

# SCHOOL DISTRICT U-46

Kane, Cook and DuPage  
Counties, Illinois

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended  
**June 30, 2023**



355 E. Chicago Street  
Elgin, IL 60120  
[www.u-46.org](http://www.u-46.org)

# **SCHOOL DISTRICT U-46 ELGIN, ILLINOIS**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2023**

Prepared By:

Dr. Frank Williams  
Assistant Superintendent, Finance

## SCHOOL DISTRICT U-46

### Table of Contents

	Page
<b>INTRODUCTORY SECTION</b>	
Transmittal Letter	i-v
Principal Officials	vi
ASBO Certificate of Excellence	vii
Organizational Chart	viii
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report	1-3
Required Supplementary Information: Management's Discussion and Analysis (MD&A)	4-13
Basic Financial Statements:	
Government-Wide Financial Statements (GWFS):	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements (FFS):	
Governmental Funds:	
Balance Sheet - Governmental Funds	16
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	19
Notes to Basic Financial Statements	20-58
Required Supplementary Information:	
Schedule of the District's Proportionate Share of the Collective Net Pension Liability - Teachers' Retirement System	59
Schedule of District Contributions - Teachers' Retirement System	60
Schedule of Changes in the Net Pension Liability and Related Ratios - Illinois Municipal Retirement Fund	61
Schedule of District Contributions - Illinois Municipal Retirement Fund	62
Schedule of Changes in the Total OPEB Liability and Related Ratios - District OPEB Plan	63
Schedule of the District's Proportionate Share of the Collective Net OPEB Liability - Teachers' Health Insurance Security Fund	64
Schedule of District Contributions - Teachers' Health Insurance Security Fund	65

## SCHOOL DISTRICT U-46

### Table of Contents

---

	Page
General Fund Budgetary Comparison Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund - Budgetary Basis	66
Notes to Required Supplementary Information (RSI)	67-69
Other Supplementary Information:	
Combining Balance Sheet - General Fund, by Account	70
Combining Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit) - General Fund, by Account	71
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund - Educational Account - Budgetary Basis	72
Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) - Budget and Actual - General Fund - Tort Immunity Account	73
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund - Operations and Maintenance Account	74
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund - Working Cash Account	75
Debt Service Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund	76
Nonmajor Governmental Funds:	
Combining Balance Sheet - Nonmajor Governmental Funds	77
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	78
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Transportation Fund	79
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Municipal Retirement/Social Security Fund	80
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Projects Fund	81
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Fire Prevention and Safety Fund	82
Student Activity Accounts:	
Schedule of Changes in Student Activity Accounts	83-84
Schedule of Bonded Debt and Annual Interest Requirements	85

## SCHOOL DISTRICT U-46

### Table of Contents

---

---

## STATISTICAL SECTION (UNAUDITED)

---

### Statistical Section

#### Financial Trends:

Net Position (Deficit) by Component	86
Changes in Net Position	87-90
Fund Balances, Governmental Funds	91
Changes in Fund Balances, Governmental Funds	92-95

#### Revenue Capacity:

Equalized Assessed Valuation and Estimated Actual Value on Taxable Property	96-97
Property Tax Rates - Direct and Overlapping Governments	98
Principal Property Taxpayers	99
Property Tax Levies and Collections	100-105

#### Debt Capacity:

Ratios of Outstanding Debt by Type	106-107
Ratios of Net General Bonded Debt Outstanding	108-109
Legal Debt Margin Information	110-111
Direct and Overlapping General Obligation Bonded Debt	112

#### Demographic and Economic Information:

Principal Employers	113
District Employment Statistics	114
Demographic and Economic Statistics	115

#### Operating Information:

Operating Indicators by Function	116-117
District Enrollment by School	118
District Facility Information	119-120
Average Daily Attendance and Operating Expenditures Per Pupil	121

*This page left blank intentionally.*





**Dr. Suzanne Johnson, Superintendent**

[www.u-46.org](http://www.u-46.org)

February 13, 2024

Sue Kerr, President  
Members of the Board of Education  
And Community Residents of School District U-46  
Elgin, Illinois 60120

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of School District U-46, Elgin, Illinois, (the District) as of and for the year ended June 30, 2023. The audit was completed and the Independent Auditor's Report was issued on February 13, 2024.

### **Management Responsibilities**

Management of the District is responsible for establishing and maintaining a comprehensive framework of internal control to provide a reasonable basis for asserting that the financial statements are fairly presented and to ensure adequate accounting data is properly recorded to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The information contained in this report is based on the comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data, as presented, is accurate in all material respects; it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds; and all disclosures, necessary for public understanding of the District's financial status, have been incorporated within this report.

### **Financial Reporting**

The ACFR includes all funds of the District and is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this transmittal letter, the District's organizational chart, and a list of principal officers and elected officials. The Financial Section includes the Independent Auditor's Report on the financial statements and schedules referenced below under the Independent Audit heading. The Management's Discussion and Analysis (MD&A) is immediately following the Independent Auditor's Report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction. The remainder of the Financial Section contains the audited, basic financial statements including notes to the financial statements, required and other supplemental information such as the combining and individual fund financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

### **Independent Audit**

The School Code of Illinois and the District's adopted policy require an annual audit of the books and accounts of the District by an independent certified public accountant in conformance with prescribed standards and legal requirements. The certified public accountant is selected by the Board of Education. The selected certified public accountants, RSM US LLP, have issued an unmodified ("clean") opinion on the District's financial statements for the year ended June 30, 2023 (pages 1 - 3). The submission of the ACFR is intended to meet these annual requirements.

The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U. S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, including a schedule of federal financial assistance and the independent auditor's reports on the internal control structure and on compliance with applicable laws and regulations, is issued under a separate cover.

## **DISTRICT PROFILE**

### **Legal Autonomy and Fiscal Independence**

School District U-46 is organized under the School Code of the State of Illinois, as amended. The District exists as a legal entity deriving its just powers from the General Assembly of the State of Illinois through the State Board of Education for the purpose of providing a system of free public education. The District constitutes a body politic and corporate with all powers as prescribed by laws including but not limited to the power to sue and be sued, purchase, hold and sell personal property and real estate, and enter into such obligations as are authorized or implied by law. It has the statutory authority to adopt its own budget, levy taxes and issue bonded debt without the approval of another government and it is not considered a component unit of any other entity.

The legal authority of the Board of Education is transmitted through the superintendent or designee along specific paths from person to person as shown in the Board-approved organizational chart of the District. The lines of authority on the organizational chart (page viii) represent direction of authority and responsibility. The Board of Education expects the superintendent/designee to keep the administrative structure up-to-date with the need for supervision and accountability throughout the school district.

### **Size and Scope**

The District is the second-largest school district in Illinois. Covering 90 square miles, the District is located approximately 45 minutes northwest of Chicago. The District serves nearly 35,000 children in grades pre-K through 12 at our 57 school buildings, one alternative high school and two pre-K centers throughout the communities of Bartlett, Elgin, Hanover Park, South Elgin, Streamwood, Wayne, and portions of Carol Stream, Hoffman Estates, St. Charles, Schaumburg, and West Chicago.

The District offers general, special and vocational education and continues to support and expand various programs including Dual Language programs, gifted offerings, social and emotional supports, and services for students with special needs. Community involvement plays a valuable role within the District and the opportunities to engage parents, businesses and community leaders have continued to increase.

### **Budget Control**

All governmental funds of the District adopt annual budgets. A report of actual activity compared to budget is prepared by the Finance Department and reported to the District's Board of Education on a monthly basis. Account balances are compared to the annual budget with accumulation to the cost center, fund and total District levels. Full disclosures are made if extraordinary variances appear during the year. Further budgetary information such as the budget process and legal level of budgetary control are addressed in Notes to Required Supplementary Information – Note 1 (page 67).

## **ECONOMIC CONDITION**

### **Local Economy and Economic Outlook**

Although local property tax revenue is the District's largest revenue source, the State of Illinois contributes approximately 36% of our funding, excluding on-behalf contributions. Prior to the COVID-19 pandemic, the State of Illinois was in financial difficulty and was often slow in paying funds vouchered by the State Board of Education for mandated categorical payments, however the adoption of the Evidence-Based Funding for Student Success Act (EBF) has positively impacted the District with increased funding. Due to the additional Federal funds provided to the state, categorical payments have been paid timely during this past year. The District has also received additional Federal funds through the American Rescue Plan Act to help address the learning loss attributable to the pandemic.



Approximately half of the District's revenues, excluding on-behalf contributions, are sourced from property taxes. The property tax base is derived from the Equalized Assessed Valuation (EAV) of the property within the District's boundaries. District property values have been trending upwards, with the lowest value in tax year 2014 (\$4,070,166,849) and the highest value in tax year 2022 (\$6,116,950,618). Tax year 2022 is the most recent tax year and is an increase over the prior year EAV of 13.7 percent.

### **Long-term Financial Planning**

The District continues to review all expenditures to ensure the District is making efficient and fiscally responsible decisions. With its conservative budgeting, U-46 has weathered both the recession and the recent Illinois budget crisis. School District U-46 has earned the State Board of Education's top financial profile rating called "financial recognition" in fiscal year 2022 for the 11<sup>th</sup> consecutive year.

During the last ten year period, the District's General Fund balance has increased \$270,319,303 from \$163,794,894 in fiscal year 2014 to \$434,114,197 in fiscal year 2023. Over the next five years, management will continue to maintain a minimum balance of 20 percent of annual operating fund expenditures to operating fund balance (Educational, Operations and Maintenance, and Transportation make up the District's Operating Fund).

In 2015, 2021, and 2022, the District refunded several debt issuances with the purpose of improving interest rates and smoothing out the debt service payments over the next several years. As of June 30, 2023, the District's net general bonded debt was \$160,112,669, down from \$358,426,563 (55.3 percent) a decade ago. One bond series will fully mature in January of 2024. Management will continue to identify and recommend solutions for maintaining a responsible level of debt while addressing the District's capital project needs.

### **Projected Enrollment**

The District's enrollment decreased 2.2 percent from 2022 to 2023 and is projected to decrease approximately 2 percent per year over the next three years. Lower birth rates in the area over the last 5 years is the primary factor for the reduction in the projected enrollments. For further historical enrollment information refer to District Enrollment by School in the Statistical Section (page 118).

### **Age of School Buildings**

In addition to the 57 school buildings, one alternative high school and two Pre-K centers the District operates 10 other buildings. A majority of the buildings built before 2000 have had additions and/or renovations since they were built. The average age of the school buildings, one alternative high school and two Pre-K centers, not including subsequent renovations, is 56.5 years. For the buildings that had an addition and/or renovation the average age of the last addition and/or renovation is 23 years. The District is in the process of implementing an Educational Facility Master Plan to address the adequacy and readiness of the schools.

### **Relevant Financial Policies**

The District's budget serves as the guide to direct and control expenditures and is the spending plan of the ensuing year.

The Board of Education (the Board) adopted the annual budget (September 2022), subsequent to a public hearing and prior to filing the annual tax levy. The Board recognizes the right of the public to be informed about the budgeting of public tax monies and therefore made the budget available for public examination at least thirty days prior to the final adoption as set forth in the Illinois School Code. The Superintendent or designee has posted the District's final budget, itemized by receipts and expenditures, on the District's official website, and notified parents or guardians of the budget's posting and provide the website's address. The Board may amend the budget by the same procedures that adhere to the original adoption when transfers exceed the ten percent limitations. The Board may authorize the treasurer to make loans, interfund transfers, and transfer within funds from the Operations and Maintenance Fund, Educational Fund, Transportation Fund, and/or Working Cash Fund in accordance with the Illinois School Code.

The District seeks to maintain year-end fund balances no less than 20 percent of the annual expenditures to operating funds.

## Major Initiatives/ Strategic Goals

The District's Strategic Plan is the roadmap we will use to improve District operations, student achievement, staffing, and community engagement.

While approved by our Board of Education, this Strategic Plan represents the vision of our community. Hundreds of community members, from employees to local leaders, participated in the development of the plan. Administration and Board members, working with the school consultant firm, District Management Council, led efforts to solicit community feedback through interviews, several District-hosted public meetings and calls for feedback via the District's website, social media sites and newsletters. We carefully and collaboratively wrote and re-wrote drafts to put forth a final vision that represents the shared values and goals of our many partners.

The Strategic Plan aims to guide both Board members and employees for the next five years as they work together with students, families and our community at large to meet these four aspirational goals and priorities.



## AWARDS AND ACKNOWLEDGEMENTS

The Association of School Business Officials (ASBO) International has awarded School District U-46 its Certificate of Excellence in Financial Reporting for having met or exceeded the program's high standards for financial reporting and accountability for the past seven fiscal years. The District was recognized for its Annual Comprehensive Financial Report for the fiscal year ending June 30, 2022.

A Certificate of Excellence is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the program's requirements and we are submitting it to the ASBO to determine its eligibility for continued certification.

It is our intention that this Annual Comprehensive Financial Report will provide the District's management, outside investors, interested District residents, and any other stakeholders with a meaningful financial presentation. We hope that all readers of this report will obtain a clear and concise understanding of the District's financial condition as of June 30, 2023.

The preparation of the ACFR on a timely basis was made possible by the dedicated service of the Finance Department staff. Each member of the Finance Department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership and support of the School District U-46 Board of Education, preparation of this report would not have been possible.

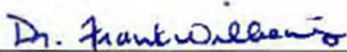
Respectfully submitted,



Dr. Suzanne Johnson  
Superintendent



Dr. Ann Williams  
Deputy Superintendent, Operations and Chief School Business Officer



Dr. Frank Williams  
Assistant Superintendent, Finance

## **SCHOOL DISTRICT U-46**

### **Principal Officials**

#### **Board of Education**

Sue Kerr, President – term expires 2027  
Melissa Owens, Vice President – term expires 2025  
Kate Thommes, Secretary Pro-Tempore – term expires 2027  
Samreen Khan, Member – term expires 2027  
Dawn Martin, Member – term expires 2025  
Veronica Noland, Member – term expires 2025  
Chanda Schwartz, Member – term expires 2027  
Asraar Ahmed Siddiqui, Student Advisor – term expires 2024

#### **Superintendent and Executive Staff**

Dr. Suzanne Johnson, Superintendent  
Trisha Olson, Chief Legal Officer  
Lela Majstorovic, Deputy Superintendent, Instruction  
Brian Tennison, Assistant Superintendent, Teaching and Learning  
Dr. Annette Acevedo, Assistant Superintendent, Schools  
Dr. Teresa Lance, Assistant Superintendent Equity and Innovation  
Mark Moore, Assistant Superintendent, Human Resources

#### **Official Issuing Report**

Dr. Ann Williams, Deputy Superintendent, Operations and Chief School Business Officer  
Dr. Frank Williams, Assistant Superintendent, Finance

#### **Division Issuing Report**

Trinette Gardner, Financial Comptroller  
Sara McGregor, Accounts Payable Manager  
Diane Belton, Payroll Coordinator  
Lori Nomensen, Retirement and Pension Specialist  
Maureen Stabile, Grants Manager  
Elena Arellano, Grants Accounting Specialist  
Kimberly Steuber, General Accountant  
Paz Pamatmat, Financial Analyst  
Rosita Mania, Senior Accountant  
Berenice Toppel, Accounting Assistant



**The Certificate of Excellence in Financial Reporting  
is presented to**

## **School District U-46**

**for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2022.**

The district report meets the criteria established for  
ASBO International's Certificate of Excellence in Financial Reporting.

A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style with a horizontal line underneath it.

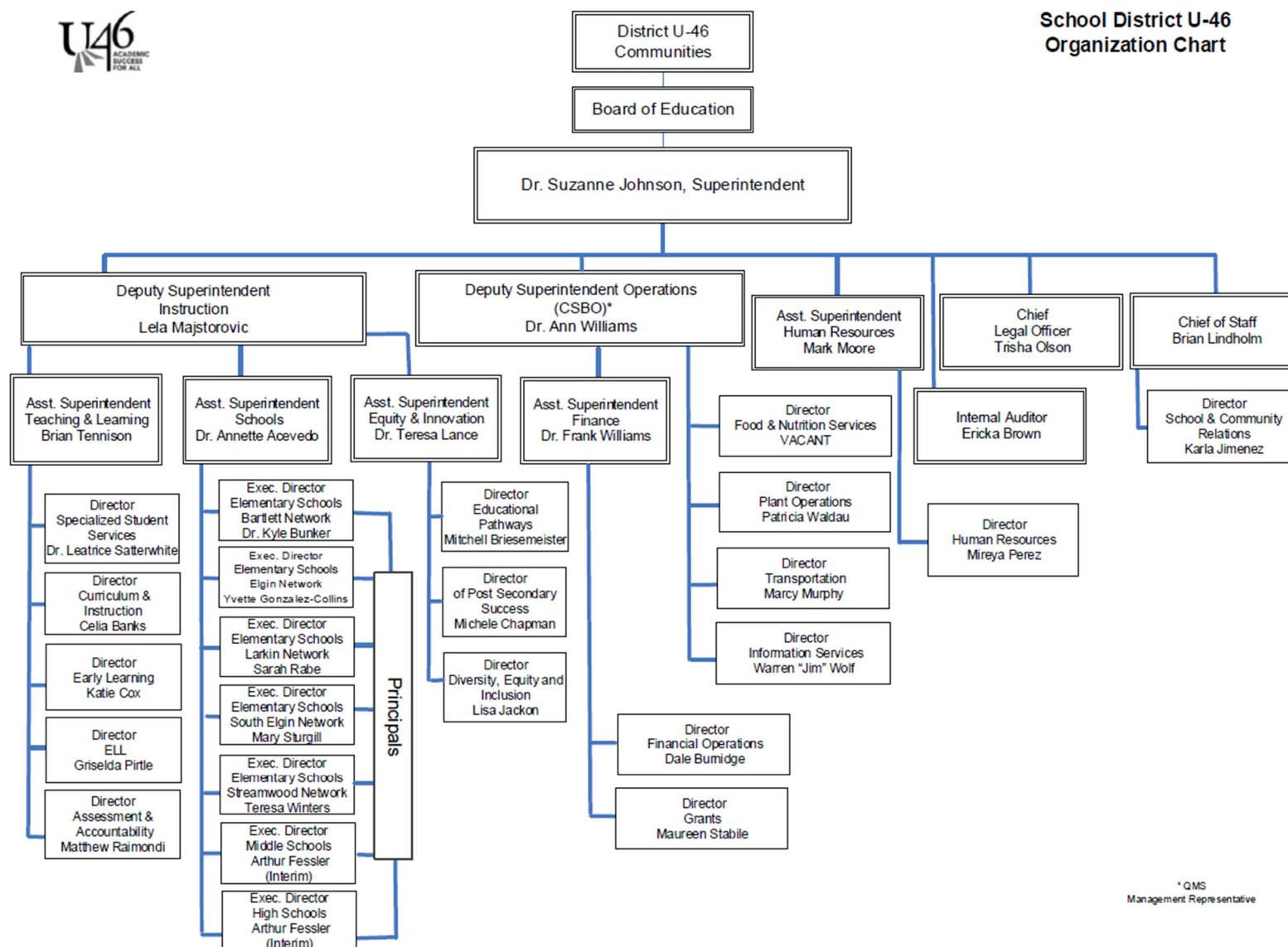
**John W. Hutchison**  
**President**

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style with a horizontal line underneath it.

**Siobhán McMahon, CAE**  
**Chief Operations Officer/  
Interim Executive Director**



## School District U-46 Organization Chart



\* QMS  
Management Representative

## Independent Auditor's Report

Members of the Board of Education  
School District U-46

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of School District U-46, Elgin, Illinois (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the 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, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2023, and the respective changes in financial position in accordance with accounting principles generally accepted in the United States of America.

#### **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**

As discussed in Note 1 of the District's basic financial statements, in fiscal year 2023, the District adopted Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. The adoption of this statement resulted in a restatement of opening net position and the addition of subscription assets and liabilities. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis, schedules of net pension and other postemployment benefits (OPEB) liabilities, employer contributions, budgetary comparison information, and related notes as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**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 accompanying other supplemental information, such as the combining and individual fund financial statements and schedules, schedule of changes in student activity accounts, and schedule of bonded debt and annual interest requirements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, schedule of changes in student activity accounts, and schedule of bonded debt and annual interest requirements information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

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

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

*RSM US LLP*

Chicago, Illinois  
February 13, 2024

**REQUIRED SUPPLEMENTARY INFORMATION –  
MANAGEMENT’S DISCUSSION AND ANALYSIS**

## **School District U-46**

### **Management's Discussion and Analysis For the Year Ended June 30, 2023**

---

The discussion and analysis of School District U-46's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2023. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis (the MD&A).

#### **Financial Highlights**

- The assets and deferred outflows of resources of the District exceeded its assets and deferred outflows of resources at the close of the fiscal year by \$521.2 million (net position).
- In total, net position increased by \$178.8 million. This increase was primarily the result of lower than expected expenses while property tax revenues and earnings on investments exceeded expectations.
- General revenues were \$610.6 million or 71.9 percent of all revenues. Program specific revenues, in the form of charges for services and grants, were \$238.9 million or 28.1 percent of total revenues of \$849.5 million.
- Overall, the combined revenues and other financing sources of the District's governmental funds were \$118.3 million more than expenditures and other financing uses. This surplus increased the District's governmental funds' combined fund balance by 26.5 percent to \$565.0 million from \$446.7 million in the prior year.

#### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to basic financial statements

This report also contains other supplementary information in addition to the basic financial statements.

## School District U-46

### Management's Discussion and Analysis (Continued) For the Year Ended June 30, 2023

---

#### *Government-wide financial statements*

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction (regular education, special education and other), support services, community services, payments to other governments and interest on debt.

#### *Fund financial statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are considered governmental funds (the District maintains no proprietary or fiduciary funds).

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a school district's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the District's major funds, the General Fund (the General Fund consists of four accounts: Educational Account, Tort Immunity Account, Operations and Maintenance Account and Working Cash Account), and the Debt Service Fund. Management has determined the Debt Service Fund to be major due to public interest. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

## **School District U-46**

### **Management's Discussion and Analysis (Continued) For the Year Ended June 30, 2023**

---

The District adopts an annual budget for each of the funds listed above. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

#### *Notes to basic financial statements*

The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

#### *Other information*

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its employees and to provide for the District's retiree's health plan.

### **District-Wide Financial Analysis**

The District's net position increased by \$178.8 million. At year-end, total net position was \$521.2 million (see Table 1).

The District's financial position is the product of many factors. However, a few events of the last year stand out:

- The District retired/refunded a net amount of \$34.7 million of general obligation bonds, debt certificates and related discounts and premiums and accreted interest on long-term debt during the year.
- The District recognized \$304.5 million in property taxes for general purposes, which exceeded the revenue from the prior year by \$12.8 million.
- During the year, the District's share of the collective total OPEB liability related to THIS decreased by \$147.9 million due to favorable changes in actual claims which were factored into the most recent actuarial valuation.

School District U-46

Management's Discussion and Analysis (Continued)  
For the Year Ended June 30, 2023

**Table 1**  
**Condensed Statement of Net Position**  
(in millions of dollars)

	<b>Governmental Activities</b>		<b>Percentage Change</b>
	<b>2023</b>	<b>As Restated 2022</b>	
<b>Assets</b>			
Current assets	\$ 832.0	\$ 707.6	17.6%
Capital assets	452.9	440.9	2.7%
Net pension asset	-	33.2	100.0%
<b>Total assets</b>	<b>1,284.9</b>	<b>1,181.7</b>	<b>8.7%</b>
<b>Deferred Outflows</b>	<b>61.8</b>	<b>34.9</b>	<b>77.1%</b>
<b>Liabilities</b>			
Long-term liabilities	360.1	491.2	(26.7)%
Other liabilities	71.6	58.5	22.4%
<b>Total liabilities</b>	<b>431.7</b>	<b>549.7</b>	<b>(21.5)%</b>
<b>Deferred Inflows</b>	<b>393.8</b>	<b>324.7</b>	<b>21.3%</b>
<b>Net Position</b>			
Net investment in capital assets	320.0	309.9	3.3%
Restricted	40.3	43.0	(6.3)%
Unrestricted	160.9	(10.7)	1603.7%
<b>Total net position</b>	<b>\$ 521.2</b>	<b>\$ 342.2</b>	<b>52.3%</b>



**School District U-46**

**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2023**

Table 2, Changes in Net Position, illustrates in summary revenues and expenses from fiscal year 2023 and the increase in net position of \$178.8 million. Comparative data from fiscal year 2022 is also illustrated.

