment | 5,000 | 5,000 | 21,870 |
| Total Special Education Programs | 7,519,008 | 7,519,008 | 6,988,342 |
| Remedial/Supplemental Programs K-12: | | | |
| Salaries | 768,049 | 768,049 | 506,176 |
| Employee Benefits | 216,457 | 216,457 | 37,933 |
| Purchased Services | 1,094,231 | 1,094,231 | 1,493,671 |
| Supplies and Materials | 123,546 | 123,546 | 1,149,235 |
| Noncapitalized Equipment | 20,500 | 20,500 | 132,062 |
| Total Remedial/Supplemental Programs K-12 | 2,222,783 | 2,222,783 | 3,319,077 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual |
|-----------------------------------|------------|------------|------------|
| | Original | Final | |
| EXPENDITURES | | | |
| Interscholastic Programs: | | | |
| Salaries | \$ 550,368 | \$ 550,368 | \$ 565,092 |
| Employee Benefits | 50,750 | 50,750 | 53,663 |
| Purchased Services | 73,650 | 73,650 | 53,308 |
| Supplies and Materials | 58,400 | 58,400 | 63,037 |
| Other Objects | 16,000 | 16,000 | 17,212 |
| Noncapitalized Equipment | - | - | - |
| Total Interscholastic Programs | 749,168 | 749,168 | 752,312 |
| Summer School Programs: | | | |
| Salaries | 47,714 | 47,714 | 82,112 |
| Employee Benefits | 3,640 | 3,640 | 5,814 |
| Supplies and Materials | - | - | 1,000 |
| Total Summer School Programs | 51,354 | 51,354 | 88,926 |
| Driver's Education Programs: | | | |
| Salaries | 48,880 | 48,880 | 58,540 |
| Employee Benefits | 4,992 | 4,992 | 5,559 |
| Purchased Services | 15,000 | 15,000 | 13,359 |
| Supplies and Materials | 5,600 | 5,600 | 3,318 |
| Total Driver's Education Programs | 74,472 | 74,472 | 80,776 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|---|------------|------------|------------|
| | Original | Final | Actual |
| EXPENDITURES | | | |
| Instruction (Continued): | | | |
| Bilingual Programs: | | | |
| Salaries | \$ 36,400 | \$ 36,400 | \$ 54,393 |
| Employee Benefits | - | - | 15,992 |
| Purchased Services | - | - | 8,848 |
| Supplies and Materials | 4,658 | 4,658 | 17,297 |
| Total Bilingual Programs | 41,058 | 41,058 | 96,530 |
| Truant Alternative and Optional Programs: | | | |
| Salaries | 150,800 | 150,800 | 48,509 |
| Employee Benefits | 35,551 | 35,551 | 12,132 |
| Supplies and Materials | 4,577 | 4,577 | 2,291 |
| Tuition | - | - | 8,437 |
| Termination Benefits | 25,000 | 25,000 | - |
| Other Objects | 700,000 | 700,000 | 834,412 |
| Total Truant Alternative and Optional Programs | 915,928 | 915,928 | 905,781 |
| Student Activity Fund Expenditures | 175,000 | 175,000 | 337,137 |
| On-Behalf Payments for Teachers' | | | |
| Retirement and OPEB | - | - | 16,000,821 |
| Total Instruction | 42,836,570 | 42,836,570 | 58,114,417 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual |
|---|--------------|--------------|------------|
| | Original | Final | |
| EXPENDITURES | | | |
| Support Services: | | | |
| Support Services - Pupils: | | | |
| Attendance and Social Work Services: | | | |
| Salaries | \$ 1,119,907 | \$ 1,119,907 | \$ 912,637 |
| Employee Benefits | 339,991 | 339,991 | 209,490 |
| Purchased Services | 17,940 | 17,940 | 650 |
| Supplies and Materials | 16,000 | 16,000 | 11 |
| Total Attendance and Social Work Services | 1,493,838 | 1,493,838 | 1,122,788 |
| Guidance Services: | | | |
| Salaries | 547,040 | 547,040 | 515,206 |
| Employee Benefits | 140,672 | 140,672 | 118,737 |
| Total Guidance Services | 687,712 | 687,712 | 633,943 |
| Health Services: | | | |
| Salaries | 622,133 | 622,133 | 664,607 |
| Employee Benefits | 151,703 | 151,703 | 82,263 |
| Purchased Services | 62,632 | 62,632 | 163,492 |
| Supplies and Materials | 38,452 | 38,452 | 170,574 |
| Noncapitalized Equipment | 5,000 | 5,000 | 10,801 |
