

**Alsip, Hazelgreen and Oak Lawn  
School District 126  
Alsip, Illinois**

Annual Financial Report  
June 30, 2023

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## **Independent Auditor's Report**

Members of the Board of Education  
Alsip, Hazelgreen and Oak Lawn School District 126

### ***Opinions***

We have audited the modified cash basis financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Alsip, Hazelgreen and Oak Lawn School District 126 (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

### ***Basis for Opinions***

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

### ***Emphasis of Matter—Basis of Accounting***

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

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

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

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

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

In performing an audit in accordance with GAAS, we:

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

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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, such as the budgetary comparison information, combining and individual fund financial statements, schedule of assessed valuations, tax rates, extensions and collections, 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

**Other Information**

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

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

*RSM VS LLP*

Chicago, Illinois  
October 27, 2023

## **Financial Statements**

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



**Alsip, Hazelgreen and Oak Lawn School District 126**

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

	Governmental Activities
<b>Assets</b>	
Cash and investments	\$ 61,574,758
Capital assets not being depreciated	10,687,905
Capital assets being depreciated, net	<u>48,810,636</u>
<b>Total assets</b>	<u><u>\$ 121,073,299</u></u>
<b>Liabilities and Net Position</b>	
Liabilities	<u>\$ 211,391</u>
Net position:	
Net investment in capital assets	59,498,541
Restricted for:	
Student activities	68,779
Transportation	2,438,094
Debt service	3,381
Retirement benefits	1,542,200
Capital improvements and maintenance	6,112,326
Unrestricted	<u>51,198,587</u>
<b>Total net position</b>	<u><u>120,861,908</u></u>
<b>Total liabilities and net position</b>	<u><u>\$ 121,073,299</u></u>

See notes to basic financial statements.

**Alsip, Hazelgreen and Oak Lawn School District 126**

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

Functions/Programs	Expenses	Program Revenues		Net (Expense), Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Instruction:				
Regular programs	\$ 10,320,494	\$ -	\$ 377,405	\$ (9,943,089)
Special programs	2,642,677	-	975,529	(1,667,148)
Other instructional programs	1,345,159	-	-	(1,345,159)
Support services:				
Pupils	1,258,985	-	-	(1,258,985)
Instructional staff	603,129	-	45,872	(557,257)
General administration	1,305,037	-	-	(1,305,037)
School administration	1,618,954	-	-	(1,618,954)
Business	2,273,205	91,527	657,862	(1,523,816)
Central office	1,657,151	-	-	(1,657,151)
Transportation	945,953	-	275,843	(670,110)
Operations and maintenance	2,077,732	-	2,954,698	876,966
Community services	891	-	-	(891)
Payments to other governments	2,304,098	-	-	(2,304,098)
<b>Total governmental activities</b>	<b>\$ 28,353,465</b>	<b>\$ 91,527</b>	<b>\$ 5,287,209</b>	<b>(22,974,729)</b>
General revenues:				
Taxes:				
Real estate taxes				22,976,488
Corporate property replacement taxes				3,479,371
State aid-formula grants				2,497,470
Investment earnings				1,296,971
Other				532,944
<b>Total general revenues</b>				<b>30,783,244</b>
<b>Change in net position</b>				<b>7,808,515</b>
Net position:				
July 1, 2022				113,053,393
June 30, 2023				<b>\$ 120,861,908</b>

See notes to basic financial statements.

## **Fund Financial Statements (FFS)**

**Alsip, Hazelgreen and Oak Lawn School District 126**

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

	Major Fund General Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Cash and investments	\$ 57,273,661	\$ 4,301,097	\$ 61,574,758
<b>Liabilities and Fund Balances</b>			
Liabilities	\$ 211,391	\$ -	\$ 211,391
Fund balances:			
Restricted for:			
Student activities	68,779	-	68,779
Transportation	-	2,438,094	2,438,094
Debt service	-	3,381	3,381
Retirement benefits	-	1,542,200	1,542,200
Capital improvements and maintenance	5,794,904	317,422	6,112,326
Unassigned	51,198,587	-	51,198,587
<b>Total fund balances</b>	<b>57,062,270</b>	<b>4,301,097</b>	<b>61,363,367</b>
<b>Total liabilities and fund balances</b>	<b>\$ 57,273,661</b>	<b>\$ 4,301,097</b>	<b>\$ 61,574,758</b>

See notes to basic financial statements.

**Alsip, Hazelgreen and Oak Lawn School District 126**

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

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Total fund balances – governmental funds	\$ 61,363,367
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Amounts reported for governmental activities in the statement of  
net position are different because:

Capital assets used in governmental activities are not current financial resources  
and, therefore, are not reported in the funds.

59,498,541
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Net position of governmental activities

<u>\$ 120,861,908</u>
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See notes to basic financial statements.

**Alsip, Hazelgreen and Oak Lawn School District 126**

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

	Major Fund General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Property taxes	\$ 22,309,826	\$ 666,662	\$ 22,976,488
Corporate property replacement taxes	3,158,573	320,798	3,479,371
Charges for services	91,527	-	91,527
Unrestricted state aid	2,497,470	-	2,497,470
Restricted state aid	221,807	275,843	497,650
Restricted federal aid	4,788,521	1,038	4,789,559
Other	532,908	36	532,944
Interest	1,205,131	91,840	1,296,971
<b>Total revenues</b>	<b>34,805,763</b>	<b>1,356,217</b>	<b>36,161,980</b>
Expenditures:			
Current:			
Instruction:			
Regular programs	9,424,153	145,955	9,570,108
Special programs	2,457,025	69,473	2,526,498
Other instructional programs	1,323,668	18,266	1,341,934
Support services:			
Pupils	1,173,493	37,574	1,211,067
Instructional staff	576,400	-	576,400
General administration	1,252,935	9,205	1,262,140
School administration	1,501,604	43,506	1,545,110
Business	914,741	107,133	1,021,874
Transportation	-	945,953	945,953
Operations and maintenance	1,830,890	-	1,830,890
Central office	1,126,433	26,617	1,153,050
Community services	852	-	852
Payments to other governments	2,304,098	-	2,304,098
Capital outlay	11,951,606	-	11,951,606
<b>Total expenditures</b>	<b>35,837,898</b>	<b>1,403,682</b>	<b>37,241,580</b>
<b>Change in fund balances</b>	<b>(1,032,135)</b>	<b>(47,465)</b>	<b>(1,079,600)</b>
Fund balances:			
July 1, 2022	58,094,405	4,348,562	62,442,967
June 30, 2023	\$ 57,062,270	\$ 4,301,097	\$ 61,363,367

See notes to basic financial statements.