**Table 2**  
**Changes in Net Position**  
**(in millions of dollars)**

	<b>Governmental Activities</b>		<b>Percentage Change</b>
	<b>2023</b>	<b>2022</b>	
<b>Revenues</b>			
Program revenues			
Charges for services	\$ 9.7	\$ 6.9	40.6%
Operating grants and contributions - non-on-behalf	119.0	114.4	4.0%
Operating grants and contributions - state on-behalf contributions - TRS and THIS	109.2	127.6	(14.4)%
Capital grants and contributions	1.0	1.3	(23.1)%
General revenues			
Property and replacement taxes	350.6	336.5	4.2%
Evidence based funding	242.9	220.8	10.0%
Other	17.1	(0.3)	5800.0%
<b>Total revenues</b>	<b>849.5</b>	<b>807.2</b>	<b>5.2%</b>
<b>Expenses</b>			
Instruction	317.9	327.3	(2.9)%
Support services	233.0	209.0	11.5%
Community services	2.1	2.0	5.0%
State on-behalf contributions - TRS and THIS	109.2	127.6	(14.4)%
Debt service - interest and fees	8.5	9.7	(12.4)%
<b>Total expenses</b>	<b>670.7</b>	<b>675.6</b>	<b>(0.7)%</b>
<b>Increase in net position</b>	<b>\$ 178.8</b>	<b>\$ 131.6</b>	<b>35.9%</b>

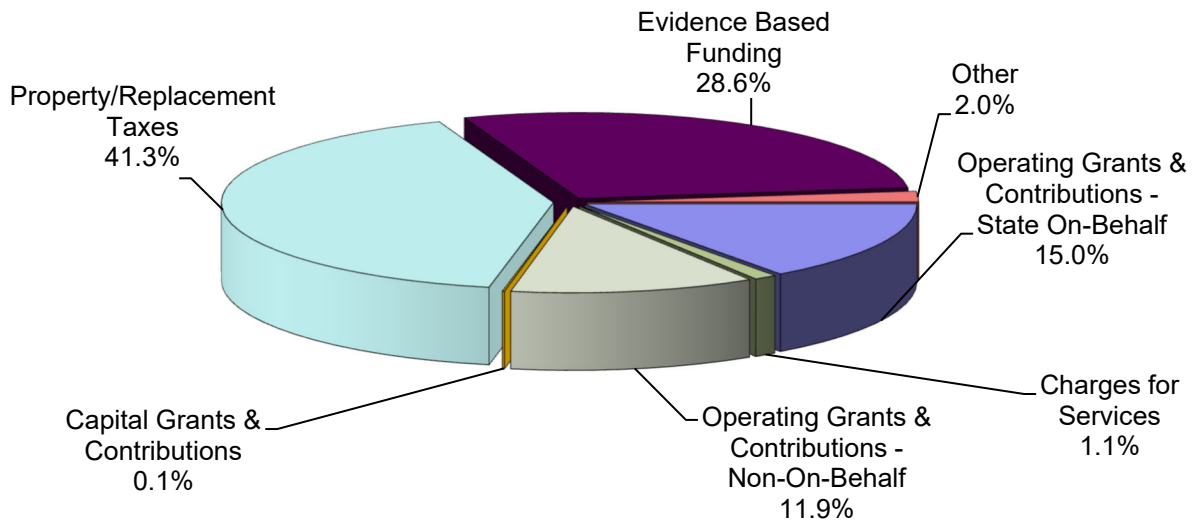
## School District U-46

### Management's Discussion and Analysis (Continued) For the Year Ended June 30, 2023

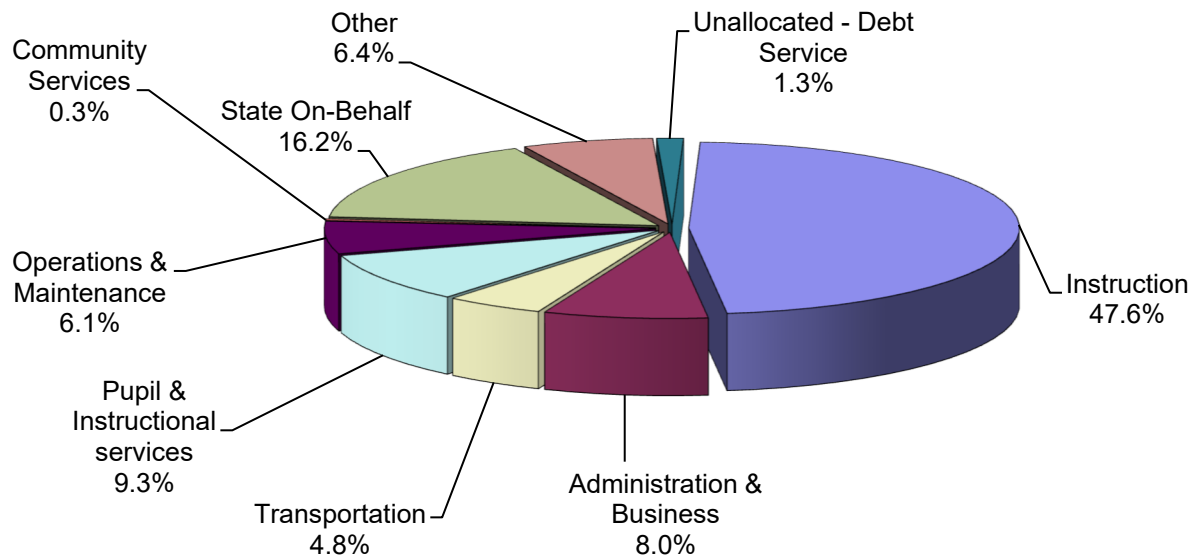
---

The District's total revenues were \$849.5 million. General revenues, mainly consisting of taxes and Evidence Based Funding were 71.9 percent of the total or \$610.6 million. Property and replacement taxes increased \$14.1 million over the prior year or 4.2 percent. Evidence Based Funding brought in \$242.9 million, an increase of \$22.1 million or 10.0 percent. Grants and contributions for specific programs brought in \$120.0 million, an increase of 3.7 percent over the prior year. The total cost of all programs and services in 2023 was \$673.0 million. The main category of the District's expenses is instruction which accounted for 47.6 percent of the total expense (see Table 2.2). The District's remaining activities, unallocated debt service, the State's on-behalf allocations of retirement and other post-employment benefits and community services, were 52.4 percent of total expense. Total revenues on the statement of activities surpassed expenses, increasing net position by \$176.5 million from the prior year.

#### District-Wide Revenues by Source - Table 2.1



#### District-Wide Expenses by Function - Table 2.2



## School District U-46

### Management's Discussion and Analysis (Continued) For the Year Ended June 30, 2023

---

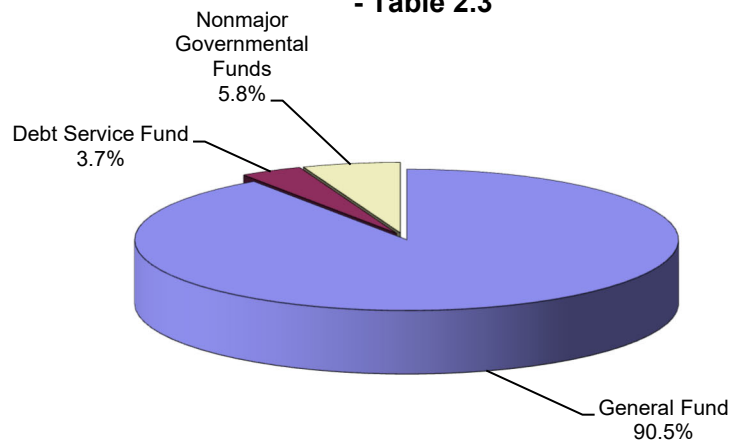
#### Financial Analysis of the District's Funds

As the District completed the year, its governmental funds reported combined fund balances of \$565.0 million. Revenues for the District's governmental funds were \$893.2 million, total expenditures were \$777.4 million, and net other financing sources and uses, which relate to long term debt issuances and refundings, were \$2.5 million. Of the revenues and expenditures reported in the governmental funds, \$136.0 million of the revenues and expenditures were attributable to State on-behalf payments. These on-behalf payments include contributions made to Teachers' Retirement System (TRS) and Teachers' Health Insurance Security Fund (THIS) by the State of Illinois on behalf of School District U-46.

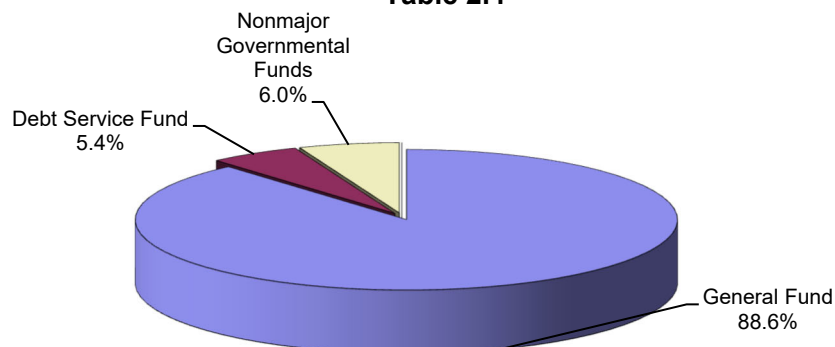
The General Fund experienced a current year surplus of \$119.6 million before other financing sources (uses). This was due to less than expected expenditures. This decrease in expenditures resulted in an increase in the year-end fund balance of \$76.5 million.

During the year, the District issued a refunding bond, the proceeds and payments to the escrow agent were all accounted for in the Debt Service Fund. The resulting year-end fund balance in the Debt Service Fund was \$24.7 million.

**Revenues by Major Fund and Aggregate Nonmajor Funds  
- Table 2.3**



**Expenditures by Major Fund and Aggregate Nonmajor Funds  
- Table 2.4**



## School District U-46

### Management's Discussion and Analysis (Continued) For the Year Ended June 30, 2023

#### General Fund Budgetary Highlights

While the District's budget for the General Fund anticipated that revenues would exceed expenditures by \$5.8 million before other financing uses, the actual result for the year was an excess of revenues over expenditures of \$119.6 million. State and federal grants were above budget by \$41.6 million. This variance is due to the timing of cash receipts as a number of payments earned during fiscal year 2022 were received after the end of the District's period of availability and so were recognized as revenue in fiscal year 2023. Regular program expenditures came in under budget by \$23.6 million, primarily driven by lower than anticipated salary and benefit expenditures while capital outlay came in under budget by \$15.6 million due to fewer capital projects being started than anticipated. Overall, actual expenditures were below budget by \$49.8 million or 8.3 percent. The District made an unbudgeted transfer from the General Fund to the Capital Projects Fund of \$45 million to fund future capital projects to modernize school buildings leading to an overall difference in budgeted ending net change in General Fund balance of \$68.8 million.

#### Capital Asset and Debt Administration

##### *Capital assets*

Table 3 illustrates capital assets, net of depreciation:

**Table 3**  
**Capital Assets (Net of Depreciation and Amortization)**  
**(in millions)**

	2023	As Restated 2022	Percentage Change
Land	\$ 28.4	\$ 28.4	0.0%
Construction in progress	20.5	12.6	62.7%
Buildings	393.4	388.1	1.4%
Transportation equipment	3.4	5.5	(38.2)%
Other equipment	2.8	3.8	(26.3)%
Subscription based IT arrangements	4.3	2.4	79.2%
Total	\$ 452.8	\$ 440.8	2.7%

At June 30, 2023, the District has outstanding commitments relating to construction projects of approximately \$20.2 million.

Additional information about the District's capital assets is included in Note 3 to the basic financial statements.

##### *Long-term Obligations*

Table 4 on the following page illustrates the District's outstanding long-term obligations. The District reduced outstanding general obligation bonded debt, debt certificates and related items by a net amount of \$34.7 million. The pension and postemployment benefit liabilities decreased \$63.6 million primarily due to a \$147.9 million decrease in the postretirement benefit associated with THIS which was offset by an increase in the pension liability associated with IMRF of \$84.0 million. Other long-term obligation amounts remained consistent with prior year balances. Additional information is available in Note 4 - Long-Term Obligations.

## School District U-46

### Management's Discussion and Analysis (Continued) For the Year Ended June 30, 2023

The District is subject to the Illinois School Code, which limits the amount of bond indebtedness to 13.8 percent of the most recent available equalized assessed valuation of the District. As of June 30, 2023, the statutory debt limit for the District was \$844.1 million providing a debt margin of \$698.3 million.

The ratio of general bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the District's debt position to District management, residents, and investors. These indicators for the District at the end of fiscal year 2023 were 0.87 percent and \$694, respectively. Due to the reduction of outstanding bonded debt, the general bonded debt to assessed valuation decreased compared to fiscal year 2022 when the ratio was 1.15 percent. The bonded debt per capita decreased from fiscal year 2022 when it was \$813.

**Table 4**  
**Outstanding Long-Term Obligations**  
**(in millions)**

	<b>2023</b>	<b>As Restated 2022</b>	<b>Percentage Change</b>
General obligation bonds/debt certificates	\$ 184.9	\$ 219.5	(15.8)%
Other	175.3	271.6	(35.5)%
<b>Total</b>	<b>\$ 360.2</b>	<b>\$ 491.1</b>	<b>(26.7)%</b>

### Factors Impacting the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future.

- In 2017, Illinois approved a new law changing the Illinois Pension Code which will shift additional pension costs to the District for the Teachers' Retirement System. At this time, the starting date for the new law has not yet been determined.
- To address the improvements needed for its aging facilities, the District's Unite U-46 community engagement initiative developed recommendations on the best way to implement the vision of the District's Board of Education. The Educational Facility Master Plan (EFMP) assessed our infrastructure, classrooms, and overall facility use, efficiency, and readiness in order to meet the District's vision of moving to a true middle school model (grades 6-8 versus only 7 and 8). Additionally, the EFMP focused on how the District could use space in the elementary schools to expand early childhood opportunities across the District. The Unite U-46 initiative has led to the decision of rebuilding, renovating or retiring some of our older elementary and middle school buildings in order to provide equitable access to learning environments that support academic success for all.
- As can be seen in Table 1, at the end of the current fiscal year, the largest portion of the District's net position reflects its investment in capital assets (e.g., land, buildings and equipment), less any related debts used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investments in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**School District U-46****Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2023**

---

**Requests for Information**

This financial report is designed to provide the District's residents, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Deputy Superintendent of Operations/CSBO, School District U-46, 355 E. Chicago St., Elgin, IL 60120.

## **BASIC FINANCIAL STATEMENTS**



**School District U-46**

**Statement of Net Position  
June 30, 2023**

	Governmental Activities
<b>Assets and Deferred Outflows of Resources</b>	
Assets	
Cash and investments	\$ 613,859,562
Accrued interest	2,422,643
Property taxes receivable, net of allowance	170,001,188
Replacement taxes receivable	2,004,683
Grants receivable	39,578,954
Accounts receivable	517,676
Prepays	3,656,034
Capital assets not being depreciated	48,899,928
Capital assets being depreciated or amortized, net of accumulated depreciation and amortization	403,970,966
Total assets	<u>1,284,911,634</u>
Deferred outflows of resources	
Deferred pension actuarial adjustments	37,407,134
Deferred pension contributions	6,089,107
Deferred amount on refunding	420,859
Deferred other post employment benefit actuarial adjustments	16,011,370
Deferred other post employment benefit contributions	1,854,897
Total deferred outflows of resources	<u>61,783,367</u>
<b>Total assets and deferred outflows of resources</b>	<u><u>\$ 1,346,695,001</u></u>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>	
Liabilities	
Accounts payable	\$ 28,898,194
Accrued payroll	35,423,369
Payroll deductions	1,304,708
Insurance claims payable	360,478
Construction retainage payable	1,075,255
Accrued interest	4,222,561
Unclaimed property	286,507
Long-term obligations, due within one year, net of premium and discount	33,945,078
Long-term obligations, due in more than one year, net of premium and discount	326,187,426
Total liabilities	<u>431,703,576</u>
Deferred inflows of resources	
Property taxes levied for subsequent years	173,432,815
Deferred amount on refunding	556,479
Deferred pension actuarial adjustments	7,645,443
Deferred other post employment benefit actuarial adjustments	212,118,224
Total deferred inflows of resources	<u>393,752,961</u>
Net position (deficit)	
Net investment in capital assets	320,018,450
Restricted for:	
Capital projects	17,433,408
Student activities	3,263,642
Student transportation	19,646,367
Unrestricted	160,876,597
<b>Total net position</b>	<u><u>521,238,464</u></u>
<b>Total liabilities, deferred inflows of resources and net position</b>	<u><u>\$ 1,346,695,001</u></u>

See Notes to Basic Financial Statements.

**School District U-46**

**Statement of Activities  
Year Ended June 30, 2023**

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction:					
Regular programs	\$ 171,469,372	\$ 3,031,433	\$ 59,636,305	\$ -	\$ (108,801,634)
Special programs	58,740,203	-	19,559,067	-	(39,181,136)
Other instructional programs	87,682,217	5,799,286	377,103	-	(81,505,828)
Total instruction	317,891,792	8,830,719	79,572,475	-	(229,488,598)
Support services:					
Pupils	45,109,281	-	-	-	(45,109,281)
Instructional staff	17,396,230	-	146,758	-	(17,249,472)
General administration	13,656,215	-	-	-	(13,656,215)
School administration	34,179,217	-	-	-	(34,179,217)
Business	6,268,583	-	-	-	(6,268,583)
Operations and maintenance	40,585,134	-	50,000	-	(40,535,134)
Transportation	32,607,009	727,213	15,912,573	-	(15,967,223)
Facilities acquisition and construction	727,663	-	-	987,964	260,301
Food service	16,097,440	170,484	23,342,310	-	7,415,354
Central	17,841,111	-	-	-	(17,841,111)
Other support	8,481,306	-	-	-	(8,481,306)
Total support services	232,949,189	897,697	39,451,641	987,964	(191,611,887)
Community services	2,109,525	-	-	-	(2,109,525)
State on-behalf contributions - TRS and THIS	109,237,513	-	109,237,513	-	-
Debt service - interest and fees	8,525,720	-	-	-	(8,525,720)
<b>Total governmental activities</b>	<b>\$ 670,713,739</b>	<b>\$ 9,728,416</b>	<b>\$ 228,261,629</b>	<b>\$ 987,964</b>	<b>(431,735,730)</b>
General revenues:					
Taxes:					
Property taxes, general purposes					304,479,045
Property taxes, debt service					33,355,548
Replacement taxes and other payment in lieu of taxes					12,733,375
Unrestricted state grants					242,940,595
Interest and investment earnings					15,138,900
Other general revenues					1,959,081
Total general revenues					610,606,544
Change in net position					178,870,814
Net position:					
Beginning of year, as restated					342,367,650
End of year					\$ 521,238,464

See Notes to Basic Financial Statements.

**School District U-46**

**Balance Sheet  
Governmental Funds  
June 30, 2023**

	Major Funds			
	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and investments	\$ 485,757,864	\$ 25,080,372	\$ 103,021,326	\$ 613,859,562
Accrued interest	2,422,643	-	-	2,422,643
Property taxes receivable, net of allowance	143,037,333	16,893,053	10,070,802	170,001,188
Replacement taxes receivable	-	-	2,004,683	2,004,683
Grants receivable	19,656,425	-	19,922,529	39,578,954
Accounts receivable	410,162	-	107,514	517,676
Prepays	3,656,034	-	-	3,656,034
<b>Total assets</b>	<b>\$ 654,940,461</b>	<b>\$ 41,973,425</b>	<b>\$ 135,126,854</b>	<b>\$ 832,040,740</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 28,182,771	\$ -	\$ 715,423	\$ 28,898,194
Accrued payroll	35,043,645	-	379,724	35,423,369
Payroll deductions	65,338	-	1,239,370	1,304,708
Insurance claims payable	360,478	-	-	360,478
Construction retainage payable	1,075,255	-	-	1,075,255
Unclaimed property	195,753	-	90,754	286,507
<b>Total liabilities</b>	<b>64,923,240</b>	<b>-</b>	<b>2,425,271</b>	<b>67,348,511</b>
<b>Deferred inflows of resources</b>				
Unavailable grant revenue	9,978,352	-	16,263,497	26,241,849
Property taxes levied for subsequent years	145,924,672	17,234,054	10,274,089	173,432,815
<b>Total deferred inflows of resources</b>	<b>155,903,024</b>	<b>17,234,054</b>	<b>26,537,586</b>	<b>199,674,664</b>
<b>Fund balances</b>				
Nonspendable	3,656,034	-	-	3,656,034
Restricted	3,263,642	24,739,371	54,070,536	82,073,549
Assigned	-	-	52,093,461	52,093,461
Unassigned	427,194,521	-	-	427,194,521
<b>Total fund balances</b>	<b>434,114,197</b>	<b>24,739,371</b>	<b>106,163,997</b>	<b>565,017,565</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 654,940,461</b>	<b>\$ 41,973,425</b>	<b>\$ 135,126,854</b>	<b>\$ 832,040,740</b>

See Notes to Basic Financial Statements.

**School District U-46**

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

Total fund balances - governmental funds		\$ 565,017,565
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:		
Capital assets	\$ 861,303,021	
Accumulated depreciation and amortization	(408,432,127)	
Net capital assets		452,870,894
Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due.		
		(4,222,561)
Certain revenues that are not recognized in the fund financial statements because they are not available are recognized as revenue in the government-wide financial statements.		
		26,241,849
Certain pension-related items are reported in the government-wide financial statements but not in the fund statements. These amounts consist of:		
Deferred outflows - pension actuarial adjustments	37,407,134	
Deferred outflows - pension contributions	6,089,107	
Deferred inflows - pension actuarial adjustments	(7,645,443)	
		35,850,798
Certain other post employment benefit-related items are reported in the government-wide financial statements but not in the fund statements. These amounts consist of:		
Deferred outflows - other post employment benefit actuarial adjustments	16,011,370	
Deferred outflows - other post employment benefit contributions	1,854,897	
Deferred inflows - other post employment benefit actuarial adjustments	(212,118,224)	
		(194,251,957)
Some assets (liabilities) reported in the statement of net position do not require the use of current financial resources and therefore are not reported as assets (liabilities) in the governmental funds. These assets (liabilities) consist of:		
General obligation bonds	(170,615,000)	
Subscription based IT arrangements	(1,605,629)	
Compensated absences	(766,714)	
Other postemployment benefits - District Plan	(24,385,585)	
Other postemployment benefits - THIS	(65,991,790)	
Net pension liability - IMRF	(50,818,670)	
Net pension liability - TRS	(21,775,402)	
Claims incurred but not reported	(9,936,674)	
Unamortized premiums related to debt issuance	(14,237,040)	
Deferred amounts on refunding	(135,620)	
		(360,268,124)
Net position of governmental activities		\$ 521,238,464

See Notes to Basic Financial Statements.

**School District U-46**

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

	Major Funds		Nonmajor	Total
	General	Debt	Governmental	Governmental
	Fund	Service	Funds	Funds
		Fund		
Revenues:				
Property taxes	\$ 281,654,662	\$ 33,355,548	\$ 22,824,383	\$ 337,834,593
Replacement taxes and payments in lieu of taxes	20,504	-	12,712,871	12,733,375
Charges for services	9,001,203	-	727,213	9,728,416
Investment income	15,128,627	5,817	4,456	15,138,900
Rentals	81,634	-	-	81,634
Local grants	118,708	-	-	118,708
Other local sources	1,872,924	-	992,487	2,865,411
State grants-in-aid	260,601,098	-	14,723,250	275,324,348
Federal grants-in-aid	103,430,767	-	-	103,430,767
State on-behalf contributions - TRS and THIS	136,006,153	-	-	136,006,153
<b>Total revenues</b>	<b>807,916,280</b>	<b>33,361,365</b>	<b>51,984,660</b>	<b>893,262,305</b>
Expenditures:				
Current:				
Instruction:				
Regular programs	173,198,346	-	2,369,735	175,568,081
Special programs	59,856,729	-	2,563,191	62,419,920
Other instructional programs	87,167,199	-	1,102,840	88,270,039
Support services:				
Pupils	42,636,479	-	1,628,174	44,264,653
Instructional staff	16,296,804	-	414,255	16,711,059
General administration	12,695,269	-	485,394	13,180,663
School administration	33,852,401	-	1,371,399	35,223,800
Business	5,343,617	-	472,167	5,815,784
Operations and maintenance	35,731,614	-	1,928,310	37,659,924
Transportation	442,097	-	29,850,419	30,292,516
Facilities acquisition and construction	54,146	-	-	54,146
Food service	14,930,802	-	15,654	14,946,456
Central	15,676,097	-	862,190	16,538,287
Other support	8,309,452	-	50,552	8,360,004
Community services	1,824,635	-	135,891	1,960,526
State on-behalf contributions - TRS and THIS	136,006,153	-	-	136,006,153
Intergovernmental:				
Payments to other governments	12,157,957	-	-	12,157,957
Debt service:				
Principal	1,179,318	15,421,523	-	16,600,841
Interest and fees	1,597	26,821,985	-	26,823,582
Debt issuance costs	-	92,471	-	92,471
Capital outlay	30,956,600	-	3,510,805	34,467,405
<b>Total expenditures</b>	<b>688,317,312</b>	<b>42,335,979</b>	<b>46,760,976</b>	<b>777,414,267</b>
Excess (deficiency) of revenues over (under) expenditures	119,598,968	(8,974,614)	5,223,684	115,848,038
Other financing sources (uses):				
Transfer in	-	528,596	45,000,000	45,528,596
Transfer out	(45,528,596)	-	-	(45,528,596)
Issuance of subscription agreements	2,382,307	-	-	2,382,307
Debt issuance	-	12,205,000	-	12,205,000
Transfer to escrow agent	-	(12,107,924)	-	(12,107,924)
<b>Total other financing sources (uses)</b>	<b>(43,146,289)</b>	<b>625,672</b>	<b>45,000,000</b>	<b>2,479,383</b>
<b>Net change in fund balances</b>	<b>76,452,679</b>	<b>(8,348,942)</b>	<b>50,223,684</b>	<b>118,327,421</b>
Fund balances:				
Beginning of year	357,661,518	33,088,313	55,940,313	446,690,144
End of year	\$ 434,114,197	\$ 24,739,371	\$ 106,163,997	\$ 565,017,565

See Notes to Basic Financial Statements.

**School District U-46**

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

---

Net change in fund balances — total governmental funds	\$ 118,327,421
--	----------------

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report purchases of capital assets as expenditures while governmental activities report depreciation and amortization expense to allocate those expenditures over the life of the assets.

Capital expenditures	\$ 34,272,835	
Depreciation and amortization	<u>(22,296,489)</u>	
Capital expenditures in excess of depreciation and amortization		11,976,346

Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds.

(16,909,112)

Repayment of debt principal and accreted interest is an expenditure or other financing use in the governmental funds, but the repayment reduced long-term obligations in the statement of net position.

The following amounts were retired:

General obligation bonds	27,015,910	
Debt certificates	525,614	
Accreted interest	18,474,090	
Subscription based IT arrangements	<u>1,179,318</u>	
Total retired debt and other long term agreements		47,194,932

The issuance of debt and the related premium are shown as other financing sources in governmental funds but increases long-term liabilities on the statement of net assets.