| Total Health Services | 879,920 | 879,920 | 1,091,737 |
| Psychological Services: | | | |
| Salaries | 410,334 | 410,334 | 403,258 |
| Employee Benefits | 106,000 | 106,000 | 82,133 |
| Purchased Services | 105,239 | 105,239 | 89,548 |
| Supplies and Materials | 15,000 | 15,000 | 2,722 |
| Total Psychological Services | 636,573 | 636,573 | 577,661 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|---|------------|------------|------------|
| | Original | Final | Actual |
| EXPENDITURES | | | |
| Support Services (Continued): | | | |
| Support Services - Pupils (Continued): | | | |
| Speech Pathology and Audiology Services: | | | |
| Salaries | \$ 711,230 | \$ 711,230 | \$ 738,168 |
| Employee Benefits | 200,021 | 200,021 | 154,434 |
| Purchased Services | 192,583 | 192,583 | 105,209 |
| Supplies and Materials | 18,000 | 18,000 | 1,223 |
| Total Speech Pathology and Audiology Services | 1,121,834 | 1,121,834 | 999,034 |
| Other Support Services - Pupil: | | | |
| Purchased Services | - | - | 23,733 |
| Total Other Support Services - Pupil | - | - | 23,733 |
| Total Support Services - Pupils | 4,819,877 | 4,819,877 | 4,448,896 |
| Support Services - Instructional Staff: | | | |
| Improvement of Instruction Services: | | | |
| Salaries | 1,191,733 | 1,191,733 | 1,705,354 |
| Employee Benefits | 147,685 | 147,685 | 290,877 |
| Purchased Services | 521,002 | 521,002 | 428,873 |
| Supplies and Materials | 66,750 | 66,750 | 65,408 |
| Other Objects | 10,000 | 10,000 | 7,276 |
| Noncapitalized Equipment | 25,000 | 25,000 | 16,141 |
| Total Improvement of Instruction Services | 1,962,170 | 1,962,170 | 2,513,929 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|--|------------|------------|------------|
| | Original | Final | Actual |
| EXPENDITURES | | | |
| Support Services (Continued): | | | |
| Support Services - Instructional Staff | | | |
| (Continued): | | | |
| Educational Media Services: | | | |
| Salaries | \$ 475,777 | \$ 475,777 | \$ 444,646 |
| Employee Benefits | 110,521 | 110,521 | 87,805 |
| Purchased Services | 4,553 | 4,553 | 166,793 |
| Supplies and Materials | 15,233 | 15,233 | 111,681 |
| Noncapitalized Equipment | 10,737 | 10,737 | 23,083 |
| Total Educational Media Services | 616,821 | 616,821 | 834,008 |
| Assessment and Testing: | | | |
| Purchased Services | 64,044 | 64,044 | 58,125 |
| Supplies and Materials | 18,098 | 18,098 | 12,929 |
| Noncapitalized Equipment | - | - | 594 |
| Total Assessment and Testing | - | - | - |
| Services | 82,142 | 82,142 | 71,648 |
| Total Support Services - Instructional Staff | 2,661,133 | 2,661,133 | 3,419,585 |
| Support Services - General Administration: | | | |
| Board of Education Services: | | | |
| Salaries | 173,641 | 173,641 | 246,826 |
| Employee Benefits | 49,559 | 49,559 | 57,025 |
| Purchased Services | 130,850 | 130,850 | 150,530 |
| Supplies and Materials | 30,000 | 30,000 | 41,774 |
| Other Objects | 20,000 | 20,000 | 27,231 |
| Noncapitalized Equipment | - | - | 42,779 |
| Total Board of Education Services | 404,050 | 404,050 | 566,165 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|---|------------|------------|------------|
| | Original | Final | Actual |
| EXPENDITURES | | | |
| Support Services (Continued): | | | |
| Support Services - General Administration | | | |
| (Continued): | | | |
| Executive Administration Services: | | | |
| Salaries | \$ 371,280 | \$ 371,280 | \$ 361,556 |
| Employee Benefits | 82,733 | 82,733 | 76,105 |
| Purchased Services | 10,000 | 10,000 | 10,461 |
| Supplies and Materials | 5,000 | 5,000 | 4,123 |
| Other Objects | - | - | 8,399 |
| Noncapitalized Equipment | - | - | 972 |