**Alsip, Hazelgreen and Oak Lawn School District 126**

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

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Net change in fund balances – total governmental funds	\$ (1,079,600)
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlay	10,524,179
Depreciation expense	<u>(1,636,064)</u>

Change in net position of governmental activities	<u>\$ 7,808,515</u>
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See notes to basic financial statements.

## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies

##### Nature of Operations

Alsip, Hazelgreen and Oak Lawn School District 126 (the District) operates as a public school system governed by an elected seven-member board. The District is organized under The School Code of the State of Illinois, as amended. The District serves the communities of Alsip and Oak Lawn, Illinois.

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

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

##### Financial Reporting Entity

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

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

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

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

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

##### Basis of Presentation

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

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



## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

##### Basis of Presentation (Continued)

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

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

The District administers the following major governmental fund:

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

##### Measurement Focus and Basis of Accounting

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

##### *Measurement Focus*

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

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

##### *Basis of Accounting*

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

## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

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#### **Note 1. Summary of Significant Accounting Policies (Continued)**

##### **Measurement Focus and Basis of Accounting (Continued)**

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

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

##### **Significant Accounting Policies**

###### ***Cash and Investments***

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

###### ***Interfund Receivables, Payables, and Activity***

The District, at times, has the following types of transactions between funds:

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

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

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

###### ***Capital Assets***

Capital assets which include land, land improvements, buildings and improvements, and equipment, are reported in the Statement of Net Position – modified cash basis. Capital assets are defined as assets with an initial individual cost of more than \$5,000, and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

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

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

**Notes to Basic Financial Statements**

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**Significant Accounting Policies (Continued)**

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

Buildings and improvements	40 years
Equipment	3-5 years

***Compensated Absences***

Certified employees working less than 12 months a year do not earn vacation days, however, noncertified, full-time employees earn 5 to 30 vacation days depending on years of service which are accumulated.

All full-time employees receive 12 sick days per year with unlimited accumulation. These accumulated sick days do not vest; however, full-time employees may receive \$30 or \$50 per day of unused sick days upon resignation or retirement, respectively.

***Long-Term Obligations***

In the government-wide financial statements, long-term debt is reported as a liability. Bond premiums and discounts are capitalized and amortized over the life of the respective bonds using a method that approximates the effective interest method. Issuance costs, even if withheld from the actual net proceeds received, are reported as expenditures when incurred.

In the fund financial statements, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds, payments to refunded bond escrow agents, and bond premiums or discounts are reported as another financing source or use. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

***Net Position***

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

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

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

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

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

## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

##### Significant Accounting Policies (Continued)

###### **Fund Balances**

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

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

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

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

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

***Unassigned*** – includes the residual fund balance that has not been restricted, committed, or assigned to specific purposes.

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

The General Fund includes the Working Cash Stabilization Account. Under the State of Illinois School Code (School Code), the District is authorized to incur indebtedness and issue bonds and to levy a tax annually on all taxable property of the District in order to enable the District to have in its treasury at all times sufficient money to meet demands thereon. These funds may be lent to other District governmental funds in need, but may only be expended for other purposes upon the passage of a resolution by the Board of Education to abolish the funds to the General Fund Educational Account or abate the fund to any fund of the District in need. At June 30, 2023, the District had working cash stabilization fund balances of \$8,282,919 that have been classified as unassigned fund balances in the General Fund.

## **Alsip, Hazelgreen and Oak Lawn School District 126**

### **Notes to Basic Financial Statements**

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#### **Note 1. Summary of Significant Accounting Policies (Continued)**

##### **Significant Accounting Policies (Continued)**

###### ***Property Taxes***

Property taxes are levied each year on all taxable real property in the District on or before the last Tuesday in December. The 2022 tax levy was passed by the Board of Education on December 14, 2022, and attached as an enforceable lien on the property as of the preceding January 1. The taxes become due and collectible in March and September 2023 and are collected by the county treasurer, who in turn remits to the District its respective share. The District receives the remittances from the county treasurer approximately one month after collection. Property taxes are recorded upon receipt.

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

###### ***Eliminations and Reclassifications***

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

###### ***Use of Estimates***

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

#### **Note 2. Budgets and Budgetary Information**

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

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

The appropriated budget is prepared by fund and by function. The General Fund is further detailed by account (Education, Operations and Maintenance, Tort, and Working Cash). The Board of Education may make transfers between functions within a fund not exceeding in the aggregate 10% of the total of such fund, and may amend the total budget following the same procedures required to adopt the original budget. The legal level of budgetary control is at the fund level.

#### **Note 3. Cash and Investments**

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

## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

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#### Note 3. Cash and Investments (Continued)

##### Deposits

State statutes authorize the District to make deposits directly or through its Township Trustees in interest-bearing depository accounts in federally insured and/or state-chartered banks, savings and loan associations and credit unions. As of June 30, 2023, the District had petty cash of \$157 and deposits with federally insured financial institutions of \$68,779 with bank balances totaling \$75,449.

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

##### Investments

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

Investment Type	Cost
Pooled cash and investments held by the Worth Township Trustees	<u>\$ 61,505,822</u>

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

*Interest Rate Risk* - The District's investment policy states the investment portfolio shall provide sufficient liquidity to pay District obligations as they become due. In this regard, maturity and marketability of investments shall be considered.

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

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

*Concentration of Credit Risk* - The District investment policy requires that the investment portfolio is diversified as to materials and investments, as appropriate to the nature, purpose, and amounts of the funds. The policy does not limit the investments in any single issuer.

*Custodial Credit Risk – Investments* - For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

#### Note 3. Cash and Investments (Continued)

Information related to the interest rate risk, credit risk, concentration of credit risk and custodial credit risk of the other cash and investments held by the Worth Township Trustees can be obtained from the Worth Township Trustees at 10720 South Kenton, Oak Lawn, Illinois 60453, which issues a financial report that includes financial statements and supplementary information. This report can also be obtained online at <https://worthtst.org/public-documents>.