(12,205,000)

The issuance of subscription based IT arrangement agreements are shown as other financing sources in governmental funds but increases long-term liabilities on the statement of net assets.

(2,382,307)

The accretion of interest on long-term debt is not reported as an expenditure in governmental funds but as an addition to principal outstanding in the statement of activities.

(742,369)

Changes related to pension obligations are reported as deferred inflows and outflows on the government-wide financial statements but not on the fund statements.

Deferred outflows related to pension expense	31,227,017
Deferred inflows related to pension expense	57,865,623

Changes related to OPEB obligations are reported as deferred inflows and outflows on the government-wide financial statements but not on the fund statements.

Deferred outflows related to other post employment benefit expense	(4,016,786)
Deferred inflows related to other post employment benefit expense	(116,473,167)

Some revenues and expenses reported in the statement of activities do not provide (use) current financial resources and therefore are not reported in the governmental funds.

State on-behalf contribution revenue - TRS and THIS	(26,768,640)	
State on-behalf expense - TRS and THIS	26,768,640	
Increase in other postemployment benefits - District Plan	(308,397)	
Increase in other postemployment benefits - THIS	147,859,618	
Decrease in net pension liability - IMRF	(84,025,403)	
Increase in net pension liability - TRS	112,398	
Decrease in compensated absences payable	(66,037)	
Decrease in accrued interest on debt	(47,882)	
Decrease in claims incurred but not reported	789,502	
Amortization of bond premiums	1,584,720	
Amortization of deferred amounts on refunding	<u>(890,303)</u>	
		<u>65,008,216</u>

Change in net position of governmental activities	<u>\$ 178,870,814</u>
---	-----------------------

See Notes to Basic Financial Statements.

## **School District U-46**

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

---

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

School District U-46 was incorporated in 1875 and operates as a public school system governed by an elected seven-member board of education. The District is organized under the School Code of the State of Illinois, as amended. The District covers a 90 square mile area extending into three counties, Cook, DuPage and Kane and serves the communities of Bartlett, Elgin, Hanover Park, South Elgin, Streamwood, Wayne and portions of Carol Stream, Hoffman Estates, St. Charles, Schaumburg, and West Chicago.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

#### ***Financial Reporting Entity***

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

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

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

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

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

#### ***Government-Wide and Fund Financial Statements***

##### ***Government-Wide Financial Statements***

The government-wide statement of net position and statement of activities 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 presents the District's assets, deferred outflows, liabilities and deferred inflows with the difference reported as net position.



## School District U-46

### Notes to Basic Financial Statements

---

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

##### ***Government-Wide and Fund Financial Statements (Continued)***

##### ***Government-Wide Financial Statements (Continued)***

The statement of activities 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. Indirect expenses of other functions are not allocated to those functions but are reported separately in the statement of activities. Depreciation expense is specifically identified by function and is included in the direct expense to each function. Interest and other long-term debt related items are considered indirect expenses and are reported separately on the statement of activities. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program or are capital in nature. 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 District reports the following major governmental funds:

##### ***General Fund***

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The District's General Fund consists of four accounts: the Educational Account, which records direct costs of instruction and administration, including the District's food service operations, the Tort Immunity Account, which records the District's risk financing activities, the Operations and Maintenance Account, which reports all costs of maintaining, improving or repairing school buildings and property and the Working Cash Account, which accounts for financial resources held by the District to be used for temporary interfund loans to other District funds.

##### ***Debt Service Fund***

The Debt Service Fund (a debt service fund) accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

The District also reports the following other fund types/funds, aggregated and reported as nonmajor governmental funds:

##### ***Special Revenue Funds***

The Special Revenue Fund type is used to account for the proceeds of specific revenue sources (other than those accounted for in Debt Service or Capital Projects) that are legally restricted to expenditures for specified purposes. The District's nonmajor special revenue funds are the Transportation Fund, which accounts for all revenues and costs relating to the transportation of pupils and the Municipal Retirement / Social Security Fund, which accounts for the District's share of retirement benefit and social security costs for employees.

## School District U-46

### Notes to Basic Financial Statements

---

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

##### ***Government-Wide and Fund Financial Statements (Continued)***

##### ***Fund Financial Statements (Continued)***

##### ***Capital Projects Funds***

The Capital Projects Funds are used to account for and report financial resources that are to be used for expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The District's nonmajor capital projects funds are the Capital Projects Fund, which accounts for financial resources to be used for the acquisition, construction or renovation of major capital facilities, and the Fire Prevention and Safety Fund, which is used to account for the altering, reconstructing and repairing of the existing school buildings of the District.

##### ***Measurement Focus and Basis of Accounting and Financial Statement Presentation***

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, state-shared revenues and various state, federal and local grants. On an accrual basis, revenues from taxes are recognized in the period in which they are intended to finance. Grants, entitlements, state-shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. The District uses 60 days in order to capture reimbursement payments released by the state of Illinois during the month of August. The District also considers property taxes to be available if they are collected within 60 days of the end of the fiscal period and intended to finance the current period.

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension, other postemployment benefits, termination benefits, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

## School District U-46

### Notes to Basic Financial Statements

---

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

##### ***Real Estate and Other 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 12, 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 December 2023 in Cook County and in June and September 2023 in DuPage County and Kane County, and are collected by the County Collector, who in turn returns to the District its respective share. The District typically receives the remittances from the County Treasurer within one month after collection.

The District has recognized as revenue approximately 50 percent of the 2022 tax extension and 50 percent of the 2021 tax extension in the current fiscal year based on estimated collections, as this is the period for which the taxes have been levied (intended to finance). Property taxes are recorded net of estimated allowance for uncollectible accounts. The allowance for uncollectible accounts is based on collection history and is estimated at 1.3 percent of the total levy. As of June 30, 2023, the property tax allowance was as follows:

Fund	Allowance
General Fund	\$ 3,844,013
Debt Service Fund	453,987
Nonmajor Governmental Funds	270,644
	<u>\$ 4,568,644</u>

The District has recorded a receivable for the uncollected portion of the 2022 taxes extended. The District has recorded a deferred inflow of resources net of any allowance, which approximates 50 percent of the 2022 tax extension which will be recognized as revenue in the following fiscal year, the period for which those taxes were levied.

Revenue from replacement taxes is recognized when collected by the State, prior to disbursement to the District.

##### ***Investments***

The investments are stated at fair value, based on quoted market prices unless otherwise specified in Note 2, Deposits and Investments.

##### ***Prepaid Items***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The method used to report prepaid items is the purchase method.

##### ***Inventories***

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The cost of governmental fund-type inventories are recorded as expenditures when purchased. Year-end balances are recorded as assets.

## School District U-46

### Notes to Basic Financial Statements

---

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

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

Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. Estimated useful life is management's estimate of how long the asset is expected to meet service demands.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The District maintains a capitalization threshold of \$10,000. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation for assets of governmental activities is computed using the straight-line method over the following useful lives:

Buildings	40 years
Transportation equipment	5-10 years
Other equipment	3-10 years

##### ***Interfund Transactions***

The District has the following types of interfund transactions:

*Loans* – amounts provided with a requirement for repayment. Interfund loans are reported as interfund receivables (due from or advances to other funds) in lender funds and interfund payables (due to or advances from other funds) in borrower funds.

*Transfers* – flows of assets (typically cash) 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.

*Reimbursements* – interfund transactions that constitute reimbursement of a fund for expenditures initially made from it that are properly applicable to another fund. Interfund reimbursements are recorded as expenditures in the reimbursing fund and reductions of expenditures in the fund that was originally charged.

##### ***Compensated Absences***

The District records compensated absences for vacation benefits as a liability in the government-wide financial statements as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means.

##### ***Deferred Inflows of Resources, Deferred Outflows of Resources and Unearned Revenue***

The District reports deferred inflows of resources, deferred outflows of resources and unearned revenue on its financial statements. Deferred inflows of resources are the acquisition of net assets or fund balance that is applicable to future reporting periods. Deferred outflows of resources are the consumption of net assets that is applicable to future reporting periods.

Property taxes that are received or recorded as receivables prior to the period the levy is intended to finance are recorded as deferred inflows of resources on both fund financial statements and government-wide financial statements. Potential grant revenue is recorded as deferred inflows of resources on the fund financial statements when it has not yet met both the "measurable" and "available" criteria for recognition in the current period.

## School District U-46

### Notes to Basic Financial Statements

---

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

##### ***Deferred Inflows of Resources, Deferred Outflows of Resources and Unearned Revenue (Continued)***

The net difference between projected and actual earnings on pension plan or other post-employment benefit plan investments, changes in benefits, changes in actuarial assumptions used in determining the total liability of the plan and changes in proportion and differences between employer contributions and proportionate share of contributions are reported as deferred outflows or inflows of resources on the government-wide financial statements. The District's payments to the plans made subsequent to the liability measurement date are also considered to be deferred outflows of resources on the government-wide financial statements. See Note 6 and Note 7 for further discussion of the District's deferred outflows and inflows of resources related to pensions and other post-employment benefits, respectively.

Unearned revenue arises when resources are received by the District before it has legal claim to them, as when grant monies are received prior to meeting eligibility requirements. In subsequent periods, when revenue recognition criteria are met or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

##### ***Long-Term Obligations***

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund for payment early in the following year. Other obligations (e.g., compensated absences, claims and judgments, pension and postemployment benefits) are reported as fund liabilities when amounts have matured or are due and payable rather than when the liability is expected to be financed from expendable available financial resources. The remaining portions of such obligations have been reported as liabilities in the statement of net position.

The District has issued two types of general obligation bonds, a conventional type for which interest is paid on the bonds semi-annually and a capital appreciation type, for which no interest is paid, but rather the interest "accretes" to long-term interest semi-annually and is finally paid upon maturity of the bonds.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

##### ***Debt Premium, Discount and Debt Issuance/Refunding Costs***

In the fund financial statements, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond, debt certificate, and subscription based IT arrangement proceeds are reported as "other financing sources" as are applicable premiums or discounts. Issuance costs, even if withheld from the actual net proceeds received, are reported as expenditures.

In the government-wide financial statements, bond premiums and discounts, as well as deferred refunding amounts, are capitalized and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium and discount. Deferred refunding amounts are reported as deferred outflows or deferred inflows of resources and amortized over the term of the related debt. All amortization is computed using the straight-line method. Debt issuance costs are expensed when incurred.

Notes to Basic Financial Statements

---

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

***Subscription Based IT Arrangements***

Noncancelable agreements for information technology systems or applications for a period longer than one year are recorded as subscription based IT arrangement assets (included in Note 3) and long-term liabilities on the government-wide statements, if the total payments will meet or exceed \$10,000. The asset is amortized on a straight-line basis over the life of the agreement and the liability is reduced with payments made by the District in accordance with the agreements.

In the fund financial statements, the issuance of an agreement is expensed in the year the agreement is issued at the calculated total cost of the asset and an other financing source is recorded. Payments made in future years for the agreement are expensed as principal and interest payments.

***Postemployment Benefits Other Than Pensions (OPEB)***

The District participates in two OPEB plans, the Teachers' Health Insurance Security Fund (THIS) plan provided by the State and an OPEB plan provided by the District. For purposes of measuring the District's collective OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the THIS OPEB Plan and additions to/deductions from the THIS Plan's fiduciary net position have been determined on the same basis as they are reported by the THIS Plan. For this purpose, the THIS Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

***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's nonspendable fund balances in the Governmental Funds related to prepaid expenses of \$3,656,034.

***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. The highest level of decision-making authority rests with the District's Board of Education. Committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same action it employed to previously commit those amounts. The District passes formal resolutions to commit their fund balances. There are no committed fund balances as of June 30, 2023.

***Assigned*** – includes amounts that are constrained by the District's *intent* to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the District's Board of Education itself; or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The District's Board of Education has not delegated authority to any other body or official to assign amounts for a specific purpose within the General Fund. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned. At June 30, 2023, \$7,093,461 was assigned in the Transportation Fund for costs associated with transportation and \$45,000,000 was assigned in the Capital Projects fund for costs associated with capital projects.

## School District U-46

### Notes to Basic Financial Statements

---

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

##### **Fund Balances (Continued)**

**Unassigned** – includes the residual fund balances that have not been restricted, committed, or assigned within the General Fund and unassigned deficit fund balances of other governmental funds.

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

The District seeks to maintain year-end fund balances at no less than 20 percent of the annual expenditures to operating funds. For management purposes, the District considers the Educational Fund, Operations and Maintenance Fund and the Transportation Fund in aggregate to make up the operating funds.

The General Fund includes the Working Cash stabilization account. Under the State of Illinois School Code (School Code), the District is authorized to incur indebtedness and issue bonds and to levy a tax annually on all taxable property of the District in order to enable the District to have in its treasury at all times sufficient money to meet demands thereon. These working cash funds may be lent to other District governmental funds in need, but may only be expended for other purposes upon the passage of a resolution by the Board of Education to abolish the funds to the Educational Account, of the General Fund, or abate the fund to any fund of the District most in need. At June 30, 2023, the District had working cash stabilization fund balances of \$110,888,201 that have been classified as unassigned fund balances in the General Fund.

At June 30, 2023, the District had the following fund balances restricted for various purposes as follows:

Fund	Fund balance	Purpose of restriction
Major Funds:		
General Fund	\$ 3,263,642	Student activities
Debt Service Fund	24,739,371	Repayment of principal and interest on long-term debt
Nonmajor Funds:		
Fire Prevention and Safety Fund	13,374,772	School construction projects
Capital Projects Fund	4,058,636	School construction projects
Transportation Fund	19,646,367	Student transportation
Municipal Retirement /Social Security Fund	16,990,761	Employee pension and social security
	<u>\$ 82,073,549</u>	

##### **Net Position**

Net position consists of the following categories:

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

**Restricted 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.

## School District U-46

### Notes to Basic Financial Statements

---

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

##### ***Net Position (Continued)***

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.

##### ***Eliminations***

Eliminations have been made in the statement of net position to remove the "grossing-up" effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables. Similarly, transfers between funds have been eliminated in the statement of activities.

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

The preparation of financial statements in conformity with the modified accrual basis of accounting requires management to make estimates and assumptions that affect the amounts of assets, deferred outflows, liabilities and deferred inflows and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the period. Actual results may differ from these estimates.

##### ***Restatement***

The District's governmental activities net position has been restated as of July 1, 2022. The restatement is a result of the implementation of GASB statement No. 96, *Subscription-Based Information Technology Arrangements*. In accordance with GASB 96, the District now records an asset and a liability for noncancellable subscription based IT arrangements that last longer than one year. The restatement is the difference between the asset and liability value as of June 30, 2022.

	Governmental Activities
Net position/Fund balance, June 30, 2022, as previously reported	\$ 340,328,114
Addition of previously expensed subscription based IT arrangements	2,039,536
Net position/Fund balance as restated, July 1, 2022	<u>\$ 342,367,650</u>

##### ***Subsequent Event***

On November 30, 2023, the District issued General Obligation Limited Refunding School Bonds, Series 2023A in the amount of \$44,545,000 and General Obligation Refunding School Bonds, Series 2023B in the amount of \$83,450,000. Series 2023A was issued to refund the remaining portion of the District's General Obligation Limited School Bonds, Series 2015A and Series 2023B was issued to refund the remaining portion of the District's General Obligation Refunding School Bonds, Series 2015D. Both bond series are payable through January 1, 2024 with an optional redemption date of January 1, 2030.



## School District U-46

### Notes to Basic Financial Statements

---

#### Note 2. Deposits and Investments

*Permitted Deposits and Investments* - State statutes and Board policy authorize the District to invest any available funds in: (1) direct obligations of or obligations guaranteed by the United States or its agencies; (2) commercial paper issued by United States corporations rated within the three highest classifications by at least two standard rating services and maturing within 180 days or less; (3) interest-bearing savings accounts, certificates of deposit, or other time deposits in federally insured and/or state chartered banks and savings and loans associations; (4) the Illinois School District Liquid Asset Fund Plus (ISDLAF+); (5) the Illinois Funds; (6) money market mutual funds; (7) bankers' acceptances of banks whose senior obligations are rated in the top two rating categories by two national rating agencies and maintain that rating during the term of the investment; (8) repurchase agreements of government securities; and (9) interest-bearing bonds of any county, township, city, village incorporated town, municipality, or school district. Shares in the ISDLAF+ and the Illinois Funds represent investments in external investment pools that are regulated by the state of Illinois; the fair value of the position in the pools is the same as the value of the pool shares.

#### ***Deposits***

As of June 30, 2023, the District had deposits with federally insured financial institutions of \$261,438,765 with the book balances totaling \$255,456,818.

#### *Custodial Credit Risk – Deposits*

In the case of deposits, custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires all bank deposits in excess of Federal Deposit Insurance Corporation insurance limits be secured by collateral. As of June 30, 2023, the District was not exposed to custodial credit risk.

#### ***Investments***

#### *Interest Rate Risk*

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

#### *Credit Risk*

The District's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. Investment choices are not limited beyond the State statutes.

#### *Concentration of Credit Risk*

The District places no limit on the amount it may invest in any one 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. The Illinois School District Liquid Asset Fund (ISDLAF), Illinois Funds, and the Government Money Market Funds held by the District are not subject to custodial credit risk.

## School District U-46

### Notes to Basic Financial Statements

#### Note 2. Deposits and Investments (Continued)

The following schedule reports the values and maturities (using the segmented time distribution method) for the District's investments:

Investment Type	Investment Maturities (in Years)				% of Total Investments
		Less than 1	1 - 5	6-10	
ISDLAF	\$ 77,092,962	\$ 77,092,962	\$ -	\$ -	21.51 %
Government Money Market Funds	7,505,767	7,505,767	-	-	2.09
Illinois Funds	9,999,682	9,999,682	-	-	2.79
US Treasury Bills	102,800,832	83,032,982	19,767,850	-	28.69
US Treasury Notes	27,221,466	6,910,920	20,310,546	-	7.60
Federal Home Loan (FHL) Discount Notes	15,238,915	15,238,915	-	-	4.25
Federal Home Loan (FHL) Bonds	43,694,586	-	43,694,586	-	12.19
Federal Farm Credit Banks Funding Corp (FFCB) Bonds	5,930,020	-	5,930,020	-	1.65
Federal Home Loan Mortgage Corp (FHLM) Bonds	9,647,098	-	9,647,098	-	2.69
Federal National Mortgage Association (FNMA) Bonds	2,203,983	-	2,203,983	-	0.61
Corporate Bonds	1,955,637	-	1,955,637	-	0.55
Municipal Bonds	5,198,744	-	5,198,744	-	1.45
Negotiable Certificates of Deposit	49,907,052	726,147	48,952,908	227,997	13.93
	<u>\$ 358,396,744</u>	<u>\$ 200,507,375</u>	<u>\$ 157,661,372</u>	<u>\$ 227,997</u>	<u>100.00 %</u>

The Illinois School District Liquid Asset Fund is shown as maturing in less than one year because the weighted average maturity of the pool is less than one year.

The following schedule reports the values and credit ratings by Standard & Poor's and Moody's at June 30, 2023:

Investment Type	Investment Ratings									
	AAAm	A-1	A-2	A-3	AAA	AA	A	BBB	D	Not Rated
ISDLAF	\$ 77,092,962	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Government Money Market Funds	7,505,767	-	-	-	-	-	-	-	-	-
Illinois Funds	9,999,682	-	-	-	-	-	-	-	-	-
FHL Discount Notes	-	-	-	-	-	-	-	-	-	15,238,915
FHL Bonds	-	3,438,225	-	-	40,256,361	-	-	-	-	-
FFCB Bonds	-	-	-	-	5,930,020	-	-	-	-	-
FHLM Bonds	-	-	-	-	9,647,098	-	-	-	-	-
FNMA Bonds	-	249,223	-	-	1,954,760	-	-	-	-	-
Corporate Bonds	-	985,175	-	-	-	-	496,085	-	-	474,377
Municipal Bonds	-	-	-	-	959,760	3,365,200	-	-	-	873,784
Negotiable Certificates of Deposit	-	441,439	489,177	244,694	-	1,693,168	3,632,894	481,231	244,294	42,680,155
	<u>\$ 94,598,411</u>	<u>\$ 5,114,062</u>	<u>\$ 489,177</u>	<u>\$ 244,694</u>	<u>\$ 58,747,999</u>	<u>\$ 5,058,368</u>	<u>\$ 4,128,979</u>	<u>\$ 481,231</u>	<u>\$ 244,294</u>	<u>\$ 59,267,231</u>

No ratings are disclosed for the US Treasury Bills and Notes as they are backed by the full guarantee of the US government.

## School District U-46

### Notes to Basic Financial Statements

#### Note 2. Deposits and Investments (Continued)

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments are classified according to the following hierarchy.

Level 1 – Investments reflect prices quoted in active markets.

Level 2 – Investments reflect prices that are based on similar observable assets either directly or indirectly, which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable sources.

Fair value of the District's US Treasury Bills and Notes and the Negotiable Certificates of Deposit are determined by the District from observable market quotations as provided by the District's investment manager and are considered Level 1 investments. Fair value of the US agency notes and bonds, corporate bonds, and municipal bonds are determined by the District from quotations provided by the District's investment manager. The markets for these investments are not highly active and so they are considered Level 2 investments.

The District's other investments measured at the net asset value (NAV) or amortized cost are as follows:

Investment Type		Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
ISDLAF	\$ 77,092,962	N/A	Daily	One Day
Government Money Market Funds	7,505,767	N/A	Daily	One Day
Illinois Funds	9,999,682	N/A	Daily	One Day
	<u>\$ 94,598,411</u>			

The Illinois School District Liquid Asset Fund is an unrated, not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees, elected from the participating members. It is not registered with the Securities Exchange Commission (SEC) as an investment company. The fair value of the pool is the same as the value of the pool shares and is measured at NAV.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, is not registered with the SEC but operates as a 2a7-like pool and thus reports all investments at amortized cost rather than market value. The Illinois Treasurer's investment policies are governed by State statute. In addition, the Treasurer's Office has adopted its own investment practices that supplement the statutory requirement. The fair value of the pool is the same as the value of the pool shares.

The below summarizes the above disclosed deposits and investments (plus \$6,000 held by the District as petty cash). The total is presented in the basic financial statements as cash and investments:

Book balance of deposits with federally insured financial institutions	\$ 255,456,818
Petty cash on hand	6,000
Investments	358,396,744
Cash and investments per statement of net position	<u>\$ 613,859,562</u>

## School District U-46

### Notes to Basic Financial Statements

#### Note 3. Capital Assets

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

	Restated Balance July 1, 2022	Transfers and Additions	Transfers and Retirements	Balance June 30, 2023
Capital Assets, not being depreciated:				
Land	\$ 28,394,912	\$ -	\$ -	\$ 28,394,912
Construction in progress	12,646,399	30,016,630	22,158,013	20,505,016
Total capital assets, not being depreciated	41,041,311	30,016,630	22,158,013	48,899,928
Capital Assets, being depreciated:				
Buildings	725,543,938	22,158,013	-	747,701,951
Transportation equipment	28,774,495	485,517	364,003	28,896,009
Other equipment	29,592,269	681,603	-	30,273,872
Total capital assets being depreciated	783,910,702	23,325,133	364,003	806,871,832
Less accumulated depreciation:				
Buildings	337,408,864	16,906,013	-	354,314,877
Transportation equipment	23,268,254	2,542,509	364,003	25,446,760
Other equipment	25,822,523	1,629,790	-	27,452,313
Total accumulated depreciation	386,499,641	21,078,312	364,003	407,213,950
Total capital assets being depreciated, net	397,411,061	2,246,821	-	399,657,882
Capital Assets, being amortized:				
Subscription based IT arrangements	2,442,176	3,089,085	-	5,531,261
Less: accumulated amortization	-	1,218,177	-	1,218,177
Total capital assets being amortized, net	2,442,176	1,870,908	-	4,313,084
Governmental activities				
Capital assets, net	\$ 440,894,548	\$ 34,134,359	\$ 22,158,013	\$ 452,870,894

## School District U-46

### Notes to Basic Financial Statements

#### Note 3. Capital Assets (Continued)

Depreciation and amortization expense was charged to governmental activities as follows:

Activity	Depreciation and Amortization Expense
Instruction:	
Regular programs	\$ 7,275,974
Special programs	2,552,739
Other instructional programs	3,609,911
Support services:	
Pupils	1,810,257
Instructional staff	683,419
General administration	539,040
School administration	1,440,520
Business	237,844
Operations and maintenance	1,540,149
Transportation	1,238,849
Food services	611,254
Central	676,354
Community services	80,179
Total	<u>\$ 22,296,489</u>

#### Note 4. Long-Term Obligations

The following is a summary of activity for the District's long-term obligations for the year ended June 30, 2023:

	Restated Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Public G.O. Bonds/Debt Certificates Payable:					
General obligation bonds	\$ 185,425,910	\$ -	\$ (27,015,910)	\$ 158,410,000	\$ 23,820,000
Accreted interest on long-term debt	17,731,721	742,369	(18,474,090)	-	-
Debt certificates	525,614	-	(525,614)	-	-
Unamortized premium	15,821,760	-	(1,584,720)	14,237,040	1,584,720
Total Public General Obligation Bonds/ Debt Certificates Payable	219,505,005	742,369	(47,600,334)	172,647,040	25,404,720
Direct placement G.O. bonds	-	12,205,000	-	12,205,000	12,205,000
Subscription based IT arrangements	402,640	2,382,307	(1,179,318)	1,605,629	1,128,606
Compensated absences	700,677	229,099	(163,062)	766,714	766,714
Net pension (asset) liability - IMRF	(33,206,733)	94,420,901	(10,395,498)	50,818,670	-
Collective net pension liability - TRS	21,887,800	-	(112,398)	21,775,402	-
Total OPEB liability - District Plan	24,077,188	2,003,752	(1,695,355)	24,385,585	-
Collective total OPEB liability - THIS	213,851,408	-	(147,859,618)	65,991,790	-
Claims incurred but not reported	10,726,176	63,415,771	(64,205,273)	9,936,674	6,645,038
Total	<u>\$ 457,944,161</u>	<u>\$ 175,399,199</u>	<u>\$ (273,210,856)</u>	<u>\$ 360,132,504</u>	<u>\$ 46,150,078</u>

## School District U-46

### Notes to Basic Financial Statements

---

#### Note 4. Long-Term Obligations (Continued)

##### **Debt Refunding**

On December 7, 2022, in conjunction with the issuance of the series 2022 bonds, the District partially advance refunded \$12,120,000 of the series 2015D bonds by placing a portion of the series 2022 bonds in an irrevocable trust to provide for all future debt service payments on the advanced refunded debt which will be called and repaid on January 1, 2024.