| Total Executive Administration Services | 469,013 | 469,013 | 461,616 |
| Special Area Administrative Services: | | | |
| Salaries | 301,500 | 301,500 | 329,951 |
| Employee Benefits | 65,827 | 65,827 | 69,764 |
| Purchased Services | 7,000 | 7,000 | - |
| Supplies and Materials | 3,000 | 3,000 | 3,547 |
| Other Objects | 2,500 | 2,500 | 1,879 |
| Total Service Area Administrative Services | 379,827 | 379,827 | 405,141 |
| Total Support Services - General Administration | 1,252,890 | 1,252,890 | 1,432,922 |
| Support Services - School Administration: | | | |
| Office of the Principal Services: | | | |
| Salaries | 2,691,314 | 2,691,314 | 2,873,952 |
| Employee Benefits | 570,908 | 570,908 | 546,563 |
| Purchased Services | 33 | 33 | 190 |
| Noncapitalized Equipment | - | - | 592 |
| Total Office of the Principal Services | 3,262,255 | 3,262,255 | 3,421,297 |
| Total Support Services - School Administration | 3,262,255 | 3,262,255 | 3,421,297 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|---|-----------|-----------|-----------|
| | Original | Final | Actual |
| EXPENDITURES | | | |
| Support Services (Continued): | | | |
| Direction of Business Support Services: | | | |
| Salaries | \$ 89,031 | \$ 89,031 | \$ 82,294 |
| Employee Benefits | 18,822 | 18,822 | 18,627 |
| Total Direction of Business | | | |
| Support Services | 107,853 | 107,853 | 100,921 |
| Support Services - Business: | | | |
| Fiscal Services: | | | |
| Salaries | 382,632 | 382,632 | 269,355 |
| Employee Benefits | 45,582 | 45,582 | 28,934 |
| Purchased Services | 36,000 | 36,000 | 34,947 |
| Supplies and Materials | - | - | 4,690 |
| Other Objects | 16,000 | 16,000 | 877 |
| Noncapitalized Equipment | - | - | 3,444 |
| Total Fiscal Services | 480,214 | 480,214 | 342,247 |
| Operation and Maintenance of | | | |
| Plant Services: | | | |
| Salaries | 751,282 | 751,282 | 848,330 |
| Employee Benefits | 170,974 | 170,974 | 159,967 |
| Purchased Services | 181,000 | 181,000 | 3,377,670 |
| Supplies and Materials | 1,277,000 | 1,277,000 | 1,103,315 |
| Capital Outlay | 20,000 | 20,000 | - |
| Noncapitalized Equipment | 13,000 | 13,000 | 6,800 |
| Total Operation and Maintenance | | | |
| of Plant Services | 2,413,256 | 2,413,256 | 5,496,082 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|--|-----------|-----------|-----------|
| | Original | Final | Actual |
| EXPENDITURES | | | |
| Support Services (Continued): | | | |
| Support Services - Business (Continued): | | | |
| Pupil Transportation Services: | | | |
| Purchased Services | \$ - | \$ - | \$ 3,419 |
| Total Pupil Transportation Services | - | - | 3,419 |
| Food Services: | | | |
| Salaries | 1,435,451 | 1,435,451 | 1,517,670 |
| Employee Benefits | 379,747 | 379,747 | 274,675 |
| Purchased Services | 58,800 | 58,800 | 113,922 |
| Supplies and Materials | 1,724,500 | 1,724,500 | 1,739,815 |
| Capital Outlay | 20,000 | 20,000 | - |
| Other Objects | - | - | 2,413 |
| Noncapitalized Equipment | 13,000 | 13,000 | 54,167 |
| Total Food Services | 3,631,498 | 3,631,498 | 3,702,662 |
| Internal Services: | | | |
| Salaries | 17,000 | 17,000 | 17,047 |
| Employee Benefits | 4,300 | 4,300 | 3,862 |
| Purchased Services | 15,000 | 15,000 | 83,588 |
| Supplies and Materials | 5,000 | 5,000 | 25,202 |
| Capital Outlay | 40,000 | 40,000 | - |
| Total Internal Services | 81,300 | 81,300 | 129,699 |
| Total Support Services - Business | 6,714,121 | 6,714,121 | 9,775,030 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|----------------------------------|------------|------------|------------|
| | Original | Final | Actual |
| EXPENDITURES | | | |
| Support Services (Continued): | | | |