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

Statement of Net Position (GWFS)	<u>\$ 61,574,758</u>
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#### Note 4. Capital Assets

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

	Balance July 1, 2022	Additions	Decreases/ Retirements	Balance June 30, 2023
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 243,000	\$ -	\$ -	\$ 243,000
Construction in progress	810,189	9,634,716	-	10,444,905
<b>Total capital assets not being depreciated</b>	<u>1,053,189</u>	<u>9,634,716</u>	<u>-</u>	<u>10,687,905</u>
Capital assets, being depreciated:				
Buildings and improvements	65,567,788	584,108	-	66,151,896
Equipment	2,775,350	305,355	-	3,080,705
<b>Total capital assets being depreciated</b>	<u>68,343,138</u>	<u>889,463</u>	<u>-</u>	<u>69,232,601</u>
Less accumulated depreciation:				
Buildings and improvements	16,113,416	1,528,996	-	17,642,412
Equipment	2,672,485	107,068	-	2,779,553
<b>Total accumulated depreciation</b>	<u>18,785,901</u>	<u>1,636,064</u>	<u>-</u>	<u>20,421,965</u>
<b>Total capital assets being depreciated, net</b>	<u>49,557,237</u>	<u>(746,601)</u>	<u>-</u>	<u>48,810,636</u>
Governmental activities				
Capital assets, net	<u>\$ 50,610,426</u>	<u>\$ 8,888,115</u>	<u>\$ -</u>	<u>\$ 59,498,541</u>

## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

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#### Note 4. Capital Assets (Continued)

Depreciation expense was charged to governmental activities as follows:

Instruction:	
Regular programs	\$ 458,785
Special programs	116,179
Support services:	
Pupils	55,466
Instructional staff	26,729
General administration	57,372
School administration	71,051
Business	678,470
Central	80,630
Operations and maintenance	91,343
Community services	39
	<u>\$ 1,636,064</u>

#### Note 5. Legal Debt Margin

The District's estimated legal debt limitation of \$38,516,389 as of June 30, 2023, is based on 6.9% of the 2022 estimated equalized assessed valuation of \$558,208,543 less no outstanding debt.

#### Note 6. Retirement Fund Commitments

##### Teachers' Retirement System

###### Plan Description

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

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

###### Benefits Provided

TRS provides retirement, disability, and death benefits. Tier 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest 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.

Tier 2 members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four.



## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

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#### Note 6. Retirement Fund Commitments (Continued)

##### Teachers' Retirement System (Continued)

Disability provisions for Tier 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different from Tier 1.

Essentially all Tier 1 retirees receive an annual 3% increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier 2 annual increases will be the lesser of 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 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier 1 members to receive a partial lumpsum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the State of Illinois.

##### Contributions

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

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

*On behalf contributions to TRS.* The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2023, State of Illinois contributions in the amount of \$5,526,707 were paid directly to TRS based on the state's proportionate share of the collective net pension liability associated with the District.

*2.2 formula contributions.* Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2023, were \$65,409.

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

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

For the year ended June 30, 2023, the employer pension contribution was 10.49% of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$329,988 were paid from federal and special trust funds that required District contributions of \$34,616.

## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

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#### **Note 6. Retirement Fund Commitments (Continued)**

##### **Teachers' Retirement System (Continued)**

###### Contributions (Continued)

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

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

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

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

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

##### **Illinois Municipal Retirement Fund**

###### Plan Description

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

## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

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#### Note 6. Retirement Fund Commitments (Continued)

##### Illinois Municipal Retirement Fund (Continued)

###### Benefits Provided

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

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

###### Employees Covered by Benefit Terms

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

	<b>IMRF</b>
Retirees and Beneficiaries currently receiving benefits	274
Inactive Plan Members entitled to but not yet received benefits	142
Active Plan Members	100
<b>Total</b>	<b>516</b>

###### Contributions

As set by statute, the District's regular plan members are required to contribute 4.50% of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's required and actual contribution rates for the calendar years ended December 31, 2023 and 2022, were 3.15% and 4.92%, respectively. For fiscal year 2023, the District contributed \$98,340 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefit rate is set by statute.

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

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

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

## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

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#### Note 7. Post Employment Healthcare Plans

The District participates in two postemployment insurance plans: Teachers' Health Insurance Security Fund and a District provided postemployment healthcare plan.

#### **Teachers' Health Insurance Security Fund**

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

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

*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) plan if a managed care plan is either not available or only partially available. Members receive approximately a 50% subsidy if they elect the TCHP when a managed care plan is available. Medicare primary dependent beneficiaries enrolled in a managed care plan or in the TCHP when no managed care plan is available receive a premium subsidy.

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

- Active members contribute 0.90% of covered payroll.
- Employers contribute 0.67% of covered payroll. The percentage of employer required contributions in the future will not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. For the year ended June 30, 2023, the District paid \$75,569 to the THIS Fund, which was 100% of the required contribution.
- The State of Illinois makes contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members. The State contributed 0.90% of covered payroll. For the year ended June 30, 2023, State of Illinois contributions on behalf of the District's employees were \$101,510.
- Retired members contribute through premium payments based on the coverage elected, Medicare eligibility, and the age of the member and dependents. The premium for retired members is not permitted to increase by more than 5.0% per year by statute. The Federal Government provides a Medicare Part D subsidy.

## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

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#### Note 7. Post Employment Healthcare Plans (Continued)

##### Teachers' Health Insurance Security Fund (Continued)

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

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

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

##### District Provided OPEB Plan

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

The current eligibility criteria for retirees is as follows: employees must be enrolled in the active medical plan immediately prior to retiring. Illinois Municipal Retirement Fund employees must be eligible for benefits upon meeting the qualifications necessary to receive an IMRF annuity upon the completion of 8 years of service credit, and be at least age 55. The Certified staff upon retirement have a choice either to remain in the District plan or cease coverage with the District and enroll in the Illinois Teachers Retirement Insurance Program plan. Teachers' Retirement System employees need 10 years of service credit and be at least age 60, 20 years of service credit and be at least age 55, or 5 years of service credit and be at least age 62. This plan is a single employer defined benefit plan.

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

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

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

## **Alsip, Hazelgreen and Oak Lawn School District 126**

### **Notes to Basic Financial Statements**

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#### **Note 8. Risk Management**

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

The District participates in the School Employees Loss Fund (SELF) for its workers' compensation coverages, the Suburban School Cooperative Insurance Pool (SSCIP) for its general liability and property insurance, and the Educational Benefits Cooperative (EBC) for its health insurance. SELF, SSCIP and EBC are organizations of school districts in Illinois which have formed associations under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs.

The participation agreement provides that SSCIP and EBC will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 per occurrence and \$3,000,000 in aggregate for general liability and property insurance and \$100,000 per occurrence and approximately \$7,200,000 in aggregate for health insurance. The SELF pool purchases commercial insurance for its workers' compensation coverage through member premiums. The District, along with other members of SELF, has a contractual obligation to fund any premium deficiency of SELF attributable to a membership year during which it was a member. SELF, SSCIP or EBC can assess supplemental premiums to fund these premium deficiencies. In the past three years, the District has not made any supplemental payments to SELF, SSCIP or EBC.