This transaction resulted in an economic loss of \$959,277 and had the net effect of decreasing the District's future debt service requirements by \$6,271,732.

As of June 30, 2023, the outstanding balance of bonds defeased in prior fiscal years not yet called totaled \$12,120,000.

At June 30, 2023, general obligation bonds consisted of the following:

##### **General Obligation Bonds - Payable by the Debt Service Fund**

\$44,310,000, 2015A General Obligation Limited School Bonds due in annual installments of \$2,955,000 through \$8,205,000 beginning in fiscal year 2028 through 2034 with interest due semiannually at 5.00%. Issued for the purpose of working cash.	\$ 44,310,000
\$10,780,000, 2015B Taxable General Obligation Limited Refunding Bonds due in annual installments of \$2,170,000 through \$6,215,000 beginning in fiscal year 2026 through 2028 with interest due semiannually at 3.7% to 3.95%. Issued for the purpose of refunding capital project related bonds and working cash.	10,780,000
\$101,575,000, 2015D General Obligation Refunding School Bonds due in annual installments of \$6,480,000 through \$10,900,000 beginning in fiscal year 2024 through 2035 with interest due semiannually at 5.00%. Issued for the purpose of refunding capital project related bonds.	89,455,000
\$18,730,000, 2021 General Obligation Limited Refunding School Bonds due in annual installments of \$3,390,000 through \$5,340,000 beginning in fiscal year 2023 through 2026 with interest due semiannually at 4.00%. Issued for the purpose of refunding capital project, working cash, and tort fund related refunding bonds.	13,865,000
Direct Placement - \$12,205,000, 2022 Taxable General Obligation Limited School Bonds due in one payment on January 1, 2024 with interest due semiannually at 5.75%. Issued for the purpose of partially refunding capital project related bonds.	<u>12,205,000</u>
Total Public and Direct Placement General Obligation Bonds	<u><u>\$ 170,615,000</u></u>

**School District U-46****Notes to Basic Financial Statements****Note 4. Long-Term Obligations (Continued)*****Debt Service Requirements to Maturity - General Obligation Bonds***

Annual debt service requirements to maturity for all bond issues to be paid from property taxes of the Debt Service Fund for each of the next five fiscal years and in five-year increments thereafter are as follows:

Due in Fiscal Year	Public General Obligation		Direct Placement General Obligation		Total Debt Service
	Principal	Interest	Principal	Interest	
2024	\$ 11,615,000	\$ 7,653,913	\$ 12,205,000	\$ 744,668	\$ 19,268,913
2025	12,035,000	7,124,513	-	-	19,159,513
2026	12,590,000	6,576,163	-	-	19,166,163
2027	13,595,000	6,008,772	-	-	19,603,772
2028	14,200,000	5,403,601	-	-	19,603,601
2029 - 2033	82,255,000	15,769,500	-	-	98,024,500
2034 - 2034	12,120,000	606,000	-	-	12,726,000
	<u>\$ 158,410,000</u>	<u>\$ 49,142,462</u>	<u>\$ 12,205,000</u>	<u>\$ 744,668</u>	<u>\$ 207,552,462</u>

***Legal Debt Margin***

As of June 30, 2023, the legal debt limit of the District was \$844,139,185, based upon 13.8 percent of its 2022 equalized assessed valuation of \$6,116,950,618. The debt limit less outstanding debt subject to the debt limit of \$170,615,000 plus amounts held in the Debt Service Fund of \$24,739,371, results in a legal debt margin of \$698,263,556 as of June 30, 2023.

## School District U-46

### Notes to Basic Financial Statements

---

#### Note 4. Long-Term Obligations (Continued)

##### ***Subscription Based IT Arrangements***

The District has long-term agreements in place for the use of various software systems and applications used in its operations such as employee time reporting, online access to learning curriculum, and student information portals. The District recognizes a subscription asset and liability when a subscription period commences at the present value of the expected future payments under the agreement. The District's current subscription agreements do not contain variable payment provisions. Annual payment requirements for the agreements will be paid from General Fund and are as follows:

Due in Fiscal Year	Subscription Based IT Arrangements	
	Principal	Interest
2024	\$ 1,128,606	\$ 57,480
2025	477,023	17,179
	<u>\$ 1,605,629</u>	<u>\$ 74,659</u>

##### ***Compensated Absences***

The District offers sick, personal and in some cases vacation days to its employees. Depending on the union status of the District's employees the number of sick, personal and vacation days provided each year may differ.

The District provides up to 25 vacation days per year, most of which must be used by August 31st of the following year. Some vacation days may be used up until October 31st of the following year depending on the employee union. The District provides up to four personal days per year to its employees. Personal balances left over at the end of the year are carried forward into the sick day balance for the next year. The District also offers up to 14 sick days per year. Accumulated personal and sick days are not paid out upon termination. If an employee is vested in the Teachers' Retirement System (TRS) or the Illinois Municipal Retirement Fund (IMRF), the employee is allowed extra service credit based on unused sick days. Since accrued personal and sick days are not paid out upon termination, the District does not accrue a payable for these days at year-end. Based on accumulated vacation days as of year-end, the District's maximum liability for accumulated vacation days to be paid upon its employees' termination was calculated to be \$766,714 at June 30, 2023. The amounts will be paid from the General Fund within the next year.

##### ***Net Pension Liability and Collective Net Pension Liability***

The District had a net pension liability of \$50,818,670 and a proportionate share of the collective net pension liability of \$21,775,402 at June 30, 2023 which represent the District's proportionate share of the pension liability to plan members for benefits provided through defined benefit pension plans (see Note 6). The \$50,818,670 liability relates to IMRF. Payments to IMRF in future fiscal years will be paid from the Municipal Retirement/Social Security Fund. The \$21,775,402 liability relates to TRS and will be paid from the General Fund.



## School District U-46

### Notes to Basic Financial Statements

---

#### Note 4. Long-Term Obligations (Continued)

##### *Other Postemployment Benefits Liability*

The other postemployment benefits (OPEB) liability represents the long-term actuarially determined liability for healthcare insurance for eligible retirees and their dependents through the District's group health insurance plan and the District's share of the Teachers' Health Insurance Security Fund (THIS) plan (see Note 7). The District's OPEB liability at June 30, 2023 related to its own plan was \$24,385,585 and \$65,991,790 for its share of THIS; both amounts will be paid from the General Fund.

#### Note 5. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is self-insured for the above risks. For property-related risks, the District maintains excess insurance coverage to cover claims in excess of \$100,000 per occurrence to a maximum of \$250,000,000. The amount of coverage has not decreased nor have the amount of settlements exceeded coverage in any of the past three fiscal years. For workers' compensation risks, the District maintains excess insurance coverage to cover claims in excess of \$400,000 per occurrence to a maximum of \$1,000,000. The amount of coverage has not decreased nor have the amount of settlements exceeded coverage in any of the past three fiscal years.

The District is also self-insured for medical claims to cover its employees and their qualifying dependents. The District funds a self-insurance account and has engaged an outside agency to administer its medical claims. The District does not assume unlimited liability for medical claims. As of June 30, 2023, the District had purchased (stop-loss) insurance to cover claims in excess of \$500,000 per person per year and \$2,000,000 lifetime. Settled claims have not exceeded coverage in any of the past three fiscal years.

Estimated claims incurred but not yet submitted by insurers were estimated based on historical trends as provided by the District's third-party administrator. Estimated insurance claims incurred but not reported (IBNR) liabilities at June 30, 2023, total \$9,936,674. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and societal factors. Changes in the balances of claims liabilities during the past two fiscal years are as follows:

	Fiscal Year Ended June 30,	
	Total 2023	Total 2022
Claims liability - beginning	\$ 10,726,176	\$ 10,624,118
Incurred claims	63,415,771	64,104,383
Claim payments and reductions	(64,205,273)	(64,002,325)
Claims liability - ending	<u>\$ 9,936,674</u>	<u>\$ 10,726,176</u>

## School District U-46

### Notes to Basic Financial Statements

#### Note 6. Employee Retirement Systems and Plans

The following is a summary of all pension related items presented in the governmental activities. Details related to these plans are presented separately on the following pages.

	Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)
Teachers' Retirement System (TRS)	\$ 21,775,402	\$ 2,788,328	\$ 5,837,362	\$ 143,647,702
Illinois Municipal Retirement Fund (IMRF)	50,818,670	40,707,913	1,808,081	9,743,318
Total	\$ 72,594,072	\$ 43,496,241	\$ 7,645,443	\$ 153,391,020

#### *Teachers' Retirement System*

##### **Plan Description**

The District participates in the Teachers' Retirement System of the state of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The state of Illinois, as a non-employer contributing entity, is legally mandated to make contributions to TRS, thus creating a special funding relationship with the plan. 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 I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service. Disability and death benefits are also provided.

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

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

## School District U-46

### Notes to Basic Financial Statements

---

#### **Note 6. Employee Retirement Systems and Plans (Continued)**

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024 as extended by Public Act 100-0587. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the state of Illinois.

##### ***Contributions***

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

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

##### ***On-behalf contributions to TRS***

The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2023, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenses of \$148,373,385 in the governmental activities based on the economic resources measurement basis and revenues and expenditures of \$133,514,500 in the General Fund based on the current financial resources measurement basis.

##### ***2.2 formula contributions***

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Required contributions for the year ended June 30, 2023, were \$1,605,732. Actual contributions were \$1,606,967 and reported as deferred outflows of resources on the statement of net position because they were paid after the June 30, 2022 measurement date. As of June 30, 2023, \$1,235 was due from TRS.

##### ***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.

For the year ended June 30, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$9,697,494 were paid from federal and special trust funds that required District contributions of \$1,017,267. Actual contributions were \$1,017,267 and reported as deferred outflows of resources on the statement of net position because they were paid after the June 30, 2022 measurement date.

## School District U-46

### Notes to Basic Financial Statements

#### Note 6. Employee Retirement Systems and Plans (Continued)

##### *Teachers' Retirement System (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 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. Additionally PA 100-0023 requires school districts to pay for a portion of the cost of a member's pension if that member's salary, determined on a full-time equivalent basis, is greater than the governor's statutory salary (currently \$190,700). The amount charged to the employer is the employer normal cost, or 10.49 percent.

For the year ended June 30, 2023, the District paid \$1,139,647 to TRS for employer contributions due on salary increases in excess of the statutory limit and \$16,366 for member salaries in excess of the governor's statutory salary. The District made no payments for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2023, the District reported a liability for its proportionate share of the collective net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the collective net pension liability, the related state support, and the total portion of the collective net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 21,775,402
State's proportionate share of the collective net pension liability associated with the District	1,888,871,875
Total	<u>\$ 1,910,647,277</u>

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2022, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2022, the District's proportion was 0.0260 percent, which was a decrease of 0.0021 from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized the following pension expense/expenditures and revenue pertaining to the District's employees:

	Governmental Activities	General Fund
State on-behalf contributions - revenue and expense/expenditure	\$ 148,373,385	\$ 133,514,500
District TRS pension (benefit) expense	(4,725,683)	2,624,234
Total TRS expense/expenditure	<u>\$ 143,647,702</u>	<u>\$ 136,138,734</u>

# School District U-46

## Notes to Basic Financial Statements

### Note 6. Employee Retirement Systems and Plans (Continued)

#### Teachers' Retirement System (Continued)

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

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 43,769	\$ 120,060
Net difference between projected and actual earnings on pension plan investments	19,920	-
Changes of assumptions	100,405	41,574
Changes in proportion and differences between District contributions and proportionate share of contributions	-	5,675,728
Total deferred pension actuarial adjustments	164,094	5,837,362
District contributions subsequent to the measurement date	2,624,234	-
Total deferred amounts related to pensions	\$ 2,788,328	\$ 5,837,362

Of the amounts reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date, \$2,624,234 will be recognized as a reduction of the collective net pension liability in the reporting year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2024	\$ (4,099,799)
2025	(610,587)
2026	(701,825)
2027	(124,270)
2028	(136,787)
	<u>\$ (5,673,268)</u>

#### **Actuarial Assumptions**

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

<b>Inflation</b>	2.50 percent (2.25 percent was used in the June 30, 2021 actuarial valuation)
<b>Salary increases</b>	3.75 percent to 8.75 percent (3.50 percent to 8.50 percent in the June 30, 2021 actuarial valuation), varies by amount of service credit
<b>Investment rate of return</b>	7.00 percent, net of pension plan investment expense, including inflation
<b>Cost-of-living adjustments</b>	Tier 1: 3% compounded; Tier 2: 1.25% not compounded (lesser of 3% or ½ CPI increase, but not less than zero)

## School District U-46

### Notes to Basic Financial Statements

---

#### Note 6. Employee Retirement Systems and Plans (Continued)

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

##### **Actuarial Assumptions**

Mortality rates were based on the PubT-2010 Table with adjustments as appropriate for TRS experience. The rates are based on a fully generational basis using projection table MP-2020.

The actuarial assumptions used were based on the results of an experience study dated August 12, 2021, and an economic experience review presented at the TRS August 12, 2022 board meeting.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	16.3 %	5.7 %
U.S. equities small/mid cap	1.9	6.8
International equities developed	14.1	6.6
Emerging market equities	4.7	8.6
U.S. bonds core	6.9	1.2
International debt developed	1.2	0.3
Emerging international debt	3.7	3.8
Cash equivalents	1.2	(0.3)
TIPS	0.5	0.3
Real estate	16.0	5.4
Hedge funds (absolute return)	4.0	3.5
Infrastructure	2.0	5.9
Private equity	15.0	10.0
Private debt	12.5	5.3
Total	<u>100.0 %</u>	

##### **Discount Rate**

At June 30, 2022, the discount rate used to measure the total pension liability was 7.00 percent, which was the same as the June 30, 2021 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2022 and future contributions were projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were projected to be available to make all benefit payments, so a long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

## School District U-46

### Notes to Basic Financial Statements

---

#### Note 6. Employee Retirement Systems and Plans (Continued)

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

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

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

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the collective net pension liability	\$ 26,631,514	\$ 21,775,402	\$ 17,748,555

##### ***TRS Fiduciary Net Position***

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

##### ***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's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section below. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the Illinois General Assembly. 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).

##### ***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 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent 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 percent of the original amount on January 1 every year after retirement.

## School District U-46

### Notes to Basic Financial Statements

---

#### Note 6. Employee Retirement Systems and Plans (Continued)

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

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 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent 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 percent of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

##### **Employees Covered by Benefit Terms**

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

Retirees and Beneficiaries currently receiving benefits	1,696
Inactive Plan Members entitled to but not yet receiving benefits	2,434
Active Plan Members	<u>1,976</u>
Total	<u><u>6,106</u></u>

##### **Contributions**

As set by statute, the District's Regular Plan Members are required to contribute 4.5 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of their own employees. The District's annual contribution rates for calendar years 2023 and 2022 were 7.88 percent and 9.13 percent, respectively. For the fiscal year ended June 30, 2023, the District contributed \$6,545,745 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

##### **Net Pension Liability**

The District's net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

##### **Actuarial Assumptions**

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

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25 percent.
- **Salary Increases** were expected to be 2.85 percent to 13.75 percent, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25 percent.



## School District U-46

### Notes to Basic Financial Statements

---

#### Note 6. Employee Retirement Systems and Plans (Continued)

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

##### *Actuarial Assumptions (Continued)*

- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017-2019.
- For **Non-disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106 percent) and Female (adjusted 105 percent) tables, and future mortality improvements projected using scale MP-2020.
- For **Disabled Retirees**, the Pub 2010, amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- For **Active Members**, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Projected Returns / Risk	
		One Year Arithmetic	Ten Year Geometric
Domestic equity	35.5 %	7.82 %	6.50 %
International equity	18.0	9.23	7.60
Fixed income	25.5	5.01	4.90
Real estate	10.5	7.10	6.20
Alternative investments	9.5		
Private equity		13.43	9.90
Commodities		7.42	6.25
Cash equivalents	<u>1.0</u>	4.00	4.00
Total	<u><u>100.0 %</u></u>		

**School District U-46****Notes to Basic Financial Statements**

---

**Note 6. Employee Retirement Systems and Plans (Continued)*****Illinois Municipal Retirement Fund (Continued)******Actuarial Assumptions (Continued)******Single Discount Rate***

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

- The long-term expected rate of return on pension plan investments (7.25 percent) during the period in which the fiduciary net position is projected to be sufficient to pay benefits, and
- The tax-exempt municipal bond rate (4.05 percent) based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date to the extent that the contributions for use with the long-term expected rate of return are not met.

Based on those assumptions, IMRF's fiduciary net position at December 31, 2022, was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25 percent and the municipal bond rate was not used.

***Changes in the Net Pension Liability (Asset)***

The following table shows the components of the District's annual pension liability and related plan fiduciary net position for the calendar year ended December 31, 2022:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at beginning of year	\$ 381,012,022	\$ 414,218,755	\$ (33,206,733)
Changes for the year:			
Service cost	7,057,969	-	7,057,969
Interest on the total pension liability	27,102,665	-	27,102,665
Changes of benefit terms	-	-	-
Differences between expected and actual experience of the total pension liability	8,108,138	-	8,108,138
Changes of assumptions	-	-	-
Contributions - employer	-	6,922,457	(6,922,457)
Contributions - employees	-	3,473,041	(3,473,041)
Net investment income	-	(51,905,867)	51,905,867
Benefit payments, including refunds of employee contributions	(21,422,281)	(21,422,281)	-
Other (net transfer)	-	(246,262)	246,262
Net changes	20,846,491	(63,178,912)	84,025,403
Balance at end of year	\$ 401,858,513	\$ 351,039,843	\$ 50,818,670

# School District U-46

## Notes to Basic Financial Statements

### Note 6. Employee Retirement Systems and Plans (Continued)

#### Illinois Municipal Retirement Fund (Continued)

##### **Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the District's net pension asset, calculated using a Single Discount Rate of 7.25 percent, as well as what the District's net pension liability (asset) would be if it were calculated using a Single Discount Rate that is 1 percent lower or 1 percent higher:

	1% Decrease 6.25%	Current Single Discount Rate 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 446,709,269	\$ 401,858,513	\$ 365,928,502
Plan Fiduciary Net Pension	351,039,843	351,039,843	351,039,843
Net Pension Liability	<u>\$ 95,669,426</u>	<u>\$ 50,818,670</u>	<u>\$ 14,888,659</u>

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

For the year ended June 30, 2023, the District recognized pension expense of \$9,743,318. At June 30, 2023, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,752,792	\$ 1,240,386
Net difference between projected and actual earnings on pension plan investments	28,490,248	-
Changes of assumptions	-	567,695
Total deferred pension actuarial adjustments	<u>37,243,040</u>	<u>1,808,081</u>
District contributions subsequent to the measurement date	<u>3,464,873</u>	<u>-</u>
Total deferred amounts related to pensions	<u>\$ 40,707,913</u>	<u>\$ 1,808,081</u>

Of the amounts reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, \$3,464,873 will be recognized as a decrease to the net pension liability in the reporting year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2024	\$ 1,110,681
2025	8,117,367
2026	9,901,296
2027	16,305,615
	<u>\$ 35,434,959</u>

## School District U-46

### Notes to Basic Financial Statements

---

#### Note 7. Post-Employment Plans Other Than Pensions

The following is a summary of all other post-employment benefits (OPEB) other than pension related items presented in the governmental activities. Details related to these plans are presented separately in the following pages.

	OPEB Liability	Deferred Outflows	Deferred Inflows	OPEB Expense (Benefit)
Retiree Healthcare Plan - District Plan	\$ 24,385,585	\$ 2,737,763	\$ 4,097,370	\$ 1,732,135
Teachers' Health Insurance Security Fund (THIS)	65,991,790	15,128,504	208,020,854	(64,376,261)
Total	<u>\$ 90,377,375</u>	<u>\$ 17,866,267</u>	<u>\$ 212,118,224</u>	<u>\$ (62,644,126)</u>

#### **Retiree Healthcare Plan**

##### **Plan Description**

The District administers a single employer defined benefit healthcare plan, the "Retiree Healthcare Plan" or "the Plan." The Plan provides healthcare insurance for eligible retirees and their dependents through the District's group health insurance plan, which covers both active and retired members. The Plan operates on a pay-as-you-go funding basis. No assets are accumulated or dedicated to funding the retiree health insurance benefits in a GASB-compliant trust. The Plan does not issue a stand-alone financial report.

##### **Benefits Provided**

Benefit provisions are established through negotiations between the District and the unions representing District employees and are renegotiated each bargaining period. Certain retirees are eligible until the first month of Medicare eligibility and others are eligible for their lifetime. Certified retirees receive coverage under the TRS health plan and non-certified retirees receive coverage under the District's health plan. The District's contributions vary based on the union to which the employee belongs, the employees' years of service, and the year in which the employee retired.

##### **Employees Covered by Benefit Terms**

At June 30, 2023, the following employees were covered by the benefit terms:

Inactive Plan Members currently receiving benefits	189
Active Plan Members	<u>3,479</u>
	<u>3,668</u>

## School District U-46

### Notes to Basic Financial Statements

---

#### Note 7. Post-Employment Plans Other Than Pensions (Continued)

##### *Retiree Healthcare Plan (Continued)*

##### **Total OPEB Liability**

The District's total OPEB liability was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date.

	Total OPEB Liability
Balances at July 1, 2022	<u>\$ 24,077,188</u>
Changes for the year:	
Service cost	830,400
Interest on the total OPEB liability	984,398
Differences between expected and actual experience of the total OPEB liability	-
Changes of assumptions	188,954
Benefit payments	<u>(1,695,355)</u>
Net changes	<u>308,397</u>
Balances at June 30, 2023	<u><u>\$ 24,385,585</u></u>

##### **Actuarial Assumptions**

The following are the methods and assumptions used to determine total OPEB liability at June 30, 2023:

- The **Actuarial Cost Method** used was the Entry Age Normal.
- **Salary Increases** was assumed to be 2.75 percent, including inflation.
- For **Healthcare Cost Trend Rates**, in the 2023 fiscal year, a rate of 7.00 percent was used, with that rate gradually decreasing to an ultimate trend of 4.14 percent by fiscal year 2075.
- For IMRF employees the **Mortality Rates** used are from the PUB-2010 Healthy Mortality Tables below-median income, general employee and retiree, projected generationally with Scale MP - 2020. For post-commencement, male rates were multiplied by 106 percent for all ages and female rates were multiplied by 105 percent for all ages.
- For TRS employees the **Mortality Rates** used are from the PUB-2010 Healthy Mortality Tables teacher employee and retiree, projected generationally with Scale MP-2020. Pre- and post-commencement rates were further adjusted. Specifically, for pre-commencement, rates were multiplied by 90 percent for all ages. For post-commencement, male rates were multiplied by 105 percent for ages under 85 and 115 percent for ages 85 and older, while female rates were multiplied by 91 percent for ages under 75 and 109 percent for ages 75 and older.

## School District U-46

### Notes to Basic Financial Statements

---

#### Note 7. Post-Employment Plans Other Than Pensions (Continued)

##### *Retiree Healthcare Plan (Continued)*

The following assumptions were changed since the prior valuation:

- The discount rate was changed from 4.09 percent to 4.13 percent based on the change in the 20-year municipal bond yields.
- The healthcare cost trend was updated from a decreasing graded scale rate that started with 6.50 percent in fiscal year 2023 and ended with 3.95 percent in fiscal year 2075 to a rate scale that started at 7.00 percent and grading down to an ultimate rate of 4.14.

##### **Discount Rate**

Since the Plan is financed on a pay-as-you-go basis, a long-term rate of return was not used and the discount rate used to measure the total OPEB liability was the 20-year municipal bond yield, (source was the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2023). The projection of cash flows used to determine the discount rate assumed the employee and employer contributions would be made at the current rates. Based on those assumptions, the Plan's fiduciary net position was not projected to be sufficient to make projected OPEB payments for current active and inactive employees beyond the current year.

##### **Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate**

The following presents the District's total OPEB liability, calculated using a Discount Rate of 4.13 percent, as well as what the District's total OPEB liability would be if it were calculated using a Discount Rate that is one percentage point higher or lower than the current rate:

	1% Decrease 3.13%	Current Discount Rate 4.13%	1% Increase 5.13%
Total OPEB liability	\$ 25,767,786	\$ 24,385,585	\$ 23,063,766

##### **Sensitivity of Total OPEB Liability to Changes in the Healthcare Cost Trend Rate**

The following presents the District's total OPEB liability, calculated using the healthcare cost trend rates as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates.

	1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
Total OPEB liability	\$ 23,537,927	\$ 24,385,585	\$ 25,343,642

(a) One percentage point decrease in the healthcare trend rates, 6.00% in 2024 grading down to an ultimate rate of 3.14% in 2076.

(b) One percentage point increase in the healthcare trend rates, 8.00% in 2024 grading down to an ultimate rate of 5.14% in 2076.