| Support Services - Central: | | | |
| Information Services: | | | |
| Purchased Services | \$ 46,000 | \$ 46,000 | \$ 19,176 |
| Supplies and Materials | - | - | 14,026 |
| Capital Outlay | - | - | 4,576 |
| Total Information Services | 46,000 | 46,000 | 37,778 |
| Staff Services: | | | |
| Salaries | 230,649 | 230,649 | 280,306 |
| Employee Benefits | 52,460 | 52,460 | 55,876 |
| Purchased Services | 1,000 | 1,000 | 1,861 |
| Supplies and Materials | 5,000 | 5,000 | 4,037 |
| Other Objects | - | - | - |
| Total Staff Services | 289,109 | 289,109 | 342,080 |
| Data Processing Services: | | | |
| Salaries | 859,560 | 859,560 | 659,696 |
| Employee Benefits | 141,779 | 141,779 | 104,085 |
| Purchased Services | 1,228,000 | 1,228,000 | 1,093,492 |
| Supplies and Materials | 438,345 | 438,345 | 54,045 |
| Capital Outlay | 15,000 | 15,000 | 19,603 |
| Other Objects | 2,000 | 2,000 | - |
| Noncapitalized Equipment | 90,000 | 90,000 | 130,243 |
| Total Data Processing Services | 2,774,684 | 2,774,684 | 2,061,164 |
| Total Support Services - Central | 3,109,793 | 3,109,793 | 2,441,022 |
| Other Support Services: | | | |
| Salaries | - | - | 2,296 |
| Employee Benefits | - | - | 27 |
| Purchased Services | - | - | 3,196 |
| Supplies and Materials | - | - | 4,790 |
| Capital Outlay | - | - | 39,871 |
| Total Other Support Services | - | - | 50,180 |
| Total Support Services | 21,820,069 | 21,820,069 | 24,988,932 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
EDUCATIONAL ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|---|----------------|----------------|-----------------------------|
| | Original | Final | Actual |
| EXPENDITURES | | | |
| Community Services: | | | |
| Salaries | \$ - | \$ - | \$ 1,400,900 |
| Employee Benefits | - | - | 270,689 |
| Purchased Services | - | - | 288,831 |
| Supplies and Materials | - | - | 180,063 |
| Noncapitalized Equipment | - | - | 4,177 |
| Total Community Services | - | - | 2,144,660 |
| Payments to Other Governmental Units and Districts: | | | |
| Payments to Other Governmental | | | |
| Units (In-State): | | | |
| Purchased Services | 110,000 | 110,000 | 230,600 |
| Payments to Other District and | | | |
| Governmental Units - Tuition (In-State): | | | |
| Other Objects | 1,293,502 | 1,293,502 | 1,704,905 |
| Total Payments to Other Governments | 1,403,502 | 1,403,502 | 1,935,505 |
| Provision for Contingencies | 3,800,000 | 3,800,000 | - |
| Total Expenditures | 69,860,141 | 69,860,141 | 87,183,514 |
| (Deficiency) Excess of Revenue | | | |
| Over Expenditures | (4,398,082) | (4,398,082) | 4,433,141 |
| OTHER FINANCING SOURCES (USES) | | | |
| Capital Lease Issuance | - | - | - |
| Transfers to Other Funds | - | - | (894,506) |
| Total Other Financing | | | |
| Sources (Uses) | - | - | (894,506) |
| Net Change in Fund Balance | \$ (4,398,082) | \$ (4,398,082) | 3,538,635 |
| Fund Balance - Beginning of Year, as Restated | | | 20,406,945 |
| FUND BALANCE - END OF YEAR | | | <u><u>\$ 23,945,580</u></u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
OPERATIONS AND MAINTENANCE ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual |
|--|------------------|------------------|------------------|
| | Original | Final | |
| REVENUE | | | |
| Local Sources: | | | |
| Taxes: | | | |
| Property Tax | \$ 1,670,370 | \$ 1,670,370 | \$ 1,688,611 |
| Personal Property Replacement Tax | 2,063,658 | 2,063,658 | 5,742,338 |
| Total Taxes | <u>3,734,028</u> | <u>3,734,028</u> | <u>7,430,949</u> |
| Earnings on Investments: | | | |
| Interest | 10,000 | 10,000 | 4,554 |
| Other Revenue: | | | |
| Rentals and Janitorial Services | 6,000 | 6,000 | 768 |
| Miscellaneous Revenue | - | - | 11 |