Each District appoints one delegate to represent the District on the Board of Directors of SSCIP and EBC. The District also has a member on the executive board of SELF. The District does not exercise any control over the activities of the pool beyond its representation on the Board of Directors. The amount of coverage has not decreased nor have the settlements exceeded coverage in any of the past three fiscal years.

#### **Note 9. Contingencies**

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

#### **Note 10. Commitments**

As of June 30, 2023, the District has certain construction commitments totaling approximately \$4,670,101.

#### ***Cook County Economic Incentives***

The Cook County Assessor's Office, in conjunction with municipalities located within Cook County and within the District's boundaries, encourage certain industrial and commercial development by offering real estate tax incentive programs (such as Class 6a, 6b, 7 and 8) for the development of new industrial facilities, the rehabilitation of existing industrial structures, and industrial utilization of abandoned buildings or areas experiencing severe stagnation. These programs offer qualified properties a reduced equalized assessed valuation for up to 12 years. The District estimates its portion of annual abatement of property taxes to various local companies under this development incentive approximates \$2.18 million.

## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

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#### Note 11. Other Financial Disclosures (FFS Level Only)

##### Interfund Transfers

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

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Fund:		
General:		
Educational Account	\$ -	\$ (11,000,000)
Operations and Maintenance Account	10,500,000	-
Working Cash Fund	500,000	-
	<u>\$ 11,000,000</u>	<u>\$ (11,000,000)</u>

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

##### Due to / Due from Other Funds

Individual interfund balances for the District at June 30, 2023, were as follows:

<u>Fund</u>	<u>Due from</u>	<u>Due to</u>
Major Fund:		
General:		
Working Cash Fund	\$ 489,403	\$ -
Tort Fund	-	489,403
	<u>\$ 489,403</u>	<u>\$ 489,403</u>

Interfund receivables and payables are short-term in nature based on expected payments and related to expenditures paid by a fund that were intended to be paid by another fund. To eliminate negative cash balances for financial reporting purposes, the District recorded an interfund receivable balance within the Working Cash Fund and an interfund payable balance within the Tort Fund.

#### Note 12. Pronouncements Issued But Not Yet Adopted

The following is a description of the GASB authoritative pronouncements which have been issued but not yet adopted by the District. Management has not yet determined the impact, if any, these statements will have on the financial statements and related disclosures.

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

## Alsip, Hazelgreen and Oak Lawn School District 126

### Notes to Basic Financial Statements

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

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

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

#### **Note 13. Subsequent Events**

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

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



## **Other Information**

**Alsip, Hazelgreen and Oak Lawn School District 126****Schedule of Employer Contributions  
Illinois Municipal Retirement Fund**

Calendar Year Ending December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2022	\$ 98,340	\$ 98,341	\$ (1)	\$ 3,121,912	3.15%
2021	143,005	166,701	(23,696)	2,096,596	7.95%
2020	151,020	151,020	-	2,750,823	5.49%
2019	66,641	66,641	-	2,363,151	2.82%
2018	140,054	140,054	-	2,212,542	6.33%
2017	247,227	261,145	(13,918)	2,272,309	11.49%
2016	262,660	1,762,661	(1,500,001)	2,246,879	78.45%
2015	272,183	272,182	1	2,240,192	12.15%
2014	276,704	253,324	27,960	2,066,746	12.26%

Note to schedule: Detailed information and the summary of actuarial methods and assumptions used in the calculation of the contribution rate are available at the District's administrative offices and at

<https://www.imrf.org/en/employers/employer-resources/reports-for-employers>

**Alsip, Hazelgreen and Oak Lawn School District 126**

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

Calendar Year Ended December 31,	2022	2021	2020
<b>Total pension liability</b>			
Service cost	\$ 289,743	\$ 282,183	\$ 264,293
Interest on the Total Pension Liability	1,273,161	1,233,773	1,216,059
Changes of benefit terms	-	-	-
Difference between expected and actual experience of the Total Pension Liability	461,665	340,247	145,462
Changes of assumptions	-	-	(162,592)
Benefit payments, including refunds of employee contributions	(1,333,491)	(1,299,909)	(1,155,783)
Net change in total pension liability	691,078	556,294	307,439
Total pension liability - beginning	18,082,712	17,526,418	17,218,979
Total pension liability - ending	<u>\$ 18,773,790</u>	<u>\$ 18,082,712</u>	<u>\$ 17,526,418</u>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 98,341	\$ 166,701	\$ 151,020
Contributions - employee	140,622	131,133	124,028
Net investment income	(3,244,864)	3,573,241	2,797,818
Benefit payments, including refunds of employee contributions	(1,333,491)	(1,299,909)	(1,155,783)
Other (net transfer)	72,703	(16,992)	(225,743)
Net change in plan fiduciary net position	(4,266,689)	2,554,174	1,691,340
Plan fiduciary net position - beginning	22,915,634	20,361,460	18,670,120
Plan fiduciary net position - ending	<u>\$ 18,648,945</u>	<u>\$ 22,915,634</u>	<u>\$ 20,361,460</u>
<b>Net pension liability (asset)</b>	<u>\$ 124,845</u>	<u>\$ (4,832,922)</u>	<u>\$ (2,835,042)</u>
<b>Plan fiduciary net position as a percentage of total pension liability</b>	99.34%	126.73%	116.18%
<b>Covered valuation payroll</b>	\$ 3,121,912	\$ 2,906,596	\$ 2,750,823
<b>Net pension liability as a percentage of covered valuation payroll</b>	4.00%	-166.27%	-103.06%

Note to schedule: Detailed information and actuarial assumptions used in the preparation of this schedule are available at the District's administrative offices and at