## School District U-46

### Notes to Basic Financial Statements

#### Note 7. Post-Employment Plans Other Than Pensions (Continued)

##### *Retiree Healthcare Plan (Continued)*

##### ***OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB***

For the year ended June 30, 2023, the District recognized OPEB expense of \$1,732,135. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,007,282
Changes of assumptions	2,737,763	2,090,088
Total deferred amounts related to OPEB	<u>\$ 2,737,763</u>	<u>\$ 4,097,370</u>

Amounts reported as deferred outflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense in future periods as follows:

Year ending June 30:

2024	\$ (82,663)
2025	(82,663)
2026	(110,720)
2027	(230,078)
2028	(476,490)
Thereafter	(376,993)
	<u>\$ (1,359,607)</u>

##### ***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>).

## School District U-46

### Notes to Basic Financial Statements

---

#### Note 7. Post-Employment Plans Other Than Pensions (Continued)

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

###### **Benefits Provided**

THIS provides medical, prescription, and behavioral health benefits for eligible retirees and their dependents, but it does not provide vision, dental, or life insurance benefits to annuitants of 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 percent 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 percent 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 percent of covered payroll.
- Employers contribute 0.67 percent of covered payroll. The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year. For the year ended June 30, 2023, the District paid \$1,854,897 to the THIS Fund, which was 100 percent of the required contribution. These contributions are deferred because they were paid after the June 30, 2022 measurement date.
- 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 percent of covered payroll. For the year ended June 30, 2023, State of Illinois contributions on behalf of the District's employees were \$2,491,653 and the District recognized revenue and expenditures for this on-behalf contribution amount during the year in the General Fund.
- Retired members contribute through premium payments based on the coverage elected, Medicare eligibility, and the age of the member and dependents. The premium for retired members is not permitted to increase by more than 5.0 percent per year by statute. The Federal Government provides a Medicare Part D subsidy.

###### **OPEB Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

At June 30, 2023, the District reported a liability for its proportionate share of the collective net OPEB liability that reflected a reduction for state pension support provided for the District. The state's support and total are for disclosure purposes only. The OPEB proportionate shares are as follows:

Employer's proportionate share of the collective net OPEB liability	\$ 65,991,790
The State's proportionate share of the collective net OPEB liability associated with the District	89,775,314
Total THIS net collective OPEB liability associated with the District	<u>\$ 155,767,104</u>



**School District U-46****Notes to Basic Financial Statements****Note 7. Post-Employment Plans Other Than Pensions (Continued)*****Teachers' Health Insurance Security Fund (Continued)***

The collective net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2021, and rolled forward to June 30, 2022. The District's proportionate share of the net 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. At June 30, 2022, the District's proportion was 0.9641 percent, which was an decrease of 0.0055 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized the following for OPEB expense/expenditure and revenue pertaining to the District's employees:

	Governmental Activities	General Fund
State on-behalf contributions - OPEB revenue		
and (benefit) expense/expenditure	\$ (39,135,872)	\$ 2,491,653
District OPEB (benefit) expense	(25,240,389)	1,854,897
Total OPEB (benefit) expense/expenditure	<u>\$ (64,376,261)</u>	<u>\$ 4,346,550</u>

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 43,161,875
Net difference between projected and actual earnings on OPEB investments	8,018	-
Changes of assumptions	59,533	162,784,188
Changes in proportion and differences between employer contributions and proportionate share of contributions	13,206,056	2,074,791
Total deferred OPEB actuarial adjustments	<u>13,273,607</u>	<u>208,020,854</u>
Employer contribution subsequent to the measurement date	1,854,897	-
Total deferred amounts related to OPEB	<u>\$ 15,128,504</u>	<u>\$ 208,020,854</u>

## School District U-46

### Notes to Basic Financial Statements

#### Note 7. Post-Employment Plans Other Than Pensions (Continued)

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

The District reported \$1,854,897 as deferred outflows of resources resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the collective total OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in expense as follows:

Year ending June 30:

2024	\$ (22,030,232)
2025	(22,030,232)
2026	(22,030,232)
2027	(22,030,232)
2028	(22,030,232)
Thereafter	(84,596,087)
	<u>\$ (194,747,247)</u>

##### **Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, based on the entry age normal cost method and using the following actuarial assumptions:

Discount rate	3.69 percent (1.92 percent was used in the June 30, 2020 actuarial valuation)
Inflation	2.25 percent (2.50 percent was used in the June 30, 2020 actuarial valuation)
Salary increases	Depends on service and increases are based on the results of a TRS experience study. Rates range from 8.50 percent to 3.50 percent. (9.50 percent to 4.00 percent was used in the June 30, 2020 actuarial valuation)
Healthcare cost trend rates	Actual trend used for fiscal year 2022. For fiscal years on and after 2023, trend starts at 6.00 percent and gradually changes to an ultimate trend of 4.25 percent in 2039.
Mortality	<i>Healthy post-retirement:</i> PubT-2010 Retiree Mortality Table projected generationally with Scale MP-2020, with female rates multiplied by 91 percent for ages under 75 and 109 percent for ages 75 and older and male rates multiplied by 105 percent for ages under 85 and 115 percent for ages 85 and older. <i>Healthy post-retirement beneficiary:</i> Pub-2010 Contingent Survivor Mortality Table projected generationally with Scale MP-2020, with female rates multiplied by 98 percent for all ages and male rates multiplied by 110 percent for all ages. <i>Healthy pre-retirement:</i> PubT-2010 Employee Mortality Table projected generationally with Scale MP-2020, with female and male rates multiplied by 90 percent for all ages. <i>Disabled post-retirement:</i> PubNS-2010 Non-Safety Disabled Retiree Mortality Table projected generationally with Scale MP-2020.

Notes to Basic Financial Statements

---

**Note 7. Post-Employment Plans Other Than Pensions (Continued)**

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

Participation

Currently active members are assumed to retire and elect healthcare coverage at varying rates depending on age and member type. 80 percent of full and part time members under 65 years of age are assumed to elect coverage, and 60 percent of those members 65 years of age or older are assumed to elect coverage. 80 percent, 60 percent, and 40 percent of substitute and hourly members less than 60 years old, 60 through 64 years old, and 65 years or older, respectively, are assumed to elect coverage. Ten percent of current deferred vested participants with five to seven years of service and younger than 70 as of June 30, 2021, are assumed to elect healthcare coverage (this liability is allocated equally between the State Employees' Group Insurance Program (SEGIP) and the Teachers' Retirement Insurance Program (TRIP)). Retired annuitants who previously waived coverage are expected to elect it in the future at rates varying from 40 to 0 percent based on age and number of years they have been receiving retirement benefits. 80 percent of those who elect coverage are assumed to elect single coverage and 20 percent two-person coverage.

The pension-related assumptions disclosed in the TRS experience study for the period July 1, 2017 through June 30, 2020, were applied to the THIS actuarial valuation as of June 30, 2021.

The following OPEB-related assumption changes were made since the June 30, 2020, OPEB actuarial valuation date:

- Mortality tables were changed. In the prior valuation, RP-2014 tables adjusted for TRS experience and Projection Scale MP-2017 were used.
- Per capita claim costs for plan year end June 30, 2022, were updated based on projected claims and enrollment experience through June 30, 2022, and updated premium rates through plan year 2023;
- Effective as of January 1, 2023, projected per capita costs reflect the newly established zero premium MAPD plan. Based on discussions with CMS, the MAPD costs are zero for calendar years 2023 through 2027, increase to \$42 per member per month in calendar year 2028, and increases ratably to \$102 per member per month in calendar year 2032. After 2032, costs increase according to the assumed trend rates. The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2020, projected plan cost for plan year end June 30, 2021, premium changes through plan year end 2021, and expectation of future trend increases after June 30, 2020;
- The healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2021, projected plan cost for plan year end June 30, 2022, premium changes through plan year end 2023, and expectation of future trend increases after June 30, 2022; and
- Healthcare plan participation rates by plan were updated based on observed experience.

## School District U-46

### Notes to Basic Financial Statements

#### Note 7. Post-Employment Plans Other Than Pensions (Continued)

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

###### Discount Rate

Since THIS is financed on a pay-as-you-go basis, a long-term rate of return was not used and the discount rate used to measure the total OPEB liability was the 20-year general obligation bond index rate (source was Fidelity Index's 20-year municipal GO AA Index). The discount rate as of June 30, 2022 was 3.69 percent which was an increase from the June 30, 2021 rate of 1.92 percent. The projection of cash flows used to determine the discount rate assumed that employee, employer, and State contributions would be made at the current statutorily required rates. Based on those assumptions, THIS's fiduciary net position was not projected to be sufficient to make projected OPEB payments for current active and inactive employees beyond the current year.

###### Sensitivity of the Employer's Proportionate Share of the Net OPEB Liability to Changes in the Single Discount Rate

The following presents the plan's net OPEB liability, calculated using a Single Discount Rate of 3.69 percent, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease 2.69%	Current Discount Rate 3.69%	1% Increase 4.69%
Employer's proportionate share of the collective net OPEB liability	\$ 73,341,052	\$ 65,991,790	\$ 58,440,721

###### Sensitivity of Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the plan's net OPEB liability, calculated using the healthcare cost trend rates as well as what the plan's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower, than the current healthcare cost trend rates.

	1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
Employer's proportionate share of the collective net OPEB liability	\$ 55,764,895	\$ 65,991,790	\$ 77,215,628

(a) One percentage point decrease in healthcare trend rates for pre-Medicare per capita costs: 5.00% in 2023, 7.00% in 2024, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2039 and for post-Medicare per capita costs: 2.22% in 2023, 0.00% from 2024 to 2028, 18.42% from 2029 to 2033, 4.81% in 2034 decreasing ratably to an ultimate trend rate of 3.25% in 2039.

(b) One percentage point increase in current healthcare trend rates for pre-Medicare per capita costs: 7.00% in 2023, 9.00% in 2024, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2039 and for post-Medicare per capita costs: 4.22% in 2023, 1.00% from 2024 to 2028, 20.42% from 2029 to 2033, 6.81% in 2034 decreasing ratably to an ultimate trend rate of 5.25% in 2039.

###### OPEB Plan Fiduciary Net Position

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

###### Payable to the OPEB Plan

The District had no outstanding amount of contributions to the THIS plan for the year ended June 30, 2023.

## School District U-46

### Notes to Basic Financial Statements

---

#### Note 8. Other Financial Disclosures

##### *Expenditures Exceeding Budgets*

The District adopts annual budgets for all funds. The funds with annually adopted budgets and excesses of expenditures over budgeted expenditures during fiscal year 2023 are as follows:

Fund	Final Budget	Actual Expenditures	Amount Over Budget
Major Funds:			
Debt Service Fund	\$ 42,243,453	\$ 42,335,979	\$ 92,526
Nonmajor Funds:			
Capital Projects Fund	1,000,000	1,672,131	672,131

##### *Interfund Transfers*

During fiscal year 2023, the District transferred \$528,596 from the General Fund to the Debt Service Fund to provide resources to pay principal and interest on debt certificates and purchase contracts and to abate a portion of the 2022 property tax levy and \$45,000,000 from the General Fund to the Capital Projects fund to provide resources for upcoming capital projects.

#### Note 9. Contingent Liabilities

##### *Litigation*

The District is a defendant in various lawsuits wherein substantial amounts are claimed. In the opinion of the District's legal counsel, these suits are without substantial merit and should not result in judgments, which in aggregate would have a material adverse effect on the District's financial statements.

##### *Grants*

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government and the Illinois State Board of Education. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time. 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

At June 30, 2023, the District had approximately \$20,200,000 in outstanding construction project commitments. The projects were comprised of work to be done at various school buildings and to be paid from the Operations and Maintenance Account of the General Fund, and the Capital Projects Fund.

## School District U-46

### Notes to Basic Financial Statements

---

#### **Note 11. Authoritative Pronouncements Issued But Not Yet Adopted**

The following is a description of GASB authoritative pronouncements which have been issued but not yet adopted by the District:

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 upon issuances and with its year ending June 30, 2024.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, will improve the clarity of the accounting and financial reporting requirements for accounting charges 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, 2025.

GASB Statement No. 102, *Certain Risk Disclosures*, will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. The Statement will be effective for the District with its year ending June 30, 2025.

Management has not currently determined what impact, if any, these Statements may have on its financial statements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of the District's Proportionate Share of the Collective Net Pension Liability – Teachers' Retirement System

Schedule of District Contributions – Teachers' Retirement System

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

Schedule of District Contributions – Illinois Municipal Retirement Fund

Schedule of Changes in the Total OPEB Liability and Related Ratios – District OPEB Plan

Schedule of the District's Proportionate Share of the Collective Net OPEB Liability – Teachers' Health Insurance Security Fund

Schedule of District Contributions – Teachers' Health Insurance Security Fund

Budgetary Comparison Information: General Fund

Notes to Required Supplementary Information (RSI)

**School District U-46**

**Schedule of the District's Proportionate Share of the Collective Net Pension Liability  
Teachers' Retirement System**

Fiscal Year Ended*	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the collective net pension liability	0.0260%	0.0281%	0.0289%	0.0292%	0.0303%	0.0871%	0.0827%	0.0517%	0.0814%
District's proportionate share of the collective net pension liability	\$ 21,775,402	\$ 21,887,800	\$ 24,912,130	\$ 23,715,862	\$ 23,609,784	\$ 66,545,775	\$ 65,248,035	\$ 33,868,384	\$ 49,508,342
State's proportionate share of the collective net pension liability associated with the District	1,888,871,875	1,834,430,264	1,951,247,392	1,687,832,038	1,617,369,178	1,557,896,054	1,609,322,179	1,275,250,978	1,173,916,748
<b>Total</b>	<b>\$ 1,910,647,277</b>	<b>\$ 1,856,318,064</b>	<b>\$ 1,976,159,522</b>	<b>\$ 1,711,547,900</b>	<b>\$ 1,640,978,962</b>	<b>\$ 1,624,441,829</b>	<b>\$ 1,674,570,214</b>	<b>\$ 1,309,119,362</b>	<b>\$ 1,223,425,090</b>
District's covered payroll	\$ 265,684,924	\$ 251,560,800	\$ 243,853,436	\$ 227,801,600	\$ 215,651,921	\$ 211,077,112	\$ 204,244,433	\$ 198,258,595	\$ 188,448,392
District's proportionate share of the collective net pension liability as a percentage of its covered payroll	8.2%	8.7%	10.2%	10.4%	10.9%	31.5%	31.9%	17.1%	26.3%
Plan fiduciary net position as a percentage of the total pension liability	42.8%	45.1%	37.8%	39.6%	40.0%	39.3%	36.4%	41.5%	43.0%

**Notes to schedule**

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

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.



**School District U-46**

**Schedule of District Contributions  
Teachers' Retirement System**

Fiscal Year Ended	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually-required contribution	\$ 2,622,999	\$ 2,492,034	\$ 2,010,482	\$ 2,083,042	\$ 1,862,360	\$ 1,770,395	\$ 2,800,714	\$ 3,175,233	\$ 2,337,303	\$ 2,502,668
Contributions in relation to the contractually-required contribution	2,624,234	2,496,006	2,051,858	1,911,459	1,868,418	1,699,413	3,589,872	2,444,400	2,311,171	2,502,668
Contribution (excess) deficiency	<u>\$ (1,235)</u>	<u>\$ (3,972)</u>	<u>\$ (41,376)</u>	<u>\$ 171,583</u>	<u>\$ (6,058)</u>	<u>\$ 70,982</u>	<u>\$ (789,158)</u>	<u>\$ 730,833</u>	<u>\$ 26,132</u>	<u>\$ -</u>
District's covered payroll	\$ 276,850,342	\$ 265,684,924	\$ 251,560,800	\$ 243,853,436	\$ 227,801,600	\$ 215,651,921	\$ 211,077,112	\$ 204,244,433	\$ 198,258,595	\$ 188,448,392
Contributions as a percentage of covered payroll	0.95%	0.94%	0.82%	0.78%	0.82%	0.79%	1.70%	1.20%	1.17%	1.33%

**Notes to Schedules**

**Changes of Assumptions**

For the 2022 measurement year, the inflation rate assumption was increased by 0.25 percent and salary rate assumptions and average COLA and rate of increase in pensionable salary cap applicable to Tier 2 members were also increased to include the updated inflation rate. The inactive vested buyout election assumption was increased from 5% to 10% and the period during which participants could elect the buy-out option was extended from 2024 to 2026 to reflect the change in law.

For the 2021 measurement year, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Mortality rates were based on the PubT-2010 Table with adjustments as appropriate for TRS experience. The rates were based on a fully generational basis using projection table MP-2020. In prior measurement periods, mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates were used on a fully generational basis using projection table MP-2017.

For the 2020 through 2016 measurement years, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit and were consistent in 2020 and 2019. These actuarial assumptions were based on an experience study dated September 18, 2018.

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

**School District U-46**

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

Calendar year ended December 31	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability								
Service Cost	\$ 7,057,969	\$ 6,776,618	\$ 7,705,149	\$ 7,240,886	\$ 6,690,189	\$ 7,088,356	\$ 7,287,074	\$ 6,752,927
Interest in the Total Pension Liability	27,102,665	25,677,596	25,418,742	24,206,866	23,132,664	22,710,668	21,991,405	20,550,703
Changes of Benefit Terms	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	8,108,138	7,623,313	(6,808,476)	3,114,679	3,308,148	1,653,787	(5,058,203)	5,258,888
Changes of Assumptions	-	-	(3,116,072)	-	9,203,969	(9,673,308)	(1,091,259)	359,033
Benefit Payments, including Refunds of Employee Contributions	(21,422,281)	(19,701,861)	(18,627,500)	(17,530,554)	(16,785,530)	(15,122,077)	(14,112,060)	(12,956,579)
Net Change in Total Pension Liability	20,846,491	20,375,666	4,571,843	17,031,877	25,549,440	6,657,426	9,016,957	19,964,972
Total Pension Liability - Beginning	381,012,022	360,636,356	356,064,513	339,032,636	313,483,196	306,825,770	297,808,813	277,843,841
Total Pension Liability - Ending	<u>\$ 401,858,513</u>	<u>\$ 381,012,022</u>	<u>\$ 360,636,356</u>	<u>\$ 356,064,513</u>	<u>\$ 339,032,636</u>	<u>\$ 313,483,196</u>	<u>\$ 306,825,770</u>	<u>\$ 297,808,813</u>
Plan Fiduciary Net Position								
Contributions - Employer	\$ 6,922,457	\$ 8,089,401	\$ 8,043,625	\$ 7,224,938	\$ 7,630,632	\$ 7,505,169	\$ 7,623,785	\$ 7,321,744
Contributions - Employees	3,473,041	3,368,339	3,203,606	3,373,975	3,049,438	2,991,943	2,932,617	2,914,439
Net Investment Income	(51,905,867)	60,876,603	46,383,666	52,625,457	(16,123,071)	45,723,969	17,057,396	1,228,293
Benefit Payments, including Refunds of Employee Contributions	(21,422,281)	(19,701,861)	(18,627,500)	(17,530,554)	(16,785,530)	(15,122,077)	(14,112,060)	(12,956,579)
Other (Net Transfer)	(246,262)	(568,336)	(2,556,839)	158,149	5,562,833	(6,145,971)	237,493	2,302,834
Net Change in Plan Fiduciary Net Position	(63,178,912)	52,064,146	36,446,558	45,851,965	(16,665,698)	34,953,033	13,739,231	810,731
Plan Fiduciary Net Position - Beginning	414,218,755	362,154,609	325,708,051	279,856,086	296,521,784	261,568,751	247,829,520	247,018,789
Plan Fiduciary Net Position - Ending	<u>\$ 351,039,843</u>	<u>\$ 414,218,755</u>	<u>\$ 362,154,609</u>	<u>\$ 325,708,051</u>	<u>\$ 279,856,086</u>	<u>\$ 296,521,784</u>	<u>\$ 261,568,751</u>	<u>\$ 247,829,520</u>
Net Pension Liability (Asset)	<u>\$ 50,818,670</u>	<u>\$ (33,206,733)</u>	<u>\$ (1,518,253)</u>	<u>\$ 30,356,462</u>	<u>\$ 59,176,550</u>	<u>\$ 16,961,412</u>	<u>\$ 45,257,019</u>	<u>\$ 49,979,293</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.35%	108.72%	100.42%	91.47%	82.55%	94.59%	85.25%	83.22%
Covered Payroll	\$ 75,821,036	\$ 73,654,616	\$ 70,841,717	\$ 73,292,380	\$ 67,513,152	\$ 65,500,573	\$ 64,026,568	\$ 64,024,510
Net Pension Liability as a Percentage of Covered Payroll	67.02%	-45.08%	-2.14%	41.42%	87.65%	25.90%	70.68%	78.06%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**School District U-46****Schedule of District Contributions  
Illinois Municipal Retirement Fund**

Fiscal Year Ending June 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2023	\$ 6,548,279	\$ 6,545,745	\$ 2,534	\$ 77,349,955	8.46%
2022	7,445,895	7,431,504	14,391	74,645,601	9.96%
2021	7,864,535	7,852,268	12,267	70,838,769	11.08%
2020	7,909,693	7,902,178	7,515	74,611,892	10.59%
2019	7,514,214	7,630,632	(116,418)	67,513,152	11.30%
2018	7,499,816	7,505,169	(5,353)	65,500,573	11.46%
2017	7,567,940	7,623,785	(55,845)	61,906,562	12.31%
2016	7,305,197	7,321,744	(16,547)	58,046,942	12.61%
2015	6,833,838	6,915,065	(81,227)	54,960,594	12.58%
2014	7,099,132	7,099,132	-	53,247,560	13.33%

**School District U-46**

**Schedule of Changes in the Total OPEB Liability and Related Ratios  
District OPEB Plan**

Fiscal Year Ended	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service cost	\$ 830,400	\$ 1,158,539	\$ 1,148,731	\$ 1,006,873	\$ 1,003,479	\$ 1,003,974
Interest cost	984,398	635,785	749,319	716,716	765,847	806,590
Change of benefit terms	-	-	-	-	-	(2,003,354)
Differences between expected and actual experience	-	(1,899,363)	-	(1,247,373)	-	-
Changes of assumptions	188,954	(2,824,742)	964,209	3,779,446	259,405	210,570
Benefit payments, including refunds of employee contributions	(1,695,355)	(1,987,158)	(1,766,976)	(2,063,194)	(2,022,065)	(2,157,596)
Net change in total pension liability	308,397	(4,916,939)	1,095,283	2,192,468	6,666	(2,139,816)
Total OPEB liability - beginning	24,077,188	28,994,127	27,898,844	25,706,376	25,699,710	27,839,526
Total OPEB liability - ending	<u>\$ 24,385,585</u>	<u>\$ 24,077,188</u>	<u>\$ 28,994,127</u>	<u>\$ 27,898,844</u>	<u>\$ 25,706,376</u>	<u>\$ 25,699,710</u>
Covered payroll	\$ 228,570,185	\$ 237,143,228	\$ 218,547,893	\$ 227,354,884	\$ 211,666,809	\$ 219,201,030
Total OPEB liability as a percentage of covered payroll	10.67%	10.15%	13.27%	12.27%	12.14%	11.72%

**Notes to Schedule:**

*Changes of benefit assumptions.* Changes of assumptions reflect the effects of changes in the discount rate. The following are the discount rates used in each period.

2023 - 4.13%  
2022 - 4.09%  
2021 - 2.18%  
2020 - 2.66%  
2019 - 2.79%  
2018 - 3.51%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**School District U-46**

**Schedule of the District's Proportionate Share of the Collective Net OPEB Liability  
Teachers' Health Insurance Security Fund**

Fiscal Year Ended*	2023	2022	2021	2020	2019	2018
District's proportion of the collective net OPEB liability	0.9641%	0.9696%	0.9600%	0.9190%	0.9223%	0.9185%
District's proportionate share of the collective net OPEB liability	\$ 65,991,790	\$ 213,851,408	\$ 256,662,793	\$ 254,361,840	\$ 242,987,411	\$ 238,342,838
The State's proportionate share of the collective net OPEB liability associated with the District	89,775,314	289,951,301	347,708,201	344,438,459	326,279,389	313,003,345
Total	<u>\$ 155,767,104</u>	<u>\$ 503,802,709</u>	<u>\$ 604,370,994</u>	<u>\$ 598,800,299</u>	<u>\$ 569,266,800</u>	<u>\$ 551,346,183</u>
Covered payroll	\$ 265,684,924	\$ 251,560,800	\$ 243,853,436	\$ 227,801,600	\$ 215,651,921	\$ 211,077,112
Collective net OPEB liability as a percentage of the covered payroll	24.8384%	85.0098%	105.2529%	111.6594%	112.6757%	112.9174%
Plan fiduciary net position as a percentage of the total OPEB liability	5.2400%	1.4000%	0.0000%	0.0000%	0.0000%	0.0000%

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

**Notes to schedule**

*Changes of benefit assumptions* . Changes of assumptions are as follows:

- The following are discount rates used in each period.
  - 2023 - 3.69%
  - 2022 - 1.92%
  - 2021 - 2.45%
  - 2020 - 3.13%
  - 2019 - 3.62%
  - 2018 - 3.56%
- The healthcare trend assumption was updated each year based on claim and enrollment experience, projected plan cost for the applicable plan year, premium changes through the applicable plan year, and expectation of future trend increases.
- The excise trend rate adjustment was updated based on available premium and enrollment information for the applicable plan year.
- Per capita claim costs were updated based on projected claims and enrollment experience for the applicable plan year and updated premium rates for the applicable plan year.
- Healthcare plan participation rates by plan were updated based on observed experience.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**School District U-46**

**Schedule of District Contributions  
Teachers' Health Insurance Security Fund**

Fiscal Year Ended	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually-required contribution	\$ 1,854,897	\$ 1,780,089	\$ 2,314,359	\$ 2,243,452	\$ 2,095,775	\$ 1,897,737	\$ 1,773,048	\$ 1,633,955	\$ 1,506,765	\$ 1,356,828
Contributions in relation to the contractually-required contribution	1,854,897	1,780,089	2,314,359	2,243,452	2,095,775	1,951,741	1,773,048	1,633,955	1,506,765	1,356,828
Contribution (excess) deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (54,004)	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 276,850,342	\$ 265,684,924	\$ 251,560,800	\$ 243,853,436	\$ 227,801,600	\$ 215,651,921	\$ 211,077,112	\$ 204,244,433	\$ 198,258,595	\$ 188,448,392
Contributions as a percentage of covered payroll	0.67%	0.67%	0.92%	0.92%	0.92%	0.91%	0.84%	0.80%	0.76%	0.72%

## **GENERAL FUND**

The General Fund is used to account for resources traditionally associated with government operations which are not required to be accounted for in another fund. The District's General Fund consists of four accounts: the *Educational Account*, which records direct costs of instruction and administration; the *Tort Immunity Account*, which is used for the purpose of recording risk financing activities of the District; the *Operations and Maintenance Account*, which reports all costs of maintaining, improving or repairing school buildings and property; and the *Working Cash Account*, which accounts for financial resources held by the District to be used for temporary interfund loans to the Educational Account, the Operations and Maintenance Account, and the Transportation Fund.