| Other | 30 | 30 | 219,846 |
| Total Other Revenue | <u>6,030</u> | <u>6,030</u> | <u>220,625</u> |
| Federal Sources: | | | |
| Other Restricted Grants in Aid Fed Govt | <u>3,780,000</u> | <u>3,780,000</u> | <u>-</u> |
| Total Revenue | 7,530,058 | 7,530,058 | 7,656,128 |
| EXPENDITURES | | | |
| Facilities Acquisition and Construction | | | |
| Services: | | | |
| Purchased Services | 2,002,500 | 2,002,500 | 1,027,992 |
| Supplies and Materials | 2,680,000 | 2,680,000 | - |
| Capital Outlay | <u>-</u> | <u>-</u> | <u>10,393</u> |
| Total Facilities Acquisition and Construction Services | 4,682,500 | 4,682,500 | 1,038,385 |

**DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
OPERATIONS AND MAINTENANCE ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2022**

| | Budget | | Actual |
|---|---------------------|---------------------|----------------------------|
| | Original | Final | |
| EXPENDITURES | | | |
| Operation and Maintenance of | | | |
| Plant Services: | | | |
| Salaries | \$ 1,542,766 | \$ 1,542,766 | \$ 1,613,746 |
| Employee Benefits | 277,445 | 277,445 | 253,994 |
| Purchased Services | 775,300 | 775,300 | 1,278,516 |
| Supplies and Materials | 430,000 | 430,000 | 475,696 |
| Capital Outlay | 180,000 | 180,000 | 2,801,489 |
| Other Objects | 5,000 | 5,000 | 20,982 |
| Noncapitalized Equipment | 95,000 | 95,000 | 113,781 |
| Total Operation and | | | |
| Maintenance of Plant | | | |
| Services | <u>3,305,511</u> | <u>3,305,511</u> | <u>6,558,204</u> |
| Total Expenditures | <u>7,988,011</u> | <u>7,988,011</u> | <u>7,596,589</u> |
| Net Change in Fund Balance | <u>\$ (457,953)</u> | <u>\$ (457,953)</u> | 59,539 |
| Fund Balance - Beginning of Year, as Restated | | | <u>2,866,896</u> |
| FUND BALANCE - END OF YEAR | | | <u><u>\$ 2,926,435</u></u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
TORT ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|-----------------------------------|--------------|--------------|-------------------|
| | Original | Final | Actual |
| REVENUE | | | |
| Local Sources: | | | |
| Property Tax | \$ 1,601,315 | \$ 1,601,315 | \$ 1,617,500 |
| Earnings on Investments: | | | |
| Interest | 25,000 | 25,000 | 1,596 |
| Other Local Revenue | - | - | 27 |
| Total Revenue | 1,626,315 | 1,626,315 | 1,619,123 |
| EXPENDITURES | | | |
| Support Services: | | | |
| General Administration: | | | |
| Salaries | 507,915 | 507,915 | 620,176 |
| Employee Benefits | 49,700 | 49,700 | 127,199 |
| Purchased Services | 675,000 | 675,000 | 913,180 |
| Total Support Services | 1,232,615 | 1,232,615 | 1,660,555 |
| Net Change in Fund Balance | \$ 393,700 | \$ 393,700 | (41,432) |
| Fund Balance - Beginning of Year | | | 635,729 |
| FUND BALANCE - END OF YEAR | | | \$ 594,297 |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
WORKING CASH ACCOUNT
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual |
|-----------------------------------|-------------------|-------------------|----------------------------|
| | Original | Final | |
| REVENUE | | | |
| Local Sources: | | | |
| Property Tax | \$ 167,042 | \$ 167,042 | \$ 168,858 |
| Earnings on Investments | <u>30,000</u> | <u>30,000</u> | <u>5,028</u> |
| Net Change in Fund Balance | <u>\$ 197,042</u> | <u>\$ 197,042</u> | 173,886 |
| Fund Balance - Beginning of Year | | | <u>3,486,085</u> |
| FUND BALANCE - END OF YEAR | | | <u><u>\$ 3,659,971</u></u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
COMBINING BALANCE SHEET
JUNE 30, 2022

| | <u>Municipal Retirement</u> | <u>Social Security</u> | <u>Total</u> |
|---|---------------------------------|----------------------------|----------------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 170,794 | \$ 26,924 | \$ 197,718 |