<https://www.imrf.org/en/employers/employer-resources/reports-for-employers>

2019	2018	2017	2016	2015	2014
\$ 235,485	\$ 238,042	\$ 262,282	\$ 265,102	\$ 243,747	\$ 245,612
1,177,730	1,166,783	1,170,875	1,150,341	1,117,228	1,048,075
-	-	-	-	-	-
278,716	94,610	196,809	(100,251)	75,801	(9,337)
-	393,775	(524,082)	(49,397)	32,898	619,422
(1,199,517)	(1,209,456)	(1,087,184)	(1,017,226)	(977,052)	(944,746)
492,414	683,754	18,700	248,569	492,622	959,026
16,726,565	16,042,811	16,024,111	15,775,542	15,282,920	14,323,894
\$ 17,218,979	\$ 16,726,565	\$ 16,042,811	\$ 16,024,111	\$ 15,775,542	\$ 15,282,920
\$ 66,641	\$ 140,054	\$ 261,145	\$ 1,762,661	\$ 272,182	\$ 253,324
106,342	107,274	107,627	101,156	101,091	91,631
3,293,759	(1,223,638)	2,984,542	989,570	71,843	853,732
(1,199,517)	(1,209,456)	(1,087,184)	(1,017,226)	(977,052)	(944,746)
56,387	359,607	(347,952)	125,546	154,278	121,005
2,323,612	(1,826,159)	1,918,178	1,961,707	(377,658)	374,946
16,346,508	18,172,667	16,254,489	14,292,782	14,670,440	14,295,494
\$ 18,670,120	\$ 16,346,508	\$ 18,172,667	\$ 16,254,489	\$ 14,292,782	\$ 14,670,440
\$ (1,451,141)	\$ 380,057	\$ (2,129,856)	\$ (230,378)	\$ 1,482,760	\$ 612,480
108.43%	97.73%	113.28%	101.44%	90.60%	95.99%
\$ 2,363,151	\$ 2,212,542	\$ 2,272,309	\$ 2,246,879	\$ 2,240,192	\$ 2,033,097
-61.41%	17.18%	-93.73%	-10.25%	66.19%	30.13%

**Alsip, Hazelgreen and Oak Lawn School District 126**

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

For the fiscal year ending	2023	2022	2021
Contractually-required contribution	\$ 100,034	\$ 94,049	\$ 87,485
Contributions in relation to the contractually-required contribution	100,025	94,081	87,509
Contribution deficiency (excess)	<u>\$ 9</u>	<u>\$ (32)</u>	<u>\$ (24)</u>
Employer's covered payroll	\$ 11,278,936	\$ 10,656,377	\$ 10,393,675
Contributions as a percentage of covered-payroll	0.89%	0.88%	0.84%

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

For the fiscal year ending	2023	2022	2021
Employer's proportion of the net pension liability	0.0010%	0.0012%	0.0012%
Employer's proportionate share of the net pension liability	\$ 874,406	\$ 904,185	\$ 1,030,856
State's proportionate share of the net pension liability associated the employer	75,848,967	75,780,302	80,741,976
Total	<u>\$ 76,723,373</u>	<u>\$ 76,684,487</u>	<u>\$ 81,772,832</u>
Employer's covered payroll	\$ 10,656,377	\$ 10,393,675	\$ 10,049,942
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	13.89%	13.55%	12.29%
Plan fiduciary net position as a percentage of the total pension liability	42.80%	45.10%	37.80%

**Note to schedule:** Detailed information and actuarial methods and assumptions used in the preparation of this schedule can be obtained at

<https://www.trsil.org/financial/gasb-68-actuary-reports>

2020	2019	2018	2017	2016	2015
\$ 90,296	\$ 85,013	\$ 83,925	\$ 181,320	\$ 122,656	\$ 91,697
90,606	83,992	103,640	181,320	122,656	91,697
\$ (310)	\$ 1,021	\$ (19,715)	\$ -	\$ -	\$ -
\$ 10,049,942	\$ 9,757,818	\$ 9,594,230	\$ 9,410,162	\$ 9,200,500	\$ 9,034,319
0.90%	0.86%	1.08%	1.93%	1.33%	0.99%

2020	2019	2018	2017	2016	2015
0.0012%	0.0013%	0.0044%	0.0033%	0.0023%	0.0026%
\$ 1,013,595	\$ 1,043,971	\$ 3,362,283	\$ 2,572,573	\$ 1,525,365	\$ 1,564,071
72,136,475	71,516,414	69,673,603	73,028,344	59,966,400	55,733,734
\$ 73,150,070	\$ 72,560,385	\$ 73,035,886	\$ 75,600,917	\$ 61,491,765	\$ 57,297,805
\$ 9,757,818	\$ 9,594,230	\$ 9,410,162	\$ 9,200,500	\$ 9,034,319	\$ 9,252,371
13.34%	13.22%	12.88%	12.17%	14.69%	16.15%
39.60%	40.00%	39.30%	36.40%	41.47%	43.00%

## Alsip, Hazelgreen and Oak Lawn School District 126

### Schedule of Employer Contributions Teachers' Health Insurance Security Fund

For the fiscal year ending	2023	2022	2021	2020	2019	2018
Contractually-required contribution	\$ 75,569	\$ 71,398	\$ 95,622	\$ 92,459	\$ 210,769	\$ 197,641
Contributions in relation to the statutorily-required contribution	75,506	71,398	95,622	92,459	210,773	197,652
Contribution (excess) deficiency	\$ 63	\$ -	\$ -	\$ -	\$ (4)	\$ (11)
Employer's covered payroll	\$ 11,278,936	\$ 10,656,377	\$ 10,397,675	\$ 10,049,942	\$ 9,757,818	\$ 9,594,230
Contributions as a percentage of covered payroll	0.67%	0.67%	0.92%	0.92%	2.16%	2.06%

### Schedule of the Employer's Proportionate Share of the Collective Total OPEB Liability Teachers' Health Insurance Security Fund

For the fiscal year ending*	2023	2022	2021	2020	2019	2018
Employer's proportion of the collective total OPEB liability	0.0386540%	0.040041%	0.039700%	0.039696%	0.040476%	0.040908%
Employer's proportionate share of the collective total OPEB liability	\$ 2,645,723	\$ 8,831,109	\$ 10,620,996	\$ 10,986,760	\$ 10,663,678	\$ 10,615,528
The portion of the State's proportionate share amount of the collective total OPEB liability associated with the employer	3,599,271	11,973,695	14,379,278	14,877,585	14,319,108	13,940,707
Total	\$ 6,244,994	\$ 20,804,804	\$ 25,000,274	\$ 25,864,345	\$ 24,982,786	\$ 24,556,235
Employer's covered payroll	\$ 10,656,377	\$ 10,397,675	\$ 10,049,942	\$ 9,757,818	\$ 9,594,230	\$ 9,410,162
Collective total OPEB liability as a percentage of the covered payroll	24.8%	84.9%	105.7%	112.6%	111.1%	112.8%
Plan fiduciary net position as a percentage of the total pension liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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

#### Notes to Schedules

Detailed information and actuarial methods and assumptions used in the preparation of this schedule can be obtained at <http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>