**School District U-46**

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

**General Fund - Budgetary Basis**

**Year Ended June 30, 2023**

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 275,387,632	\$ 281,654,662	\$ 6,267,030
Replacement taxes and payments in lieu of taxes	-	20,504	20,504
Charges for services	5,844,500	9,001,203	3,156,703
Investment income	1,505,513	15,128,627	13,623,114
Rentals	787,500	81,634	(705,866)
Local grants	-	118,708	118,708
Other local sources	1,938,252	1,872,924	(65,328)
State grants-in-aid	248,012,555	260,601,098	12,588,543
Federal grants-in-aid	74,435,033	103,430,767	28,995,734
<b>Total revenues</b>	<b>607,910,985</b>	<b>671,910,127</b>	<b>63,999,142</b>
Expenditures:			
Current:			
Instruction:			
Regular programs	196,826,984	173,198,346	23,628,638
Special programs	58,371,711	59,856,729	(1,485,018)
Other instructional programs	84,724,321	87,167,199	(2,442,878)
Support services:			
Pupils	40,942,509	42,636,479	(1,693,970)
Instructional staff	20,234,312	16,296,804	3,937,508
General administration	12,576,907	12,695,269	(118,362)
School administration	34,128,578	33,852,401	276,177
Business	5,422,916	5,343,617	79,299
Operations and maintenance	42,959,857	35,731,614	7,228,243
Transportation	779,502	442,097	337,405
Facilities acquisition and construction	24,300	54,146	(29,846)
Food service	18,576,939	14,930,802	3,646,137
Central	17,927,575	15,676,097	2,251,478
Other support	10,038,057	8,309,452	1,728,605
Community services	2,554,662	1,824,635	730,027
Intergovernmental:			
Payments to other governments	9,546,795	12,157,957	(2,611,162)
Debt service:			
Principal	-	1,179,318	(1,179,318)
Interest and fees	-	1,597	(1,597)
Capital outlay	46,511,202	30,956,600	15,554,602
<b>Total expenditures</b>	<b>602,147,127</b>	<b>552,311,159</b>	<b>49,835,968</b>
Excess of revenues over expenditures	<b>5,763,858</b>	<b>119,598,968</b>	<b>113,835,110</b>
Other financing sources (uses):			
Transfer out	(528,541)	(45,528,596)	(45,000,055)
Proceeds from issuance of subscription agreements	-	2,382,307	
<b>Total other financing uses</b>	<b>(528,541)</b>	<b>(43,146,289)</b>	<b>(45,000,055)</b>
<b>Net change in fund balance</b>	<b>\$ 5,235,317</b>	<b>76,452,679</b>	<b>\$ 68,835,055</b>
Fund balance:			
Beginning of year		357,661,518	
End of year		<b>\$ 434,114,197</b>	



## School District U-46

### Notes to Required Supplementary Information (RSI)

---

#### Note 1. Budgets and Budgetary Accounting

The annual budgets are adopted on the modified accrual basis of accounting at the fund level. All budgets lapse at fiscal year-end. The District maintains a system to measure the uncommitted budget amount available for expenditures at any time during the year. For budgetary purposes, appropriations lapse at June 30, 2023, and outstanding encumbrances are canceled at that date.

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 2022-23 budget was adopted September 26, 2022.

The appropriated budget is prepared by fund, by object and by function. The Board of Education may make transfers between functions within a fund not exceeding in the aggregate 10 percent 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.

The budget amounts shown are as originally adopted because there were no amendments during the past fiscal year.

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

The following schedule reconciles the revenues and expenditures on the budgetary basis with the amounts presented in accordance with accounting principles generally accepted in the United States of America for the District's General Fund only.

Revenues - budgetary basis	\$ 671,910,127
Unbudgeted retirement/OPEB contributions made by the State	136,006,153
Revenues - GAAP basis	<u>\$ 807,916,280</u>
Expenditures - budgetary basis	\$ 552,311,159
Unbudgeted retirement/OPEB contributions made by the State	136,006,153
Expenditures - GAAP basis	<u>\$ 688,317,312</u>

### Notes to Required Supplementary Information (RSI)

**Valuation Date**

**Methods and assumptions used to determine 2022 contribution rate\*:**

### Other Information

There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation.

## School District U-46

### Notes to Required Supplementary Information (RSI)

---

#### Note 3. Notes to Schedule of Contributions - Teachers' Health Insurance Security Fund

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Fiscal Year-End	June 30, 2023

*Methods and assumptions used to determine contribution rates:*

Actuarial Cost Method      Entry Age Normal, used to measure the Total OPEB Liability

Contribution Policy      Benefits are financed on a pay-as-you go basis. Contribution rates are defined by statute. For fiscal year-end June 30, 2022, contribution rates are 0.90% of pay for active members, 0.67% of pay for school districts and 0.90% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.

Asset Valuation Method      Market value

Investment Rate of Return      2.75%, net of OPEB plan investment expense, including inflation for all plan years.

Inflation      2.25%

Salary Increases      Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.

Retirement Age      Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2021, actuarial valuation.

Mortality      Retirement and Beneficiary Annuitants: PubT-2010 Retiree Mortality Table, adjusted for TRS experience.  
Disabled Annuitants: PubNS-2010 Non-Safety Disabled Retiree table.  
Pre-Retirement: PubT-2010 Employee Mortality Table.  
All tables reflect future mortality improvements using Projection Scale MP-2020.

Healthcare Cost Trend Rates      Trend for plan year 2023 are based on actual premium increases. For non-Medicare costs, trend rates start at 8.00% for plan year 2024 and decrease gradually to an ultimate rate of 4.25% in 2039. For MAPD costs, trend rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 5.81% in 2034, declining gradually to an ultimate rate of 4.25% in 2039.

Aging Factors      Based on the 2013 SOA Study "Health Care Costs – From Birth to Death"

Expenses      Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

## OTHER SUPPLEMENTARY INFORMATION

**School District U-46**

**Combining Balance Sheet  
General Fund, by Account  
June 30, 2023**

	Educational Account	Tort Immunity Account	Operations and Maintenance Account	Working Cash Account	Elimination	Total
<b>Assets</b>						
Cash and investments	\$ 361,263,210	\$ -	\$ 16,029,096	\$ 108,465,558	\$ -	\$ 485,757,864
Accrued Interest	-	-	-	2,422,643	-	2,422,643
Property taxes receivable, net of allowance	119,641,926	3,246,025	20,149,382	-	-	143,037,333
Grants receivable	19,656,425	-	-	-	-	19,656,425
Accounts receivable	385,842	-	24,320	-	-	410,162
Due from other accounts and funds	256,146	-	-	-	(256,146)	-
Prepays	3,656,034	-	-	-	-	3,656,034
<b>Total assets</b>	<b>\$ 504,859,583</b>	<b>\$ 3,246,025</b>	<b>\$ 36,202,798</b>	<b>\$ 110,888,201</b>	<b>\$ (256,146)</b>	<b>\$ 654,940,461</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balance (Deficit)</b>						
<b>Liabilities</b>						
Accounts payable	\$ 14,024,001	\$ 10,181	\$ 14,148,589	\$ -	\$ -	\$ 28,182,771
Accrued payroll	34,515,527	5,344	522,774	-	-	35,043,645
Payroll deductions	65,338	-	-	-	-	65,338
Construction retainage payable	-	-	1,075,255	-	-	1,075,255
Insurance claims payable	360,478	-	-	-	-	360,478
Due to other accounts and funds	-	256,146	-	-	(256,146)	-
Unclaimed property	195,753	-	-	-	-	195,753
<b>Total liabilities</b>	<b>49,161,097</b>	<b>271,671</b>	<b>15,746,618</b>	<b>-</b>	<b>(256,146)</b>	<b>64,923,240</b>
<b>Deferred inflows of resources</b>						
Unavailable grant revenue	9,978,352	-	-	-	-	9,978,352
Property taxes levied for subsequent years	122,057,007	3,311,549	20,556,116	-	-	145,924,672
<b>Total deferred inflows of resources</b>	<b>132,035,359</b>	<b>3,311,549</b>	<b>20,556,116</b>	<b>-</b>	<b>-</b>	<b>155,903,024</b>
<b>Fund balance (deficit)</b>						
Nonspendable	3,656,034	-	-	-	-	3,656,034
Restricted	3,263,642	-	-	-	-	3,263,642
Unassigned	316,743,451	(337,195)	(99,936)	110,888,201	-	427,194,521
<b>Total fund balance (deficit)</b>	<b>323,663,127</b>	<b>(337,195)</b>	<b>(99,936)</b>	<b>110,888,201</b>	<b>-</b>	<b>434,114,197</b>
<b>Total liabilities, deferred inflows of resources and fund balance (deficit)</b>	<b>\$ 504,859,583</b>	<b>\$ 3,246,025</b>	<b>\$ 36,202,798</b>	<b>\$ 110,888,201</b>	<b>\$ (256,146)</b>	<b>\$ 654,940,461</b>

School District U-46

Combining Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)  
General Fund, by Account  
Year Ended June 30, 2023

	Educational Account	Tort Immunity Account	Operations and Maintenance Account	Working Cash Account	Elimination	Total
Revenues:						
Property taxes	\$ 235,216,339	\$ 5,973,049	\$ 40,465,274	\$ -	\$ -	\$ 281,654,662
Replacement taxes and payments in lieu of taxes	20,504	-	-	-	-	20,504
Charges for services	9,001,203	-	-	-	-	9,001,203
Investment income	40,160	946	6,974	15,080,547	-	15,128,627
Rentals	970	-	80,664	-	-	81,634
Local grants	118,708	-	-	-	-	118,708
Other local sources	290,538	-	1,582,386	-	-	1,872,924
State grants-in-aid	215,824,035	-	44,777,063	-	-	260,601,098
Federal grants-in-aid	103,430,767	-	-	-	-	103,430,767
State on-behalf contributions - TRS and THIS	136,006,153	-	-	-	-	136,006,153
<b>Total revenues</b>	<b>699,949,377</b>	<b>5,973,995</b>	<b>86,912,361</b>	<b>15,080,547</b>	<b>-</b>	<b>807,916,280</b>
Expenditures:						
Current:						
Instruction:						
Regular programs	173,198,346	-	-	-	-	173,198,346
Special programs	59,856,729	-	-	-	-	59,856,729
Other instructional programs	87,167,199	-	-	-	-	87,167,199
Support services:						
Pupils	42,636,479	-	-	-	-	42,636,479
Instructional staff	16,296,804	-	-	-	-	16,296,804
General administration	12,258,753	436,516	-	-	-	12,695,269
School administration	33,852,401	-	-	-	-	33,852,401
Business	5,341,039	-	2,578	-	-	5,343,617
Operations and maintenance	580,999	-	35,150,615	-	-	35,731,614
Transportation	442,097	-	-	-	-	442,097
Facilities acquisition and construction	-	-	54,146	-	-	54,146
Food service	14,930,802	-	-	-	-	14,930,802
Central	15,676,097	-	-	-	-	15,676,097
Other support	2,848,480	5,460,972	-	-	-	8,309,452
Community services	1,824,635	-	-	-	-	1,824,635
State on-behalf contributions - TRS and THIS	136,006,153	-	-	-	-	136,006,153
Intergovernmental:						
Payments to other governments	12,157,957	-	-	-	-	12,157,957
Debt service:						
Principal	1,179,318	-	-	-	-	1,179,318
Interest and fees	1,597	-	-	-	-	1,597
Capital outlay	3,915,211	-	27,041,389	-	-	30,956,600
<b>Total expenditures</b>	<b>620,171,096</b>	<b>5,897,488</b>	<b>62,248,728</b>	<b>-</b>	<b>-</b>	<b>688,317,312</b>
Excess of revenues over expenditures	79,778,281	76,507	24,663,633	15,080,547	-	119,598,968
Other financing sources (uses):						
Transfer in	-	-	15,080,547	-	(15,080,547)	-
Transfer out	-	-	(45,528,596)	(15,080,547)	15,080,547	(45,528,596)
Proceeds from issuance of subscription agreements	2,382,307	-	-	-	-	2,382,307
Premium on bond issuance	-	-	-	-	-	-
Transfer to escrow agent	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>2,382,307</b>	<b>-</b>	<b>(30,448,049)</b>	<b>(15,080,547)</b>	<b>-</b>	<b>(43,146,289)</b>
<b>Net change in fund balance (deficit)</b>	<b>82,160,588</b>	<b>76,507</b>	<b>(5,784,416)</b>	<b>-</b>	<b>-</b>	<b>76,452,679</b>
Fund balance (deficit):						
Beginning of year	241,502,539	(413,702)	5,684,480	110,888,201	-	357,661,518
End of year	\$ 323,663,127	\$ (337,195)	\$ (99,936)	\$ 110,888,201	\$ -	\$ 434,114,197

**School District U-46**

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

**General Fund - Educational Account - Budgetary Basis  
Year Ended June 30, 2023**

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 228,204,963	\$ 235,216,339	\$ 7,011,376
Replacement taxes and payments in lieu of taxes	-	20,504	20,504
Charges for services	5,844,500	9,001,203	3,156,703
Investment income	4,200	40,160	35,960
Rentals	-	970	970
Local grants	-	118,708	118,708
Other local sources	262,500	290,538	28,038
State grants-in-aid	204,948,576	215,824,035	10,875,459
Federal grants-in-aid	74,435,033	103,430,767	28,995,734
<b>Total revenues</b>	<b>513,699,772</b>	<b>563,943,224</b>	<b>50,243,452</b>
Expenditures:			
Current:			
Instruction:			
Regular programs	196,826,984	173,198,346	23,628,638
Special programs	58,371,711	59,856,729	(1,485,018)
Other instructional programs	84,724,321	87,167,199	(2,442,878)
Support services:			
Pupils	40,942,509	42,636,479	(1,693,970)
Instructional staff	20,234,312	16,296,804	3,937,508
General administration	12,168,346	12,258,753	(90,407)
School administration	34,128,578	33,852,401	276,177
Business	5,422,916	5,341,039	81,877
Operations and maintenance	942,114	580,999	361,115
Transportation	779,502	442,097	337,405
Food service	18,576,939	14,930,802	3,646,137
Central	17,927,575	15,676,097	2,251,478
Other support	3,849,882	2,848,480	1,001,402
Community services	2,554,662	1,824,635	730,027
Intergovernmental:			
Payments to other governments	9,546,795	12,157,957	(2,611,162)
Debt service:			
Principal	-	1,179,318	(1,179,318)
Interest and fees	-	1,597	(1,597)
Capital outlay	1,494,748	3,915,211	(2,420,463)
<b>Total expenditures</b>	<b>508,491,894</b>	<b>484,164,943</b>	<b>24,326,951</b>
Excess of revenues over expenditures	5,207,878	79,778,281	74,570,403
Other financing sources:			
Proceeds from issuance of subscription agreements	-	2,382,307	2,382,307
<b>Net change in fund balance</b>	<b>\$ 5,207,878</b>	<b>82,160,588</b>	<b>\$ 76,952,710</b>
Fund balance:			
Beginning of year		241,502,539	
End of year		<u>\$ 323,663,127</u>	

**School District U-46**

**Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) -**

**Budget and Actual**

**General Fund - Tort Immunity Account**

**Year Ended June 30, 2023**

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 6,616,702	\$ 5,973,049	\$ (643,653)
Investment income	263	946	683
<b>Total revenues</b>	<u>6,616,965</u>	<u>5,973,995</u>	<u>(642,970)</u>
Expenditures:			
Current:			
Support services:			
General administration	408,561	436,516	(27,955)
Other support	6,188,175	5,460,972	727,203
<b>Total expenditures</b>	<u>6,596,736</u>	<u>5,897,488</u>	<u>699,248</u>
<b>Net change in fund balance</b>	<u>\$ 20,229</u>	76,507	<u>\$ 56,278</u>
Deficit balance:			
Beginning of year		<u>(413,702)</u>	
End of year		<u>\$ (337,195)</u>	

**Schedule of Tort Expenditures by Object**

Workers' compensation or workers' occupation disease acts payments	\$ 2,881,746
Insurance payments (regular or self-insurance)	793,009
Judgments/settlements	550,000
Educational, inspectional, supervisory services related to loss prevention or reduction	1,641,311
Legal service	<u>31,422</u>
<b>Total tort expenditures</b>	<u>\$ 5,897,488</u>

The District levies property taxes for tort immunity/liability purposes. As required by Public Act 91-0268 passed by the Illinois General Assembly, the District is including the above list of tort immunity purposes expenditures in its annual comprehensive financial report.



**School District U-46**

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

**General Fund - Operations and Maintenance Account**

**Year Ended June 30, 2023**

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 40,565,967	\$ 40,465,274	\$ (100,693)
Investment income	1,050	6,974	5,924
Rentals	787,500	80,664	(706,836)
Other local sources	1,675,752	1,582,386	(93,366)
State grants-in-aid	43,063,979	44,777,063	1,713,084
<b>Total revenues</b>	<b>86,094,248</b>	<b>86,912,361</b>	<b>818,113</b>
Expenditures:			
Current:			
Support services:			
Business	-	2,578	(2,578)
Operations and maintenance	42,017,743	35,150,615	6,867,128
Facilities acquisition and construction	24,300	54,146	(29,846)
Capital outlay	45,016,454	27,041,389	17,975,065
<b>Total expenditures</b>	<b>87,058,497</b>	<b>62,248,728</b>	<b>24,809,769</b>
Excess of revenues over expenditures	(964,249)	24,663,633	25,627,882
Other financing sources (uses):			
Transfer in	1,500,000	15,080,547	13,580,547
Transfer out	(528,541)	(45,528,596)	(45,000,055)
<b>Total other financing sources (uses)</b>	<b>971,459</b>	<b>(30,448,049)</b>	<b>(31,419,508)</b>
<b>Net change in fund balance</b>	<b>\$ 7,210</b>	<b>(5,784,416)</b>	<b>\$ (5,791,626)</b>
Fund deficit:			
Beginning of year		5,684,480	
End of year		<u>\$ (99,936)</u>	

**School District U-46**

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

	Original and Final Budget	Actual	Variance
Revenues:			
Investment income	\$ 1,500,000	\$ 15,080,547	\$ 13,580,547
Other financing uses:			
Transfer out	(1,500,000)	(15,080,547)	(13,580,547)
<b>Net change in fund balance</b>	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>\$ -</u></u>
Fund balance:			
Beginning of year		<u>110,888,201</u>	
End of year		<u><u>\$ 110,888,201</u></u>	

### **DEBT SERVICE FUND**

Debt service funds are used to account for monies accumulated to retire general long-term debt. The Debt Service Fund maintained by the District is as follows:

Debt Service Fund - To account for the periodic payment of principal and interest on the general obligation bond issues and other long-term debt of the District. Sources of funds consist primarily of local property tax revenues and transfers from other funds of the District.

**School District U-46**

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

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 30,740,113	\$ 33,355,548	\$ 2,615,435
Investment income	1,050	5,817	4,767
<b>Total revenues</b>	<u>30,741,163</u>	<u>33,361,365</u>	<u>2,620,202</u>
Expenditures:			
Debt service			
Principal	15,421,523	15,421,523	-
Interest and fees	26,821,930	26,821,985	(55)
Bond issuance costs	-	92,471	(92,471)
<b>Total expenditures</b>	<u>42,243,453</u>	<u>42,335,979</u>	<u>(92,526)</u>
Deficiency of revenues under expenditures	<u>(11,502,290)</u>	<u>(8,974,614)</u>	<u>2,527,676</u>
Other financing sources (uses):			
Transfer in	528,541	528,596	55
Proceeds from debt issuance	-	12,205,000	12,205,000
Transfer to escrow agent	-	(12,107,924)	(12,107,924)
<b>Total other financing sources (uses)</b>	<u>528,541</u>	<u>625,672</u>	<u>97,131</u>
<b>Net change in fund balance</b>	<u>\$ (10,973,749)</u>	<u>(8,348,942)</u>	<u>\$ 2,624,807</u>
Fund balance:			
Beginning of year		<u>33,088,313</u>	
End of year		<u>\$ 24,739,371</u>	

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUND**

Special revenue funds are used to account for revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities of government and which cannot be diverted to other uses. The special revenue funds maintained by the District are as follows:

Transportation Fund – To account for the revenue and expenditures related to student transportation, both to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement Fund - To account for the District's portion of the pension contributions to the Illinois Municipal Retirement Fund for classified employees and social security contributions for applicable certified and classified employees. Revenue to finance the contributions is derived primarily from local property taxes.

### **CAPITAL PROJECTS FUNDS**

Capital projects funds account for the resources used by the District for the acquisition and/or construction of capital facilities. The Capital Projects Funds maintained by the District are as follows:

Capital Projects Fund - To account for school construction projects financed through serial bond issues and government grants.

Fire Prevention and Safety Fund - To account for resources to be used for the purpose of altering, reconstructing and repairing the existing school buildings of the District.

**School District U-46**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2023**

	Special Revenue Funds		Capital Projects Funds		Total
	Transportation	Municipal	Capital	Fire	Nonmajor
	Fund	Retirement/ Social Security Fund	Projects Fund	Prevention and Safety Fund	Governmental Funds
<b>Assets</b>					
Cash	\$ 23,938,066	\$ 16,284,126	\$ 49,109,260	\$ 13,689,874	\$ 103,021,326
Property taxes receivable, net of allowance	4,610,202	2,906,925	-	2,553,675	10,070,802
Replacement taxes receivable	-	2,004,683	-	-	2,004,683
Grants receivable	19,922,529	-	-	-	19,922,529
Accounts receivable	67,384	-	40,130	-	107,514
<b>Total assets</b>	<b>\$ 48,538,181</b>	<b>\$ 21,195,734</b>	<b>\$ 49,149,390</b>	<b>\$ 16,243,549</b>	<b>\$ 135,126,854</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 451,869	\$ -	\$ -	\$ 263,554	\$ 715,423
Accrued payroll	379,724	-	-	-	379,724
Payroll deductions	-	1,239,370	-	-	1,239,370
Unclaimed property	-	-	90,754	-	90,754
<b>Total liabilities</b>	<b>831,593</b>	<b>1,239,370</b>	<b>90,754</b>	<b>263,554</b>	<b>2,425,271</b>
<b>Deferred inflows of resources</b>					
Property taxes levied for subsequent years	4,703,263	2,965,603	-	2,605,223	10,274,089
Unavailable grant revenue	16,263,497	-	-	-	16,263,497
<b>Total deferred inflows of resources</b>	<b>20,966,760</b>	<b>2,965,603</b>	<b>-</b>	<b>2,605,223</b>	<b>26,537,586</b>
<b>Fund balances</b>					
Assigned	7,093,461	-	45,000,000	-	52,093,461
Restricted	19,646,367	16,990,761	4,058,636	13,374,772	54,070,536
<b>Total fund balances</b>	<b>26,739,828</b>	<b>16,990,761</b>	<b>49,058,636</b>	<b>13,374,772</b>	<b>106,163,997</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 48,538,181</b>	<b>\$ 21,195,734</b>	<b>\$ 49,149,390</b>	<b>\$ 16,243,549</b>	<b>\$ 135,126,854</b>

**School District U-46**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended June 30, 2023**

	Special Revenue Funds		Capital Projects Funds		Total
	Transportation	Municipal Retirement/ Social Security	Capital Projects	Fire Prevention and Safety	Nonmajor Governmental
	Fund	Fund	Fund	Fund	Funds
Revenues:					
Property taxes	\$ 9,155,896	\$ 8,597,074	\$ -	\$ 5,071,413	\$ 22,824,383
Replacement taxes	-	12,712,871	-	-	12,712,871
Charges for services	727,213	-	-	-	727,213
Investment income	1,582	1,999	-	875	4,456
Other local sources	4,523	-	987,964	-	992,487
State grants-in-aid	14,723,250	-	-	-	14,723,250
<b>Total revenues</b>	<b>24,612,464</b>	<b>21,311,944</b>	<b>987,964</b>	<b>5,072,288</b>	<b>51,984,660</b>
Expenditures:					
Current:					
Instruction:					
Regular programs	-	2,369,735	-	-	2,369,735
Special programs	-	2,563,191	-	-	2,563,191
Other instructional programs	-	1,102,840	-	-	1,102,840
Support services:					
Pupils	-	1,628,174	-	-	1,628,174
Instructional staff	-	414,255	-	-	414,255
General administration	-	485,394	-	-	485,394
School administration	-	1,371,399	-	-	1,371,399
Business	-	472,167	-	-	472,167
Operations and maintenance	-	1,928,310	-	-	1,928,310
Transportation	26,968,230	2,882,189	-	-	29,850,419
Food service	-	15,654	-	-	15,654
Central	-	862,190	-	-	862,190
Other support	-	50,552	-	-	50,552
Community services	-	135,891	-	-	135,891
Capital outlay	463,988	-	1,672,131	1,374,686	3,510,805
<b>Total expenditures</b>	<b>27,432,218</b>	<b>16,281,941</b>	<b>1,672,131</b>	<b>1,374,686</b>	<b>46,760,976</b>
(Deficiency) excess of revenues (under) over expenditures	(2,819,754)	5,030,003	(684,167)	3,697,602	5,223,684
Other financing sources:					
Transfer in	-	-	45,000,000	-	45,000,000
<b>Net change in fund balances</b>	<b>(2,819,754)</b>	<b>5,030,003</b>	<b>44,315,833</b>	<b>3,697,602</b>	<b>50,223,684</b>
Fund balances:					
Beginning of year	29,559,582	11,960,758	4,742,803	9,677,170	55,940,313
End of year	\$ 26,739,828	\$ 16,990,761	\$ 49,058,636	\$ 13,374,772	\$ 106,163,997