| Investments | 1,067,451 | 982,475 | 2,049,926 |
| Property Taxes Receivable, Net | <u>1,238,434</u> | <u>1,194,584</u> | <u>2,433,018</u> |
| Total Assets | <u><u>\$ 2,476,679</u></u> | <u><u>\$ 2,203,983</u></u> | <u><u>\$ 4,680,662</u></u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE | | | |
| LIABILITIES | | | |
| Accrued Salaries and Benefits Payable | \$ 203,633 | \$ 118,629 | \$ 322,262 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Subsequent Year's Property Taxes | 1,238,434 | 1,194,584 | 2,433,018 |
| FUND BALANCE | | | |
| Restricted for Municipal Retirement | <u>1,034,612</u> | <u>890,770</u> | <u>1,925,382</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balance | <u><u>\$ 2,476,679</u></u> | <u><u>\$ 2,203,983</u></u> | <u><u>\$ 4,680,662</u></u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2022

| | <u>Municipal Retirement</u> | <u>Social Security</u> | <u>Total</u> |
|--------------------------------------|---------------------------------|----------------------------|----------------------------|
| REVENUE | | | |
| Local Sources: | | | |
| Taxes: | | | |
| Property Tax | \$ 1,245,592 | \$ 1,201,479 | \$ 2,447,071 |
| Personal Property Replacement Tax | - | 135,000 | 135,000 |
| Total Taxes | <u>1,245,592</u> | <u>1,336,479</u> | <u>2,582,071</u> |
| Earnings on Investments: | | | |
| Interest | <u>2,526</u> | <u>867</u> | <u>3,393</u> |
| Total Revenue | 1,248,118 | 1,337,346 | 2,585,464 |
| EXPENDITURES | | | |
| Board's Share of Retirement Systems: | | | |
| Instruction and Related Services | 368,551 | 676,748 | 1,045,299 |
| Support Services | 704,261 | 738,464 | 1,442,725 |
| Community Services | <u>115,510</u> | <u>105,254</u> | <u>220,764</u> |
| Total Expenditures | <u>1,188,322</u> | <u>1,520,466</u> | <u>2,708,788</u> |
| Excess of Revenue Over Expenditures | 59,796 | (183,120) | (123,324) |
| Fund Balances - Beginning of Year | <u>974,816</u> | <u>1,073,890</u> | <u>2,048,706</u> |
| FUND BALANCES - END OF YEAR | <u><u>\$ 1,034,612</u></u> | <u><u>\$ 890,770</u></u> | <u><u>\$ 1,925,382</u></u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
DEBT SERVICE FUND
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET
AND ACTUAL
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|--|--------------|--------------|-------------------|
| | Original | Final | Actual |
| REVENUE | | | |
| Local Sources: | | | |
| Property Tax | \$ 1,930,057 | \$ 1,930,057 | 1,912,047 |
| Earnings on Investments: | | | |
| Interest | 300 | 300 | 926 |
| Federal Sources: | | | |
| QZAB Funds | 147,733 | 147,733 | 512,859 |
| Total Revenue | 2,078,090 | 2,078,090 | 2,425,832 |
| EXPENDITURES | | | |
| Debt Services: | | | |
| Service Charges | 2,000 | 2,000 | 2,100 |
| Long-Term Debt: | | | |
| Principal | 1,400,000 | 1,400,000 | 2,255,528 |
| Interest | 1,179,738 | 1,179,738 | 1,105,044 |
| Total Expenditures | 2,581,738 | 2,581,738 | 3,362,672 |
| Deficiency of Revenue Over Expenditures | (503,648) | (503,648) | (936,840) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfer From Other Funds | - | - | 894,506 |
| Total Other Financing Sources (Uses) | - | - | 894,506 |
| Net Change in Fund Balance | \$ (503,648) | \$ (503,648) | (42,334) |
| Fund Balance - Beginning of Year | | | 916,627 |
| FUND BALANCE - END OF YEAR | | | <u>\$ 874,293</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

| | Special Revenue | Capital Projects | | Total Nonmajor Governmental Funds |
|---|---------------------|----------------------------------|---------------------|--|