## **Supplementary Information**



**Alsip, Hazelgreen and Oak Lawn School District 126**

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

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 23,606,923	\$ 22,309,826	\$ (1,297,097)
Corporate property replacement taxes	1,500,000	3,158,573	1,658,573
Charges for services	42,000	91,527	49,527
Unrestricted state aid	2,497,470	2,497,470	-
Restricted state aid	237,897	221,807	(16,090)
Restricted federal aid	3,534,821	4,788,521	1,253,700
Other	-	532,908	532,908
Interest	680,000	1,205,131	525,131
<b>Total revenues</b>	<b>32,099,111</b>	<b>34,805,763</b>	<b>2,706,652</b>
Expenditures:			
Current:			
Instruction:			
Regular programs	10,610,583	9,424,153	1,186,430
Special programs	2,665,080	2,457,025	208,055
Other instructional programs	1,345,478	1,323,668	21,810
Support services:			
Pupils	1,494,186	1,173,493	320,693
Instructional staff	704,445	576,400	128,045
General administration	830,244	1,252,935	(422,691)
School administration	1,561,714	1,501,604	60,110
Central office	1,467,111	1,126,433	340,678
Business	1,676,470	914,741	761,729
Operations and maintenance	2,254,433	1,830,890	423,543
Community services	6,300	852	5,448
Payments to other governments	1,349,123	2,304,098	(954,975)
Capital outlay	16,782,635	11,951,606	4,831,029
<b>Total expenditures</b>	<b>42,747,802</b>	<b>35,837,898</b>	<b>6,909,904</b>
<b>Change in fund balance</b>	<b>\$ (10,648,691)</b>	<b>(1,032,135)</b>	<b>\$ 9,616,556</b>
Fund balance:			
July 1, 2022		<u>58,094,405</u>	
June 30, 2023		<u>\$ 57,062,270</u>	

**Alsip, Hazelgreen and Oak Lawn School District 126**

**Combining Balance Sheet - Modified Cash Basis**

**General Fund, By Accounts**

**June 30, 2023**

	Educational Account	Operations and Maintenance Account	Tort Account	Working Cash Account	Eliminations	Total
<b>Assets</b>						
Cash and investments	\$ 43,666,001	\$ 5,814,144	\$ -	\$ 7,793,516	\$ -	\$ 57,273,661
Interfund receivable	-	-	-	489,403	(489,403)	-
<b>Total assets</b>	<b>\$ 43,666,001</b>	<b>\$ 5,814,144</b>	<b>\$ -</b>	<b>\$ 8,282,919</b>	<b>\$ (489,403)</b>	<b>\$ 57,273,661</b>
<b>Liabilities and Fund Balance</b>						
Liabilities	\$ 192,151	\$ 19,240	\$ 489,403	\$ -	\$ (489,403)	\$ 211,391
Fund Balance (deficit):						
Restricted	-	5,794,904	-	-	-	5,794,904
Unassigned	43,473,850	-	(489,403)	8,282,919	-	51,267,366
<b>Total fund balance</b>	<b>43,473,850</b>	<b>5,794,904</b>	<b>(489,403)</b>	<b>8,282,919</b>	<b>-</b>	<b>57,062,270</b>
<b>Total liabilities and fund balance</b>	<b>\$ 43,666,001</b>	<b>\$ 5,814,144</b>	<b>\$ -</b>	<b>\$ 8,282,919</b>	<b>\$ (489,403)</b>	<b>\$ 57,273,661</b>

# **Alsip, Hazelgreen and Oak Lawn School District 126**

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

	Educational Account	Operations and Maintenance Account	Tort Account	Working Cash Account	Total
<b>Revenues:</b>					
Property taxes	\$ 18,834,310	\$ 2,939,770	\$ 271,589	\$ 264,157	\$ 22,309,826
Corporate property replacement taxes	3,158,573	-	-	-	3,158,573
Charges for services	87,121	4,406	-	-	91,527
Unrestricted state aid	2,497,470	-	-	-	2,497,470
Restricted state aid	221,807	-	-	-	221,807
Restricted federal aid	4,788,521	-	-	-	4,788,521
Other	531,683	-	1,225	-	532,908
Interest	878,003	167,093	(1,771)	161,806	1,205,131
<b>Total revenues</b>	<b>30,997,488</b>	<b>3,111,269</b>	<b>271,043</b>	<b>425,963</b>	<b>34,805,763</b>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular programs	9,424,153	-	-	-	9,424,153
Special programs	2,457,025	-	-	-	2,457,025
Other instructional programs	1,323,668	-	-	-	1,323,668
<b>Support services:</b>					
Pupils	1,173,493	-	-	-	1,173,493
Instructional staff	576,400	-	-	-	576,400
General administration	464,898	-	788,037	-	1,252,935
School administration	1,501,604	-	-	-	1,501,604
Central office	1,126,433	-	-	-	1,126,433
Business	914,741	-	-	-	914,741
Operations and maintenance	-	1,830,890	-	-	1,830,890
Community services	852	-	-	-	852
Payments to other governments	2,304,098	-	-	-	2,304,098
Capital outlay	878,119	10,941,148	132,339	-	11,951,606
<b>Total expenditures</b>	<b>22,145,484</b>	<b>12,772,038</b>	<b>920,376</b>	<b>-</b>	<b>35,837,898</b>
Excess (deficiency) of revenues over (under) expenditures	8,852,004	(9,660,769)	(649,333)	425,963	(1,032,135)
<b>Other financing sources (uses):</b>					
Transfers in	-	10,500,000	-	500,000	11,000,000
Transfers (out)	(11,000,000)	-	-	-	(11,000,000)
<b>Total other financing sources (uses)</b>	<b>(11,000,000)</b>	<b>10,500,000</b>	<b>-</b>	<b>500,000</b>	<b>-</b>
<b>Change in fund balance</b>	<b>(2,147,996)</b>	<b>839,231</b>	<b>(649,333)</b>	<b>925,963</b>	<b>(1,032,135)</b>
<b>Fund balance (deficit):</b>					
July 1, 2022	45,621,846	4,955,673	159,930	7,356,956	58,094,405
June 30, 2023	\$ 43,473,850	\$ 5,794,904	\$ (489,403)	\$ 8,282,919	\$ 57,062,270