**School District U-46**

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

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 9,056,669	\$ 9,155,896	\$ 99,227
Charges for services	1,260,000	727,213	(532,787)
Investment income	525	1,582	1,057
Other local sources	-	4,523	4,523
State grants-in-aid	17,075,187	14,723,250	(2,351,937)
<b>Total revenues</b>	<u>27,392,381</u>	<u>24,612,464</u>	<u>(2,779,917)</u>
Expenditures:			
Current:			
Support services:			
Transportation	27,177,515	26,968,230	209,285
Capital outlay	465,000	463,988	1,012
<b>Total expenditures</b>	<u>27,642,515</u>	<u>27,432,218</u>	<u>210,297</u>
<b>Net change in fund balance</b>	<u>\$ (250,134)</u>	<u>(2,819,754)</u>	<u>\$ (2,569,620)</u>
Fund balance:			
Beginning of year		<u>29,559,582</u>	
End of year		<u>\$ 26,739,828</u>	



**School District U-46**

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

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 12,460,730	\$ 8,597,074	\$ (3,863,656)
Replacement taxes	6,000,000	12,712,871	6,712,871
Investment income	525	1,999	1,474
<b>Total revenues</b>	<b>18,461,255</b>	<b>21,311,944</b>	<b>2,850,689</b>
Expenditures:			
Current:			
Instruction:			
Regular programs	2,252,381	2,369,735	(117,354)
Special programs	2,629,592	2,563,191	66,401
Other instructional programs	1,263,978	1,102,840	161,138
Support services:			
Pupils	1,664,325	1,628,174	36,151
Instructional staff	555,210	414,255	140,955
General administration	586,313	485,394	100,919
School administration	1,525,641	1,371,399	154,242
Business	581,829	472,167	109,662
Operations and maintenance	2,289,180	1,928,310	360,870
Transportation	3,273,541	2,882,189	391,352
Food service	191,723	15,654	176,069
Central	1,095,763	862,190	233,573
Other support	177,330	50,552	126,778
Community services	262,683	135,891	126,792
<b>Total expenditures</b>	<b>18,349,489</b>	<b>16,281,941</b>	<b>2,067,548</b>
<b>Net change in fund balance</b>	<b>\$ 111,766</b>	<b>5,030,003</b>	<b>\$ 4,918,237</b>
Fund balance:			
Beginning of year		11,960,758	
End of year		\$ 16,990,761	

**School District U-46**

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

	Original and Final Budget	Actual	Variance
Revenues:			
Investment income			
Other local sources	\$ 1,000,000	\$ 987,964	\$ (12,036)
<b>Total revenues</b>	<u>1,000,000</u>	<u>987,964</u>	<u>(12,036)</u>
Expenditures:			
Capital outlay	1,000,000	1,672,131	(672,131)
<b>Total expenditures</b>	<u>1,000,000</u>	<u>1,672,131</u>	<u>(672,131)</u>
Deficiency of revenues under expenditures	-	(684,167)	(684,167)
Other financing sources:			
Transfer in	-	45,000,000	45,000,000
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>44,315,833</u>	<u>\$ 44,315,833</u>
Fund balance:			
Beginning of year		<u>4,742,803</u>	
End of year		<u>\$ 49,058,636</u>	

**School District U-46**

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

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 5,016,827	\$ 5,071,413	\$ 54,586
Investment income	263	875	612
<b>Total revenues</b>	<u>5,017,090</u>	<u>5,072,288</u>	<u>55,198</u>
Expenditures:			
Capital outlay	<u>5,000,000</u>	<u>1,374,686</u>	<u>3,625,314</u>
<b>Total expenditures</b>	<u>5,000,000</u>	<u>1,374,686</u>	<u>3,625,314</u>
<b>Net change in fund balance</b>	<u>\$ 17,090</u>	<u>3,697,602</u>	<u>\$ 3,680,512</u>
Fund balance:			
Beginning of year		<u>9,677,170</u>	
End of year		<u>\$ 13,374,772</u>	

## **STUDENT ACTIVITY ACCOUNTS**

Student activity accounts are resources in the control of the District to be used for student related activities. These resources are generated by specific fees for the activities and the District has rules in place that dictate how the resources may be spent. These accounts are considered part of the activity of the District's General Fund and the total year-end balances and activity by school summarized on the following pages are included in the General Fund's balance sheet and statement of revenues, expenditures, and changes in fund balance.

**School District U-46****Schedule of Changes in Student Activity Accounts  
June 30, 2023**

	Balance at July 1, 2022	Additions	Deletions	Balance at June 30, 2023
<b>High Schools</b>				
Bartlett	\$ 399,244	\$ 874,092	\$ 843,393	\$ 429,943
Dream Academy	14,449	2,783	10,120	7,112
Elgin	477,501	785,523	738,449	524,575
Larkin	476,920	603,679	567,031	513,568
South Elgin	477,278	1,037,199	976,638	537,839
Streamwood	478,114	581,025	645,784	413,355
<b>Total High Schools</b>	<b>2,323,506</b>	<b>3,884,301</b>	<b>3,781,415</b>	<b>2,426,392</b>
<b>Middle Schools</b>				
Abbott	37,342	54,634	57,784	34,192
Canton	28,234	58,408	63,175	23,467
Eastview	81,756	82,760	105,136	59,380
Ellis	21,130	28,586	31,195	18,521
Kenyon Woods	82,284	84,779	95,294	71,769
Kimball	35,441	47,207	46,867	35,781
Larsen	40,552	40,828	39,446	41,934
Tefft	39,717	49,750	51,090	38,377
<b>Total Middle Schools</b>	<b>366,456</b>	<b>446,952</b>	<b>489,987</b>	<b>323,421</b>
<b>Elementary Schools</b>				
Bartlett	8,490	8,650	7,432	9,708
Centennial	30,427	18,829	16,715	32,541
Century Oaks	7,015	11,551	11,125	7,441
Channing	4,983	11,939	10,409	6,513
Clinton	5,587	9,191	8,407	6,371
Coleman	7,987	37,918	35,519	10,386
Creekside	7,704	26,053	20,394	13,363
Fox Meadow	14,821	21,873	28,585	8,109
Garfield	5,560	1,609	7,169	-
Glenbrook	11,779	30,013	29,090	12,702
Hanover Countryside	8,838	18,291	19,016	8,113
Harriet Gifford	17,194	23,640	22,092	18,742
Hawk Hollow	5,404	20,550	25,853	101
Heritage	9,960	27,922	25,338	12,544
Highland	7,419	25,750	25,979	7,190
Hillcrest	2,478	5,113	3,896	3,695
Hilltop	37,264	44,604	43,008	38,860

(Continued)

**School District U-46**

**Schedule of Changes in Student Activity Accounts  
June 30, 2023**

	Balance at July 1, 2022	Additions	Deletions	Balance at June 30, 2023
<b>Elementary Schools (Continued)</b>				
Horizon	\$ 22,861	\$ 27,546	\$ 29,129	\$ 21,278
Huff	18,125	15,725	15,305	18,545
Illinois Park	361	-	-	361
Independence	10,548	13,570	9,667	14,451
Laurel Hill	6,385	9,145	9,633	5,897
Liberty	2,492	17,676	15,377	4,791
Lincoln	6,435	5,750	3,100	9,085
Lords Park	10,684	19,754	22,959	7,479
Lowrie	4,045	10,674	7,809	6,910
McKinley	13,856	11,665	15,686	9,835
Nature Ridge	3,355	12,338	10,500	5,193
Oakhill	1,703	10,582	10,118	2,167
Ontarioville	11,769	17,069	12,016	16,822
Otter Creek	3,552	13,529	12,394	4,687
Parkwood	6,778	6,927	8,011	5,694
Prairieview	28,158	21,660	25,682	24,136
Ridge Circle	8,287	18,586	15,946	10,927
Ronald D. O'Neal	2,855	8,614	10,613	856
Spring Trail	5,887	9,709	11,481	4,115
Sunnydale	8,486	7,633	7,828	8,291
Sycamore Trails	46,060	43,979	40,251	49,788
Timber Trails	10,572	6,420	4,192	12,800
Washington	8,056	15,555	11,560	12,051
Wayne	8,707	21,352	17,534	12,525
Willard	5,222	9,862	5,709	9,375
<b>Total Elementary Schools</b>	<b>448,149</b>	<b>698,816</b>	<b>672,527</b>	<b>474,438</b>
<b>Other</b>				
SWEP	19,511	10,074	4,357	25,228
Central School Programs	3,762	53,672	43,271	14,163
<b>Total Other</b>	<b>23,273</b>	<b>63,746</b>	<b>47,628</b>	<b>39,391</b>
<b>Total Student Activity Accounts</b>	<b>\$ 3,161,384</b>	<b>\$ 5,093,815</b>	<b>\$ 4,991,557</b>	<b>\$ 3,263,642</b>

**School District U-46**

**Schedule of Bonded Debt and Annual Interest Requirements  
Year Ended June 30, 2023**

	<b>Total</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Thereafter</b>
February 2015A Issue							
Principal	\$ 44,310,000	\$ -	\$ -	\$ -	\$ -	\$ 4,055,000	\$ 40,255,000
Interest	17,740,750	2,215,500	2,215,500	2,215,500	2,215,500	2,215,500	6,663,250
	<u>62,050,750</u>	<u>2,215,500</u>	<u>2,215,500</u>	<u>2,215,500</u>	<u>2,215,500</u>	<u>6,270,500</u>	<u>46,918,250</u>
February 2015B Issue							
Principal	10,780,000	-	-	2,170,000	6,215,000	2,395,000	-
Interest	1,658,562	411,063	411,063	411,063	330,772	94,601	-
	<u>12,438,562</u>	<u>411,063</u>	<u>411,063</u>	<u>2,581,063</u>	<u>6,545,772</u>	<u>2,489,601</u>	<u>-</u>
February 2015D Issue							
Principal	89,455,000	6,480,000	6,695,000	7,030,000	7,380,000	7,750,000	54,120,000
Interest	28,703,750	4,472,750	4,148,750	3,814,000	3,462,500	3,093,500	9,712,250
	<u>118,158,750</u>	<u>10,952,750</u>	<u>10,843,750</u>	<u>10,844,000</u>	<u>10,842,500</u>	<u>10,843,500</u>	<u>63,832,250</u>
October 2021 Issue							
Principal	13,865,000	5,135,000	5,340,000	3,390,000	-	-	-
Interest	1,039,400	554,600	349,200	135,600	-	-	-
	<u>14,904,400</u>	<u>5,689,600</u>	<u>5,689,200</u>	<u>3,525,600</u>	<u>-</u>	<u>-</u>	<u>-</u>
December 2022 Issue							
Principal	12,205,000	12,205,000	-	-	-	-	-
Interest	744,668	744,668	-	-	-	-	-
	<u>12,949,668</u>	<u>12,949,668</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total All Issues:							
Principal	170,615,000	23,820,000	12,035,000	12,590,000	13,595,000	14,200,000	94,375,000
Interest	49,887,130	8,398,581	7,124,513	6,576,163	6,008,772	5,403,601	16,375,500
	<u>\$ 220,502,130</u>	<u>\$ 32,218,581</u>	<u>\$ 19,159,513</u>	<u>\$ 19,166,163</u>	<u>\$ 19,603,772</u>	<u>\$ 19,603,601</u>	<u>\$ 110,750,500</u>

## **STATISTICAL SECTION**

This part of the District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

### **Financial Trends**

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

### **Revenue Capacity**

These schedules contain information to help the reader assess the District's most significant local revenue source, property tax.

### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

#### *Sources:*

Unless otherwise noted, the information in these schedules is derived from the Annual Financial Reports and Annual Comprehensive Financial Reports for the relevant year.



**School District U-46**

**Net Position (Deficit) by Component  
Last Ten Fiscal Years**

	2014 <sup>1</sup>	2015	2016	2017 <sup>2</sup>	2018	2019	2020	2021 <sup>3</sup>	2022 <sup>4</sup>	2023
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 158,733,858	\$ 119,555,624	\$ 143,066,834	\$ 162,058,302	\$ 188,622,845	\$ 219,110,563	\$ 270,921,253	\$ 293,017,860	\$ 310,013,888	\$ 320,018,450
Restricted	26,376,025	3,403,730	1,582,926	3,415,400	9,900,299	17,086,610	22,757,096	34,190,060	43,061,241	40,343,417
Unrestricted	(88,630,189)	(16,236,147)	13,982,977	(226,048,083)	(218,599,011)	(188,976,589)	(165,855,700)	(118,534,702)	(10,707,479)	160,876,597
Total Government Activities										
Net Position (Deficit)	\$ 96,479,694	\$ 106,723,207	\$ 158,632,737	\$ (60,574,381)	\$ (20,075,867)	\$ 47,220,584	\$ 127,822,649	\$ 208,673,218	\$ 342,367,650	\$ 521,238,464

Source: Annual Financial Statements 2014-2023.

<sup>1</sup> Effective July 1, 2014, the District adopted provisions of Governmental Accounting Standards Board Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions*. Pursuant to GASB 68 the District recognized their long-term pension obligations and retrospectively restated the Net Position of the Governmental Activities for the year 2014. Net Position has not been restated for purposes related to GASB 68 for the year 2013 and is shown as originally reported or restated as a result of a past GASB implementation.

<sup>2</sup> Effective July 1, 2017, the District adopted provisions of Governmental Accounting Standards Board Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Pursuant to GASB 75, the District recognized their long-term obligations for other post employment benefits and retrospectively restated the Net Position of the Governmental Activities for the year 2017. For the year 2016 and prior, the Net Position has not been restated for purposes related to GASB 75 and is shown as originally reported or restated as a result of a past GASB implementation.

<sup>3</sup> Effective July 1, 2020, the District adopted provisions of Governmental Accounting Standards Board Statement No. 84 (GASB 84), *Fiduciary Activities*. Pursuant to GASB 84, the District recognized additional funds as part of governmental activities. Prior to the adoption of GASB 84, these funds had been considered Agency Funds and reported as Fiduciary Funds in the District's financial statements. For the year 2020 and prior, the Net Position has not been restated for purposes related to GASB 84 and is shown as originally reported or restated as a result of a past GASB implementation.

<sup>4</sup> Effective July 1, 2022, the District adopted provisions of Governmental Accounting Standards Board Statement No. 96 (GASB 96), *Subscription-Based Information Technology Arrangements*. Pursuant to GASB 96, the District recognizes a subscription asset and liability for qualifying contracts that exceed one year in length. The implementation required the District to determine the opening July 1, 2022 balance of the subscription assets and liabilities which equates to the June 30, 2022 balance of those balances and net position as been adjusted as of 2022 for this implementation.

**School District U-46**

**Changes in Net Position  
Last Ten Fiscal Years**

	2014	2015	2016	2017
<b>Expenses</b>				
Instruction:				
Regular programs	\$ 166,693,993	\$ 179,329,755	\$ 203,137,860	\$ 228,013,812
Special programs	47,004,205	51,357,285	57,737,468	65,998,471
Other instructional programs	56,641,884	64,182,882	87,016,438	104,755,592
Support services:				
Pupils	32,493,352	36,396,881	40,501,388	46,601,131
Instructional staff	17,146,414	19,619,071	17,345,435	18,460,720
General administration	22,364,803	20,838,375	15,930,930	16,990,192
School administration	28,737,936	30,764,990	29,482,482	32,634,709
Business	35,461,199	36,554,226	5,018,491	4,646,020
Operations and maintenance	-	-	29,996,953	30,376,085
Transportation	34,307,231	37,497,103	31,357,962	30,287,605
Facilities acquisition and construction	1,325,382	3,643,244	2,061,193	1,857,521
Food service	19,253,272	18,393,024	16,329,585	16,797,450
Central	16,669,932	17,035,282	13,186,379	13,075,487
Other support	1,576,585	460,712	787,174	1,440,556
Community services	3,992,913	4,303,234	4,407,964	4,624,227
State on-behalf payments	-	-	-	-
Debt service-interest and fees	19,913,329	47,648,191	16,758,074	15,369,249
<b>Total Expenses</b>	<b>503,582,430</b>	<b>568,024,255</b>	<b>571,055,776</b>	<b>631,928,827</b>
<b>Program Revenues</b>				
Charges for services:				
Instruction:				
Regular programs	2,374,713	2,740,137	2,727,584	5,190,125
Special programs	40,129	27,305	40,600	39,106
Other instructional programs	3,160,349	2,602,409	3,255,960	889,942
Support services:				
Business	1,061,033	-	-	-
Transportation	1,654,326	1,455,864	2,355,249	1,439,237
Food service	3,828,751	3,278,823	3,734,037	3,528,555
Operating grants and contributions	144,377,500	175,270,234	189,171,948	226,471,760
Capital grants and contributions	452,706	820,530	306,943	409,674
<b>Total Program Revenues</b>	<b>156,949,507</b>	<b>186,195,302</b>	<b>201,592,321</b>	<b>237,968,399</b>
<b>Net (Expense) Revenue</b>	<b>\$(346,632,923)</b>	<b>\$(381,828,953)</b>	<b>\$(369,463,455)</b>	<b>\$(393,960,428)</b>

See related notes on page 89.

2018	2019	2020	2021	2022	2023
\$ 164,139,239	\$ 150,525,965	\$ 159,523,555	\$ 167,627,992	\$ 179,798,727	\$ 171,469,372
52,159,551	52,195,581	59,861,128	62,657,332	63,254,199	58,740,203
72,641,845	72,352,495	75,723,499	87,042,707	84,215,664	87,682,217
38,768,141	39,501,953	41,572,446	40,482,492	42,067,335	45,109,281
16,050,602	17,418,458	18,920,152	16,913,448	19,616,890	17,396,230
15,958,730	15,940,143	18,148,152	10,800,910	13,027,638	13,656,215
28,353,074	28,536,385	31,882,138	32,447,609	33,241,136	34,179,217
4,866,686	5,124,216	5,766,295	6,951,536	6,670,765	6,268,583
33,331,248	39,187,287	38,850,073	38,369,411	33,611,302	40,585,134
33,111,957	30,322,006	28,900,682	23,225,057	25,812,044	32,607,009
1,172,201	551,748	603,941	91,267	39,248	727,663
17,557,209	15,130,980	17,429,534	15,287,236	14,428,277	16,097,440
14,115,899	23,620,618	15,043,573	13,818,689	12,554,285	17,841,111
2,206,497	2,099,120	2,306,935	6,200,186	7,884,164	8,481,306
3,784,264	3,401,570	3,447,026	2,372,729	2,026,446	2,109,525
175,531,224	168,836,248	198,339,607	217,500,750	127,563,635	109,237,513
14,131,444	12,808,157	11,548,756	10,869,264	9,722,631	8,525,720
687,879,811	677,552,930	727,867,492	752,658,615	675,534,386	670,713,739
4,992,240	5,082,996	4,750,338	2,351,944	2,901,729	3,031,433
-	-	-	-	-	-
610,437	1,198,123	949,299	2,127,610	3,370,286	5,799,286
-	-	-	-	-	-
1,240,389	1,023,313	1,166,393	98,325	577,494	727,213
3,572,207	3,631,095	2,520,934	15,373	98,256	170,484
246,855,405	237,345,896	276,156,667	301,241,901	242,003,235	228,261,629
977,224	392,888	1,495,917	499,371	1,296,508	987,964
258,247,902	248,674,311	287,039,548	306,334,524	250,247,508	238,978,009
\$ (429,631,909)	\$ (428,878,619)	\$ (440,827,944)	\$ (446,324,091)	\$ (425,286,878)	\$ (431,735,730)

(Continued)

**School District U-46****Changes in Net Position (Continued)  
Last Ten Fiscal Years**

	2014	2015	2016	2017
<b>General Revenues</b>				
Taxes:				
Property taxes, general purposes	\$ 250,205,536	\$ 250,658,393	\$ 259,485,732	\$ 260,999,080
Property taxes, debt service	43,226,909	42,283,872	42,089,518	39,920,250
Replacement taxes and other payment in lieu of taxes	3,799,318	4,107,409	3,317,225	4,395,273
Unrestricted state grants	84,499,884	92,992,560	115,242,487	120,158,178
Interest and investment earnings (loss)	240,423	63,897	426,318	1,628,143
Other general revenues	992,931	1,966,335	811,705	3,734,702
Total General Revenues	382,965,001	392,072,466	421,372,985	430,835,626
<b>Change in Net Position</b>	<b>\$ 36,332,078</b>	<b>\$ 10,243,513</b>	<b>\$ 51,909,530</b>	<b>\$ 36,875,198</b>

Source: Annual Financial Statements 2014-2023.

Notes: Starting in fiscal year 2018, State on-behalf payments were reported separately to more clearly present the change in expenses due to outside factors.  
Beginning in fiscal year 2016, Operations and Maintenance expense was reported on its own row, whereas fiscal years 2015 and prior were included in Business expense.

2018	2019	2020	2021	2022	2023
\$ 264,219,826	\$ 269,745,840	\$ 277,298,923	\$ 284,246,845	\$ 291,732,360	\$ 304,479,045
38,758,711	35,726,726	32,997,333	33,056,922	32,576,110	33,355,548
3,769,443	3,942,629	4,234,667	5,666,362	12,203,624	12,733,375
157,137,958	177,917,028	197,899,007	197,009,477	220,809,069	242,940,595
4,411,435	6,455,852	6,396,483	747,119	(1,471,852)	15,138,900
1,833,050	2,386,995	2,603,596	2,909,013	1,092,463	1,959,081
470,130,423	496,175,070	521,430,009	523,635,738	556,941,774	610,606,544
\$ 40,498,514	\$ 67,296,451	\$ 80,602,065	\$ 77,311,647	\$ 131,654,896	\$ 178,870,814

**School District U-46**

**Fund Balances, Governmental Funds  
Last Ten Fiscal Years**

	2014	2015	2016*	2017	2018	2019	2020	2021	2022	2023
<b>General Fund</b>										
Nonspendable	\$ 790,187	\$ 856,536	\$ 1,068,571	\$ 4,015,786	\$ 3,085,115	\$ 2,047,649	\$ 5,616,411	\$ 972,630	\$ 978,081	\$ 3,656,034
Restricted	3,330,253	914,855	601,756	211,138	-	964,343	-	3,639,600	3,161,384	3,263,642
Unassigned	159,674,454	203,035,498	212,605,175	219,325,243	249,531,533	276,339,570	288,536,814	320,060,430	353,522,053	427,194,521
Total General Fund	<u>\$ 163,794,894</u>	<u>\$ 204,806,889</u>	<u>\$ 214,275,502</u>	<u>\$ 223,552,167</u>	<u>\$ 252,616,648</u>	<u>\$ 279,351,562</u>	<u>\$ 294,153,225</u>	<u>\$ 324,672,660</u>	<u>\$ 357,661,518</u>	<u>\$ 434,114,197</u>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 20,128	\$ -	\$ -	\$ -	\$ -	\$ -
Assigned	-	-	-	-	4,220,543	5,243,912	6,411,833	6,512,030	7,093,461	52,093,461
Restricted	28,017,606	29,088,709	28,909,949	31,594,117	39,157,824	50,416,219	57,269,072	68,472,506	81,935,165	78,809,907
Unassigned	(16,571,098)	(11,437,340)	(8,025,505)	(658,511)	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 11,446,508</u>	<u>\$ 17,651,369</u>	<u>\$ 20,884,444</u>	<u>\$ 30,935,606</u>	<u>\$ 43,398,495</u>	<u>\$ 55,660,131</u>	<u>\$ 63,680,905</u>	<u>\$ 74,984,536</u>	<u>\$ 89,028,626</u>	<u>\$ 130,903,368</u>

Source: Annual Financial Statements 2014-2023.

\* The District restated fiscal year 2016 ending fund balance in the Non-Major Governmental Funds in the amount of \$970,017 to adjust for the Illinois Municipal Retirement Fund (IMRF) payable in the Municipal Retirement/Social Security Fund. The amounts are shown above as restated.