| | Transportation | Fire Prevention and Safety | Capital Projects | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 22,011 | \$ 48,957 | \$ 8,760 | \$ 79,728 |
| Investments | 3,646,268 | 520,116 | - | 4,166,384 |
| Property Taxes Receivable, Net | 689,992 | 172,498 | - | 862,490 |
| Due from Other Governments | 626,045 | - | - | 626,045 |
| | <u>626,045</u> | <u>-</u> | <u>-</u> | <u>626,045</u> |
| Total Assets | <u>\$ 4,984,316</u> | <u>\$ 741,571</u> | <u>\$ 8,760</u> | <u>\$ 5,734,647</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 853,424 | \$ - | \$ - | \$ 853,424 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Subsequent Year's Property Taxes | 689,992 | 172,498 | - | 862,490 |
| FUND BALANCE (DEFICIT) | | | | |
| Restricted for: | | | | |
| Transportation | 3,440,900 | - | - | 3,440,900 |
| Fire Prevention and Safety | - | 569,073 | - | 569,073 |
| Assigned for: | | | | |
| Capital Projects | - | - | 8,760 | 8,760 |
| Total Fund Balance (Deficit) | <u>3,440,900</u> | <u>569,073</u> | <u>8,760</u> | <u>4,018,733</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balance | <u>\$ 4,984,316</u> | <u>\$ 741,571</u> | <u>\$ 8,760</u> | <u>\$ 5,734,647</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
(DEFICIT)
YEAR ENDED JUNE 30, 2022

| | Special Revenue | Capital Projects | Total Nonmajor Governmental Funds |
|---|----------------------------|----------------------------------|--|
| | Transportation | Fire Prevention and Safety | Capital Projects |
| REVENUE | | | |
| Property Tax | \$ 675,448 | \$ 168,858 | \$ - |
| Earnings on Investments | 5,527 | 681 | 93 |
| Other Local Sources | - | - | 23,794 |
| State Sources | 3,186,535 | - | - |
| Federal Sources | 554,216 | - | - |
| Total Revenue | <u>4,421,726</u> | <u>169,539</u> | <u>23,887</u> |
| EXPENDITURES | | | |
| Support Services | <u>4,800,523</u> | <u>-</u> | <u>26,177</u> |
| Net Change in Fund Balance | (378,797) | 169,539 | (2,290) |
| Fund Balance - Beginning of Year, As Restated | <u>3,819,697</u> | <u>399,534</u> | <u>11,050</u> |
| FUND BALANCE - END OF YEAR | <u><u>\$ 3,440,900</u></u> | <u><u>\$ 569,073</u></u> | <u><u>\$ 8,760</u></u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
TRANSPORTATION FUND
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|-----------------------------------|------------|------------|---------------------|
| | Original | Final | Actual |
| REVENUE | | | |
| Local Sources: | | | |
| Property Tax | \$ 668,151 | \$ 668,151 | \$ 675,448 |
| Earnings on Investments | 35,000 | 35,000 | 5,527 |
| Total Local Sources | 703,151 | 703,151 | 680,975 |
| State Sources: | | | |
| Transportation Aid: | | | |
| Evidence Based Funding Formula | 1,885,230 | 1,885,230 | 687,615 |
| Early Childhood - Block Grant | 102,719 | 102,719 | - |
| Regular and Vocational Education | 1,640,000 | 1,640,000 | 1,836,182 |
| Special Education | 350,000 | 350,000 | 662,738 |
| Total State Sources | 3,977,949 | 3,977,949 | 3,186,535 |
| Federal Sources: | | | |
| Title I | 160,000 | 162,873 | 554,216 |
| Total Revenue | 4,841,100 | 4,843,973 | 4,421,726 |
| EXPENDITURES | | | |
| Support Services: | | | |
| Pupil Transportation Services: | | | |
| Salaries | 110,000 | 110,000 | 104,036 |
| Employee Benefits | 10,000 | 10,000 | 10,282 |
| Purchased Services | 4,050,350 | 4,050,350 | 4,293,366 |
| Supplies and Materials | 330,000 | 330,000 | 392,839 |
| Other Objects | 47,155 | 47,155 | - |
| Total Expenditures | 4,547,505 | 4,547,505 | 4,800,523 |
| Net Change in Fund Balance | \$ 293,595 | \$ 296,468 | (378,797) |
| Fund Balance - Beginning of Year | | | 3,819,697 |
| FUND BALANCE - END OF YEAR | | | <u>\$ 3,440,900</u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