# Alsip, Hazelgreen and Oak Lawn School District 126

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

	Educational Account		Operations and Maintenance Account		Tort Account		Working Cash Account		Total	
	Original and Final Budget	Actual	Original and Final Budget	Actual	Original and Final Budget	Actual	Original and Final Budget	Actual	Original Budget	Actual
Revenues:										
Property taxes	\$ 19,884,449	\$ 18,834,310	\$ 3,145,422	\$ 2,939,770	\$ 291,104	\$ 271,589	\$ 285,948	\$ 264,157	\$ 23,606,923	\$ 22,309,826
Corporate property replacement taxes	1,500,000	3,158,573	-	-	-	-	-	-	1,500,000	3,158,573
Charges for services	42,000	87,121	-	4,406	-	-	-	-	42,000	91,527
Unrestricted state aid	2,497,470	2,497,470	-	-	-	-	-	-	2,497,470	2,497,470
Restricted state aid	237,897	221,807	-	-	-	-	-	-	237,897	221,807
Restricted federal aid	3,534,821	4,788,521	-	-	-	-	-	-	3,534,821	4,788,521
Other	-	531,683	-	-	-	1,225	-	-	-	532,908
Interest	500,000	878,003	75,000	167,093	5,000	(1,771)	100,000	161,806	680,000	1,205,131
<b>Total revenues</b>	<b>28,196,637</b>	<b>30,997,488</b>	<b>3,220,422</b>	<b>3,111,269</b>	<b>296,104</b>	<b>271,043</b>	<b>385,948</b>	<b>425,963</b>	<b>32,099,111</b>	<b>34,805,763</b>
Expenditures:										
Current:										
Instruction:										
Regular programs	10,610,583	9,424,153	-	-	-	-	-	-	10,610,583	9,424,153
Special programs	2,665,080	2,457,025	-	-	-	-	-	-	2,665,080	2,457,025
Other instructional programs	1,345,478	1,323,668	-	-	-	-	-	-	1,345,478	1,323,668
Support services:										
Pupils	1,494,186	1,173,493	-	-	-	-	-	-	1,494,186	1,173,493
Instructional staff	704,445	576,400	-	-	-	-	-	-	704,445	576,400
General administration	505,244	464,898	-	-	325,000	788,037	-	-	830,244	1,252,935
School administration	1,561,714	1,501,604	-	-	-	-	-	-	1,561,714	1,501,604
Central office	1,467,111	1,126,433	-	-	-	-	-	-	1,467,111	1,126,433
Business	1,676,470	914,741	-	-	-	-	-	-	1,676,470	914,741
Operations and maintenance	-	-	2,254,433	1,830,890	-	-	-	-	2,254,433	1,830,890
Community services	6,300	852	-	-	-	-	-	-	6,300	852
Payments to other governments	1,349,123	2,304,098	-	-	-	-	-	-	1,349,123	2,304,098
Capital outlay	655,000	878,119	16,002,635	10,941,148	125,000	132,339	-	-	16,782,635	11,951,606
<b>Total expenditures</b>	<b>24,040,734</b>	<b>22,145,484</b>	<b>18,257,068</b>	<b>12,772,038</b>	<b>450,000</b>	<b>920,376</b>	<b>-</b>	<b>-</b>	<b>42,747,802</b>	<b>35,837,898</b>
Excess (deficiency) of revenues over (under) expenditures	4,155,903	8,852,004	(15,036,646)	(9,660,769)	(153,896)	(649,333)	385,948	425,963	(10,648,691)	(1,032,135)
Other financing sources:										
Transfers in	-	-	-	10,500,000	-	-	-	500,000	-	11,000,000
Transfers (out)	-	(11,000,000)	-	-	-	-	-	-	-	(11,000,000)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(11,000,000)</b>	<b>-</b>	<b>10,500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500,000</b>	<b>-</b>	<b>-</b>
<b>Change in fund balance</b>	<b>\$ 4,155,903</b>	<b>(2,147,996)</b>	<b>\$ (15,036,646)</b>	<b>839,231</b>	<b>\$ (153,896)</b>	<b>(649,333)</b>	<b>\$ 385,948</b>	<b>925,963</b>	<b>\$ (10,648,691)</b>	<b>(1,032,135)</b>
Fund balance:										
July 1, 2022		45,621,846		4,955,673		159,930		7,356,956		58,094,405
June 30, 2023		<u>\$ 43,473,850</u>		<u>\$ 5,794,904</u>		<u>\$ (489,403)</u>		<u>\$ 8,282,919</u>		<u>\$ 57,062,270</u>

**Alsip, Hazelgreen and Oak Lawn School District 126**

**Combining Balance Sheet - By Fund Type - Modified Cash Basis**

**Nonmajor Governmental Funds**

**June 30, 2023**

	Special Revenue		Debt Service	Capital Projects	
	Municipal Retirement /		Debt	Fire	
	Transportation	Social Security	Service	Prevention	Nonmajor
	Fund	Fund	Fund	and Safety	Governmental
	Fund	Fund	Fund	Fund	Funds
<b>Assets</b>					
Cash and investments	\$ 2,438,094	\$ 1,542,200	\$ 3,381	\$ 317,422	\$ 4,301,097
<b>Liabilities and Fund Balances</b>					
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balances:					
Restricted	\$ 2,438,094	\$ 1,542,200	\$ 3,381	\$ 317,422	\$ 4,301,097
<b>Total liabilities and fund balances</b>	<b>\$ 2,438,094</b>	<b>\$ 1,542,200</b>	<b>\$ 3,381</b>	<b>\$ 317,422</b>	<b>\$ 4,301,097</b>

**Alsip, Hazelgreen and Oak Lawn School District 126**

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

	Special Revenue		Debt Service	Capital Projects	Total
	Transportation	Municipal Retirement / Social Security	Debt Service	Fire Prevention and Safety	Nonmajor Governmental
	Fund	Fund	Fund	Fund	Funds
Revenues:					
Property taxes	\$ 541,642	\$ 124,100	\$ -	\$ 920	\$ 666,662
Corporate property replacement taxes	-	320,798	-	-	320,798
Restricted state aid	275,843	-	-	-	275,843
Restricted federal aid	1,038	-	-	-	1,038
Other	36	-	-	-	36
Interest	54,887	30,342	69	6,542	91,840
<b>Total revenues</b>	<b>873,446</b>	<b>475,240</b>	<b>69</b>	<b>7,462</b>	<b>1,356,217</b>
Expenditures:					
Current:					
Instruction:					
Regular programs	-	145,955	-	-	145,955
Special programs	-	69,473	-	-	69,473
Other instructional programs	-	18,266	-	-	18,266
Support services:					
Pupils	-	37,574	-	-	37,574
General administration	-	9,205	-	-	9,205
School administration	-	43,506	-	-	43,506
Transportation	945,953	-	-	-	945,953
Central office	-	26,617	-	-	26,617
Business	-	107,133	-	-	107,133
<b>Total expenditures</b>	<b>945,953</b>	<b>457,729</b>	<b>-</b>	<b>-</b>	<b>1,403,682</b>
<b>Change in fund balance</b>	<b>(72,507)</b>	<b>17,511</b>	<b>69</b>	<b>7,462</b>	<b>(47,465)</b>
Fund balances:					
July 1, 2022	2,510,601	1,524,689	3,312	309,960	4,348,562
June 30, 2023	\$ 2,438,094	\$ 1,542,200	\$ 3,381	\$ 317,422	\$ 4,301,097

**Alsip, Hazelgreen and Oak Lawn School District 126**

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

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 577,316	\$ 541,642	\$ (35,674)
Restricted state aid	215,000	275,843	60,843
Restricted federal aid	-	1,038	1,038
Other	-	36	36
Interest	25,000	54,887	29,887
<b>Total revenues</b>	<u>817,316</u>	<u>873,446</u>	<u>56,130</u>
Expenditures:			
Current:			
Support services:			
Transportation	<u>1,559,000</u>	<u>945,953</u>	<u>613,047</u>
<b>Change in fund balance</b>	<u>\$ (741,684)</u>	<u>(72,507)</u>	<u>\$ 669,177</u>
Fund balance:			
July 1, 2022		<u>2,510,601</u>	
June 30, 2023		<u>\$ 2,438,094</u>	

**Alsip, Hazelgreen and Oak Lawn School District 126**

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

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 144,181	\$ 124,100	\$ (20,081)
Corporate property replacement taxes	100,000	320,798	220,798
Interest	15,000	30,342	15,342
<b>Total revenues</b>	<b>259,181</b>	<b>475,240</b>	<b>216,059</b>
Expenditures:			
Current:			
Instruction:			
Regular programs	186,267	145,955	40,312
Special programs	51,406	69,473	(18,067)
Other instructional programs	17,804	18,266	(462)
Support services:			
Pupils	45,047	37,574	7,473
General administration	10,535	9,205	1,330
School administration	52,100	43,506	8,594
Central office	32,597	26,617	5,980
Business	130,066	107,133	22,933
<b>Total expenditures</b>	<b>525,822</b>	<b>457,729</b>	<b>68,093</b>
<b>Change in fund balance</b>	<b>\$ (266,641)</b>	<b>17,511</b>	<b>\$ 284,152</b>
Fund balance:			
July 1, 2022		<u>1,524,689</u>	
June 30, 2023		<u>\$ 1,542,200</u>	



**Alsip, Hazelgreen and Oak Lawn School District 126**

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual - Modified Cash Basis**

**Debt Service Fund**

**Year Ended June 30, 2023**

	Original and Final Budget	Actual	Variance
Revenues:			
Interest	\$ -	\$ 69	\$ 69
Expenditures:	-	-	-
<b>Change in fund balance</b>	<u><u>\$ -</u></u>	69	<u><u>\$ 69</u></u>
Fund balance:			
July 1, 2022		<u>3,312</u>	
June 30, 2023		<u><u>\$ 3,381</u></u>	

**Alsip, Hazelgreen and Oak Lawn School District 126**

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

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 978	\$ 920	\$ (58)
Interest	3,000	6,542	3,542
<b>Total revenues</b>	<u>3,978</u>	<u>7,462</u>	<u>3,484</u>
Expenditures:	-	-	-
<b>Change in fund balance</b>	<u>\$ 3,978</u>	<u>7,462</u>	<u>\$ 3,484</u>
Fund balance:			
July 1, 2022		<u>309,960</u>	
June 30, 2023		<u>\$ 317,422</u>	

# Alsip, Hazelgreen and Oak Lawn School District 126

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

	Tax Year				
	2022 *	2021	2020	2019	2018
Assessed Valuations	\$ 558,208,543	\$ 599,668,558	\$ 598,987,985	\$ 499,175,689	\$ 495,354,638
Tax Rates:					
General Fund:					
Educational Accounts:					
Standard	3.6642	3.1400	3.1896	3.8659	3.8904
Special Education	0.1845	0.1718	0.1720	0.1032	0.0002
Operations and Main- tenance Accounts:					
Standard	0.5500	0.5500	0.2579	0.5485	0.5500
Tort Immunity Fund	0.0923	0.0086	0.0002	0.0002	0.1663
Working Cash Fund	0.0500	0.0500	0.0417	0.0499	0.0500
Transportation Fund	0.0923	0.1202	0.2063	0.1651	0.0002
Municipal Retirement Fund:					
Illinois Municipal Retirement Fund	0.0002	0.0129	0.0002	0.0002	0.0002
Fire Prevention and Safety Fund	0.0002	0.0002	0.0002	0.0002	0.0002
Social Security	0.0002	0.0429	0.1720	0.0002	0.0002
<b>Total</b>	<b>4.6338</b>	<b>4.0966</b>	<b>4.0400</b>	<b>4.7332</b>	<b>4.6578</b>
<b>Extended Tax Rate</b>	<b>4.634</b>	<b>4.097</b>	<b>4.040</b>	<b>4.733</b>	<b>4.658</b>
Tax Extensions:					
General Fund:					
Educational Accounts:					
Standard	\$ 20,453,988	\$ 18,829,734	\$ 19,105,336	\$ 19,297,396	\$ 19,271,235
Special Education	1,030,000	1,030,000	1,030,000	515,000	1,030
Operations and Main- tenance Accounts:					
Standard	3,070,147	3,298,177	1,545,000	2,737,815	2,724,451
Tort Immunity Fund	515,000	51,500	1,030	1,030	824,000
Working Cash Fund	279,104	299,834	249,928	248,892	247,677
Transportation Fund	515,000	721,000	1,236,000	824,000	1,030
Municipal Retirement Fund:					
Illinois Municipal Retirement Fund	1,030	77,250	1,030	1,030	1,030
Fire Prevention and Safety Fund	1,030	1,030	1,030	1,030	1,030
Social Security	1,030	257,500	1,030,000	1,030	1,030
<b>Totals</b>	<b>\$ 25,866,329</b>	<b>\$ 24,566,025</b>	<b>\$ 24,199,354</b>	<b>\$ 23,627,223</b>	<b>\$ 23,072,513</b>
<b>Tax collections</b>	<b>\$ 12,459,297</b>	<b>\$ 24,102,265</b>	<b>\$ 22,961,150</b>	<b>\$ 22,343,513</b>	<b>\$ 21,867,711</b>
<b>Percentage Collected</b>	<b>48.17%</b>	<b>98.11%</b>	<b>94.88%</b>	<b>94.57%</b>	<b>94.78%</b>

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