FIRE PREVENTION AND SAFETY FUND
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

| REVENUE | Budget | | Actual |
|---------------------------------------|---------------------------|---------------------------|--------------------------|
| | Original | Final | |
| Local Sources: | | | |
| Property Tax | \$ 167,042 | \$ 167,042 | \$ 168,858 |
| Earnings on Investments | 800 | 800 | 681 |
| Total Revenue | <u>167,842</u> | <u>167,842</u> | <u>169,539</u> |
| EXPENDITURES | | | |
| Supporting Services: | | | |
| Facilities Acquisition and | | | |
| Construction Services: | | | |
| Purchased Services | 25,000 | 25,000 | - |
| Capital Outlay | <u>167,000</u> | <u>167,000</u> | <u>-</u> |
| Total Facilities Acquisition and | | | |
| Construction Services | <u>192,000</u> | <u>192,000</u> | <u>-</u> |
| Net Change in Fund Balance | <u><u>\$ (24,158)</u></u> | <u><u>\$ (24,158)</u></u> | 169,539 |
| Fund Balance - Beginning of Year | | | <u>399,534</u> |
| FUND BALANCE - END OF YEAR | | | <u><u>\$ 569,073</u></u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
CAPITAL PROJECTS FUND
STATEMENT OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE (DEFICIT) – BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2022

| | Budget | | |
|---|------------------|------------------|------------------------|
| | Original | Final | Actual |
| REVENUE | | | |
| Local Sources: | | | |
| Earnings on Investments | \$ 1,000 | \$ 1,000 | \$ 93 |
| Federal Sources | 400,000 | 400,000 | - |
| Other Local Sources | 10,000 | 10,000 | 23,794 |
| Total Revenue | <u>411,000</u> | <u>411,000</u> | <u>23,887</u> |
| EXPENDITURES | | | |
| Supporting Services: | | | |
| Facilities Acquisition and Construction: | | | |
| Non-Capitalized Equipment | 400,000 | 400,000 | - |
| Capital Outlay | - | - | 26,177 |
| Total Expenditures | <u>400,000</u> | <u>400,000</u> | <u>26,177</u> |
| Net Change in Fund Balance | <u>\$ 11,000</u> | <u>\$ 11,000</u> | (2,290) |
| Fund Balance - Beginning of Year, as Restated | | | <u>11,050</u> |
| FUND BALANCE (DEFICIT) - END OF YEAR | | | <u><u>\$ 8,760</u></u> |

DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2022

| | Scholarship Funds | Danville Educational Association Health Insurance Fund |
|-----------------------------------|----------------------|---|
| ASSETS | | |
| Cash and Cash Equivalents | \$ 368,470 | \$ 3,706,693 |
| Total Assets | <u>\$ 368,470</u> | <u>\$ 3,706,693</u> |
| NET POSITION | | |
| Restricted for Individuals/Others | <u>\$ 368,470</u> | <u>\$ 3,706,693</u> |

**DANVILLE COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 118
CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2022**

| | Scholarship Funds | Danville Educational Association Health Insurance Fund | Total |
|--|--------------------------|---|----------------------------|
| ADDITIONS | | | |
| Contributions: | | | |
| Individuals | \$ 18,943 | \$ 1,664,810 | \$ 1,683,753 |
| Employer | - | 4,480,418 | 4,480,418 |
| Interest, Dividends, and Other | - | 1,363 | 1,363 |
| Total Additions | <u>18,943</u> | <u>6,146,591</u> | <u>6,165,534</u> |
| DEDUCTIONS | | | |
| Beneficiary Payments to Individuals | 23,371 | - | 23,371 |
| Medical Insurance Payments | - | 7,301,004 | 7,301,004 |
| Total Deductions | <u>23,371</u> | <u>7,301,004</u> | <u>7,324,375</u> |
| NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION | (4,428) | (1,154,413) | (1,158,841) |
| Fiduciary Net Position - Beginning of Year | <u>372,898</u> | <u>4,861,106</u> | <u>5,234,004</u> |
| FIDUCIARY NET POSITION - END OF YEAR | <u><u>\$ 368,470</u></u> | <u><u>\$ 3,706,693</u></u> | <u><u>\$ 4,075,163</u></u> |