*This page left blank intentionally.*

## School District U-46

### Changes in Fund Balances, Governmental Funds Last Ten Fiscal Years

	2014	2015	2016*	2017
<b>Revenues</b>				
Local sources:				
Property taxes	\$ 293,432,445	\$ 292,942,265	\$ 301,575,250	\$ 300,919,330
Replacement taxes and other payments in lieu of taxes	3,754,606	4,107,409	3,317,225	4,395,272
Charges for services	10,956,865	10,104,538	11,448,630	11,086,965
Investment income (loss)	240,423	63,897	426,318	1,628,146
Impact fees, rentals and other local sources	2,870,732	2,963,771	1,226,220	4,640,718
<b>Total local sources</b>	<b>311,255,071</b>	<b>310,181,880</b>	<b>317,993,643</b>	<b>322,670,431</b>
State sources:				
State grants-in-aid	128,344,057	138,062,156	146,310,918	157,372,473
State on-behalf payments	66,995,465	96,534,999	106,664,731	160,409,310
<b>Total state sources</b>	<b>195,339,522</b>	<b>234,597,155</b>	<b>252,975,649</b>	<b>317,781,783</b>
Federal sources:				
Federal grants-in-aid	34,451,084	34,609,687	39,907,563	38,327,985
<b>Total revenues</b>	<b>541,045,677</b>	<b>579,388,722</b>	<b>610,876,855</b>	<b>678,780,199</b>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular programs	133,321,829	135,272,777	141,296,937	138,497,126
Special programs	37,608,482	38,773,455	41,486,045	43,524,745
Other instructional programs	45,343,690	48,506,061	55,017,352	58,539,509
<b>Total instruction</b>	<b>216,274,001</b>	<b>222,552,293</b>	<b>237,800,334</b>	<b>240,561,380</b>
Support services:				
Pupils	26,060,806	27,542,911	29,996,313	32,837,494
Instructional staff	13,716,670	14,753,713	13,597,365	13,697,748
General administration	17,859,279	15,610,556	13,621,937	14,084,604
School administration	22,978,049	23,190,864	23,400,106	24,424,064
Business	28,301,788	27,251,136	4,451,828	4,104,249
Operations and maintenance	-	-	27,011,231	27,376,091
Transportation	27,440,574	28,103,698	28,184,168	27,528,948
Facilities acquisition and construction	1,355,140	3,695,335	1,989,410	1,553,336
Food service	15,408,947	13,819,753	14,658,019	15,281,310
Central	13,318,618	12,735,595	11,814,204	11,799,232
Other support	1,579,638	465,401	756,799	1,373,466
<b>Total support services</b>	<b>168,019,509</b>	<b>167,168,962</b>	<b>169,481,380</b>	<b>174,060,542</b>
State on-behalf payments	66,995,465	96,534,999	106,664,731	160,409,310
Community services	3,209,716	3,265,642	3,380,731	3,421,758
Intergovernmental:				
Payments to other governments	8,134,674	8,507,064	8,132,631	8,604,268



2018	2019	2020	2021	2022	2023
\$ 302,978,537	\$ 305,472,566	\$ 310,296,256	\$ 317,303,767	\$ 324,308,470	\$ 337,834,593
3,769,443	3,942,629	4,234,667	5,666,362	12,203,624	12,733,375
10,415,273	10,935,527	9,386,964	4,593,252	6,947,765	9,728,416
4,411,435	6,455,852	6,396,483	747,119	(1,471,852)	15,138,900
2,849,911	2,766,066	4,266,147	3,526,253	2,449,491	3,065,753
324,424,599	329,572,640	334,580,517	331,836,753	344,437,498	378,501,037
193,454,449	212,320,712	228,092,565	228,753,259	251,832,057	275,324,348
86,890,974	95,966,913	104,503,036	113,839,996	128,902,626	136,006,153
280,345,423	308,287,625	332,595,601	342,593,255	380,734,683	411,330,501
40,295,443	40,125,989	48,221,866	54,193,943	58,571,487	103,430,767
645,065,465	677,986,254	715,397,984	728,623,951	783,743,668	893,262,305
144,715,944	140,996,184	148,627,364	155,564,423	171,901,410	175,568,081
45,162,060	48,447,656	54,798,843	57,526,657	60,593,469	62,419,920
63,335,522	67,423,713	70,547,320	80,844,622	80,509,891	88,270,039
253,213,526	256,867,553	273,973,527	293,935,702	313,004,770	326,258,040
33,168,544	36,460,657	38,700,456	38,670,923	42,147,581	44,264,653
14,030,288	16,265,422	17,744,576	16,243,851	19,628,595	16,711,059
14,169,223	15,005,634	17,059,501	10,353,391	13,041,575	13,180,663
24,926,645	26,726,241	29,593,303	29,967,829	31,804,982	35,223,800
4,203,434	4,745,390	5,407,453	6,878,495	7,007,766	5,815,784
29,279,921	35,897,157	36,449,884	37,980,920	35,314,155	37,659,924
28,725,199	28,275,854	27,124,600	23,045,941	27,137,258	30,292,516
1,124,908	555,253	602,029	96,435	44,325	54,146
14,211,637	14,095,376	16,355,723	15,144,761	15,163,635	14,946,456
11,969,012	21,858,718	14,114,454	13,681,648	13,191,348	16,538,287
1,894,549	1,941,000	2,299,625	6,555,403	8,905,932	8,360,004
177,703,360	201,826,702	205,451,604	198,619,597	213,387,152	223,047,292
86,890,974	95,966,913	104,503,036	113,839,996	128,902,626	136,006,153
3,303,479	3,207,463	3,235,960	2,346,547	2,129,551	1,960,526
9,820,359	9,292,969	9,581,182	9,467,245	10,345,341	12,157,957

(Continued)

**School District U-46**

**Changes in Fund Balances, Governmental Funds (Continued)**  
**Last Ten Fiscal Years**

	2014	2015	2016*	2017
<b>Total current</b>	<b>\$ 462,633,365</b>	<b>\$ 498,028,960</b>	<b>\$ 525,459,807</b>	<b>\$ 587,057,258</b>
Debt service:				
Principal	30,465,774	29,288,687	22,564,859	22,680,171
Interest and fees	15,549,123	17,940,188	23,310,522	22,785,737
Payment to escrow agent using District resources	-	-	-	-
Debt issuance costs	-	-	-	-
Capital outlay	15,782,377	29,175,410	34,158,576	26,929,206
<b>Total Expenditures</b>	<b>524,430,639</b>	<b>574,433,245</b>	<b>605,493,764</b>	<b>659,452,372</b>
Excess of revenues (under) over expenditures	16,615,038	4,955,477	5,383,091	19,327,827
Other financing sources (uses):				
Proceeds from issuance of bonds	-	175,900,000	-	-
Premium on bonds sold	-	25,200,979	-	-
Discount on bonds sold	-	-	-	-
Proceeds from sale of equipment	-	-	664,800	-
Proceeds from issuance of purchase contracts	-	-	6,653,797	-
Transfer to escrow agent	-	(158,839,600)	-	-
Transfers in	1,393,860	1,359,141	3,727,365	5,544,138
Transfers out	(1,393,860)	(1,359,141)	(3,727,365)	(5,544,138)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>42,261,379</b>	<b>7,318,597</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ 16,615,038</b>	<b>\$ 47,216,856</b>	<b>\$ 12,701,688</b>	<b>\$ 19,327,827</b>
Debt service expenditure as a percentage of noncapital expenditures	9.80%	9.31%	8.04%	7.12%

Source: Annual Financial Statements 2014-2023.

2018	2019	2020	2021	2022	2023
\$ 530,931,698	\$ 567,161,600	\$ 596,745,309	\$ 618,209,087	\$ 667,769,440	\$ 699,429,968
24,054,232	24,509,426	21,099,308	16,376,277	14,694,300	16,600,841
21,394,575	19,570,967	22,975,609	26,491,669	26,401,949	26,823,582
-	-	-	-	1,715,312	-
-	-	-	-	167,180	92,471
27,623,860	27,747,711	51,755,321	29,293,985	26,182,218	34,467,405
604,004,365	638,989,704	692,575,547	690,371,018	736,930,399	777,414,267
41,061,100	38,996,550	22,822,437	38,252,933	46,813,269	115,848,038
-	-	-	-	18,730,000	12,205,000
-	-	-	-	1,777,437	-
-	-	-	-	-	2,382,307
-	-	-	31,211	43,525	-
-	-	-	-	-	-
-	-	-	-	(20,331,283)	(12,107,924)
7,543,037	16,338,780	10,337,247	10,365,690	10,133,985	45,528,596
(7,543,037)	(16,338,780)	(10,337,247)	(10,365,690)	(10,133,985)	(45,528,596)
-	-	-	31,211	219,679	2,479,383
\$ 41,061,100	\$ 38,996,550	\$ 22,822,437	\$ 38,284,144	\$ 47,032,948	\$ 118,327,421
7.85%	6.90%	6.88%	6.47%	6.03%	5.86%

# **School District U-46**

## **Equalized Assessed Valuation and Estimated Actual Value on Taxable Property Last Ten Levy Years**

Levy Year	County	Residential Property	Farm Property	Commercial Property
2022	Kane	\$ 1,786,311,741	\$ 5,637,316	\$ 323,109,249
2022	Cook	2,039,252,840	276,865	322,465,645
2022	DuPage	1,267,572,651	599,038	45,517,650
2022	All	5,093,137,232	6,513,219	691,092,544
2021	Kane	1,654,172,578	5,122,386	306,986,756
2021	Cook	1,532,968,503	263,280	333,008,416
2021	DuPage	1,193,737,823	572,949	42,828,490
2021	All	4,380,878,904	5,958,615	682,823,662
2020	Kane	1,561,479,828	4,942,721	295,035,598
2020	Cook	1,664,482,136	271,878	348,344,988
2020	DuPage	1,168,591,998	552,186	40,928,270
2020	All	4,394,553,962	5,766,785	684,308,856
2019	Kane	1,486,459,186	4,851,699	285,465,140
2019	Cook	1,683,691,956	250,549	349,735,045
2019	DuPage	1,129,333,828	522,403	39,620,620
2019	All	4,299,484,970	5,624,651	674,820,805
2018	Kane	1,396,230,749	4,751,363	257,653,344
2018	Cook	1,482,500,165	229,887	292,104,980
2018	DuPage	1,088,656,730	515,570	38,721,840
2018	All	3,967,387,644	5,496,820	588,480,164
2017	Kane	1,325,324,126	4,623,456	253,703,319
2017	Cook	1,514,094,942	239,335	299,217,235
2017	DuPage	1,051,192,472	483,525	36,988,640
2017	All	3,890,611,540	5,346,316	589,909,194
2016	Kane	1,228,489,115	4,300,745	250,638,601
2016	Cook	1,522,843,405	266,444	287,410,378
2016	DuPage	1,005,299,675	478,237	35,238,540
2016	All	3,756,632,195	5,045,426	573,287,519
2015	Kane	1,119,472,730	3,894,961	238,469,133
2015	Cook	1,288,877,948	288,813	270,499,844
2015	DuPage	948,804,496	473,062	33,359,380
2015	All	3,357,155,174	4,656,836	542,328,357
2014	Kane	1,072,691,800	3,696,245	223,422,439
2014	Cook	1,335,038,197	291,179	276,661,777
2014	DuPage	919,089,436	464,297	33,064,550
2014	All	3,326,819,433	4,451,721	533,148,766
2013	Kane	1,102,287,009	3,400,185	238,161,645
2013	Cook	1,295,154,141	232,770	226,551,718
2013	DuPage	943,539,480	451,120	34,607,230
2013	All	3,340,980,630	4,084,075	499,320,593

Source: Kane, Cook and DuPage County Clerk Tax Extension Offices

Notes: The 2022 levy year is the current levy year for the District as the property tax levy is on a calendar year in the State of Illinois. DuPage and Kane counties assess property as approximately 33.33 percent of actual value. Cook County assesses property as approximately 10 percent of actual value for residential properties and 25 percent of actual

Industrial Property	Railroad Property	Total Taxable Equalized Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Percentage of Est. Actual Taxable Value
\$ 165,421,770	\$ 2,437,769	\$ 2,282,917,845	5.5971	\$ 6,848,753,535	33.33%
145,420,874	1,961,383	2,509,377,607	6.0220	7,528,132,821	33.33%
9,015,548	1,950,279	1,324,655,166	5.4771	3,973,965,498	33.33%
319,858,192	6,349,431	6,116,950,618		18,350,851,854	
153,762,523	2,341,048	2,122,385,291	5.6180	6,367,155,873	33.33%
139,370,443	2,077,858	2,007,688,500	7.1970	6,023,065,500	33.33%
8,753,668	1,848,138	1,247,741,068	5.5822	3,743,223,204	33.33%
301,886,634	6,267,044	5,377,814,859		16,133,444,577	
146,357,393	2,167,873	2,009,983,413	5.7275	6,029,950,239	33.33%
153,766,439	2,077,858	2,168,943,299	6.5746	6,506,829,897	33.33%
2,162,836	1,829,869	1,214,065,159	5.6366	3,642,195,477	33.33%
302,286,668	6,075,600	5,392,991,871		16,178,975,613	
140,553,322	1,941,130	1,919,270,477	5.7890	5,757,811,431	33.33%
140,124,904	1,789,381	2,175,591,835	6.4390	6,526,775,505	33.33%
1,994,269	1,767,533	1,173,238,653	5.7783	3,519,715,959	33.33%
282,672,495	5,498,044	5,268,100,965		15,804,302,895	
129,812,092	1,820,868	1,790,268,416	6.1237	5,370,805,248	33.33%
113,037,065	1,775,595	1,889,647,692	7.1200	5,668,943,076	33.33%
1,963,259	1,766,536	1,131,623,935	5.9746	3,394,871,805	33.33%
244,812,416	5,362,999	4,811,540,043		14,434,620,129	
132,002,713	1,744,753	1,717,398,367	6.3696	5,152,195,101	33.33%
118,476,108	1,686,439	1,933,714,059	6.9318	5,801,142,177	33.33%
1,956,449	1,777,227	1,092,398,313	6.1638	3,277,194,939	33.33%
252,435,270	5,208,419	4,743,510,739		14,230,532,217	
136,507,859	1,663,356	1,621,599,676	6.5487	4,864,799,028	33.33%
113,264,832	2,041,772	1,925,826,831	6.8370	5,777,480,493	33.33%
1,950,749	2,104,638	1,045,071,839	6.3384	3,135,215,517	33.33%
251,723,440	5,809,766	4,592,498,346		13,777,495,038	
124,953,952	1,546,941	1,488,337,717	7.1238	4,465,013,151	33.33%
91,942,586	1,848,249	1,653,457,440	7.9470	4,960,372,320	33.33%
1,944,259	1,844,159	986,425,356	6.8325	2,959,276,068	33.33%
218,840,797	5,239,349	4,128,220,513		12,384,661,539	
104,901,611	1,368,917	1,406,081,012	8.0229	4,218,243,036	33.33%
94,788,944	1,532,574	1,708,312,671	7.6680	5,124,938,013	33.33%
1,554,803	1,600,080	955,773,166	6.4133	2,867,319,498	33.33%
201,245,358	4,501,571	4,070,166,849		12,210,500,547	
96,171,351	1,547,962	1,441,568,152	5.9395	4,324,704,456	33.33%
163,051,097	1,308,781	1,686,298,507	7.5800	5,058,895,521	33.33%
1,557,563	1,309,952	981,465,345	7.8519	2,944,396,035	33.33%
260,780,011	4,166,695	4,109,332,004		12,327,996,012	

## School District U-46

### Property Tax Rates - Direct and Overlapping Governments Last Ten Levy Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Direct										
School District U-46	5.5971	5.6180	5.7275	5.7890	6.1237	6.3696	6.5487	7.1238	8.0229	6.4086
Overlapping										
Kane County	0.3322	0.3522	0.3618	0.3739	0.3877	0.4025	0.4201	0.4479	0.4684	0.4623
Kane County Forest Preserve District	0.1367	0.1435	0.1477	0.1549	0.1607	0.1658	0.2253	0.2944	0.3126	0.3039
Gail Borden Library District	0.4518	0.4542	0.4647	0.4445	0.4630	0.4729	0.4898	0.5294	0.5796	0.5087
Elgin Township	0.1006	0.1035	0.1069	0.1121	0.1164	0.1192	0.1020	0.1102	0.1160	0.1114
Elgin Township Road Fund	0.0667	0.0684	0.0707	0.0723	0.0745	0.0758	0.0785	0.0849	0.0893	0.0858
City of Elgin	1.5384	1.7049	1.7706	1.8788	2.0240	2.1494	2.2396	2.4110	2.3218	2.1668
Fox River Water Reclamation District	0.0249	0.0256	0.0266	0.0278	0.0291	0.0302	0.0315	0.0339	0.0409	0.3697
Community College District 509	0.4225	0.4514	0.4439	0.4865	0.5075	0.4999	0.5296	0.5609	0.6076	0.5707
Total	8.6709	8.9217	9.1204	9.3397	9.8866	10.2854	10.6651	11.5963	12.5591	10.9879

Source: Kane County District Rate Listing

Notes: The tax rates presented are the property tax rates paid by a typical resident living in the City of Elgin, Kane County, in the District. Tax rates are per \$100 of Equalized Assessed Valuation. The most recent levy year with full information available is presented.

**School District U-46**

**Principal Property Taxpayers  
Current Fiscal Year and Nine Fiscal Years Ago**

Name	Rank	2022	Percent of District's Total EAV	Rank	2013	Percent of District's Total EAV	
		Equalized Assessed Valuation			Equalized Assessed Valuation		
Target Corporation	1	\$21,524,475	0.35%	3	\$16,305,357	0.40%	
Continental 368 Fund LLC	2	17,192,141	0.28		-	-	
Property Valuation Service	3	14,892,664	0.24	5	8,665,772	0.21	
Walmart Stores	4	12,493,753	0.20	2	18,613,038	0.45	
MHC-Deanza Financing Limited Partnership	5	12,307,086	0.20	6	7,324,225	0.18	
Hunter Ridge Apartments LLC	6	10,430,540	0.17		-	-	
Blackhawk LLC	7	8,709,881	0.14		-	-	
Falcon Court	8	8,385,449	0.14		-	-	
Pure International	9	8,157,082	0.13		-	-	
Crystal Buck	10	7,997,852	0.13		-	-	
Newplan Excel Realty				1	19,301,742	0.47	
IRC				4	11,797,216	0.29	
Willo Arms Associates Limited				7	6,280,311	0.15	
Heidner Property Mgmt				8	6,061,024	0.15	
Ball Aerosol & Special				9	5,637,271	0.14	
Henkel Corporation				10	5,141,149	0.13	
		\$122,090,923	2.00%			\$105,127,105	2.56%

Note: 2022 tax levy is the current levy in the District's fiscal year 2023.

**School District U-46**

**Property Tax Levies and Collections - Cook County  
Last Ten Levy Years**

	2022	2021	2020	2019
<b>Rates Extended</b>				
Educational	3.4992	4.1079	3.6974	3.5819
Tort immunity/liability insurance	0.1141	0.1155	0.1155	0.1164
Special education	0.7083	0.8029	0.7342	0.7149
Operations and maintenance	0.6970	0.8396	0.7857	0.7227
Transportation	0.1621	0.1930	0.1913	0.2451
Municipal retirement - IMRF	0.0435	0.1131	0.1232	0.1296
Social security	0.0586	0.1312	0.1398	0.1401
Bond and interest/supp.	0.4255	0.5375	0.5048	0.5072
Life safety	0.0898	0.1069	0.0977	0.0952
Limited bonds	0.1487	0.1856	0.1850	0.1853
Levy Adjustment	0.0745	0.0629	-	-
<b>Total Rates Extended</b>	<b>6.0213</b>	<b>7.1961</b>	<b>6.5746</b>	<b>6.4384</b>
<b>Levies Extended</b>				
Educational	\$ 87,809,338	\$ 82,473,195	\$ 80,194,953	\$ 77,928,345
Tort immunity/liability insurance	2,865,365	2,318,002	2,504,181	2,531,250
Special education	17,772,587	16,119,497	15,925,655	15,552,411
Operations and maintenance	17,492,847	16,855,886	17,042,544	15,723,317
Transportation	4,067,982	3,874,144	4,150,122	5,332,717
Municipal retirement - IMRF	1,090,198	2,269,373	2,671,126	2,822,252
Social security	1,471,898	2,632,935	3,030,882	3,046,277
Bond and interest/supp.	10,677,503	10,791,863	10,947,801	11,035,683
Life safety	2,253,599	2,146,641	2,120,912	2,069,343
Limited bonds	3,732,044	3,725,896	4,011,994	4,032,317
Levy Adjustment	1,870,537	1,262,130	-	-
<b>Total Levies Extended</b>	<b>\$ 151,103,898</b>	<b>\$ 144,469,562</b>	<b>\$ 142,600,170</b>	<b>\$ 140,073,912</b>
Current year collections	\$ 74,547,929	\$ 75,935,590	\$ 73,815,721	\$ 70,805,557
Subsequent year collections	-	64,918,002	66,222,194	66,136,047
<b>Total Collections</b>	<b>\$ 74,547,929</b>	<b>\$ 140,853,592</b>	<b>\$ 140,037,915</b>	<b>\$ 136,941,604</b>
Percentage of extensions collected				
Current year collections	49.34%	52.56%	51.76%	50.55%
Total collections	49.34%	97.50%	98.20%	97.76%

Source: District records



2018	2017	2016	2015	2014	2013
3.8664	3.6224	3.6211	4.1504	3.9493	4.0325
0.1174	0.1765	0.2171	0.3278	0.3135	0.2099
0.7669	0.7285	0.7161	0.8260	0.7898	0.8065
0.7960	0.7613	0.6938	0.7743	0.7404	0.7328
0.4037	0.3834	0.3769	0.4217	0.4034	0.3362
0.1542	0.1518	0.1461	0.1634	0.1599	0.1532
0.1435	0.1243	0.1201	0.1333	0.1437	0.1397
0.5687	0.6890	0.6950	0.8608	0.8906	0.9020
0.0939	0.0892	0.0439	0.0481	0.0459	0.0455
0.2092	0.2054	0.2062	0.2404	0.2310	0.2217
-	-	-	-	-	-
7.1199	6.9318	6.8363	7.9462	7.6675	7.5800

\$ 73,060,819	\$ 70,045,692	\$ 69,737,305	\$ 68,624,895	\$ 67,465,304	\$ 68,000,191
2,217,411	3,413,679	4,183,246	5,419,725	5,354,975	3,539,198
14,491,778	14,084,997	13,790,836	13,655,426	13,493,060	13,599,343
15,041,994	14,721,239	13,360,616	12,802,965	12,649,854	12,357,671
7,628,557	7,414,659	7,258,230	6,973,059	6,889,998	5,670,010
2,914,489	2,936,498	2,811,300	2,700,054	2,732,058	2,584,066
2,711,778	2,404,258	2,311,690	2,204,271	2,455,683	2,356,571
10,747,123	17,295,922	13,384,565	14,232,830	15,214,588	15,210,102
1,774,756	1,725,192	846,561	795,392	785,114	765,842
3,953,558	-	3,970,856	3,974,341	3,946,992	3,738,151
-	-	-	-	-	-
\$ 134,542,263	\$ 134,042,136	\$ 131,655,205	\$ 131,382,958	\$ 130,987,626	\$ 127,821,145
\$ 70,902,525	\$ 69,891,692	\$ 68,927,167	\$ 67,753,981	\$ 65,702,776	\$ 66,860,960
61,392,321	61,954,439	61,009,329	61,729,996	61,964,879	57,636,244
\$ 132,294,846	\$ 131,846,131	\$ 129,936,496	\$ 129,483,977	\$ 127,667,655	\$ 124,497,204

52.70%	52.14%	52.35%	51.57%	50.16%	52.31%
98.33%	98.36%	98.69%	98.55%	97.47%	97.40%

# School District U-46

## Property Tax Levies and Collections - DuPage County Last Ten Levy Years

	2022	2021	2020	2019
<b>Rates Extended</b>				
Educational	3.2199	3.2115	3.1729	3.2277
Tort immunity/liability insurance	0.1050	0.0905	0.0992	0.1050
Special education	0.6516	0.6279	0.6302	0.6444
Operations and maintenance	0.6600	0.6751	0.6885	0.6514
Transportation	0.1493	0.1510	0.1643	0.2210
Municipal retirement - IMRF	0.0403	0.0884	0.1058	0.1169
Social security	0.0541	0.1027	0.1200	0.1263
Bond and interest/supp.	0.3769	0.4066	0.4183	0.4393
Bond and interest - limited	0.1318	0.1404	0.1535	0.1605
Life safety	0.0827	0.0836	0.0839	0.0858
Aggregate refunds	0.0055	0.0045	-	-
<b>Total Rates Extended</b>	<b>5.4771</b>	<b>5.5822</b>	<b>5.6366</b>	<b>5.7783</b>
<b>Levies Extended</b>				
Educational	\$ 42,652,572	\$ 40,071,204	\$ 38,521,073	\$ 37,868,624
Tort immunity/liability insurance	1,390,888	1,129,206	1,204,353	1,231,901
Special education	8,631,453	7,834,566	7,651,039	7,560,350
Operations and maintenance	8,742,724	8,423,500	8,358,839	7,642,477
Transportation	1,977,710	1,884,089	1,994,709	2,592,857
Municipal retirement - IMRF	533,836	1,103,003	1,284,481	1,371,516
Social security	716,638	1,281,430	1,456,878	1,481,800
Bond and interest/supp.	4,992,625	5,073,315	5,078,434	5,154,037
Bond and interest limited	1,745,896	1,751,829	1,863,590	1,883,048
Life safety	1,095,490	1,043,112	1,018,601	1,006,639
Aggregate refunds	72,856	56,148	-	-
<b>Total Levies Extended</b>	<b>\$ 72,552,688</b>	<b>\$ 69,651,402</b>	<b>\$ 68,431,997</b>	<b>\$ 67,793,249</b>
Current year collections	\$ 37,830,395	\$ 36,166,871	\$ 33,615,324	\$ 33,797,675
Subsequent year collections	-	33,407,182	34,759,495	33,880,558
<b>Total Collections</b>	<b>\$ 37,830,395</b>	<b>\$ 69,574,053</b>	<b>\$ 68,374,819</b>	<b>\$ 67,678,233</b>
Percentage of extensions collected				
Current year collections	52.14%	51.93%	49.12%	49.85%
Total collections	52.14%	99.89%	99.92%	99.83%

Source: District records

2018	2017	2016	2015	2014	2013
3.2501	3.2369	3.3740	3.5870	3.2785	4.2826
0.0988	0.1578	0.2024	0.2834	0.2778	0.2083
0.6447	0.6509	0.6673	0.7137	0.6664	0.8370
0.6817	0.6802	0.6464	0.6692	0.6414	0.7251
0.3396	0.3426	0.3512	0.3645	0.3529	0.3337
0.1298	0.1358	0.1360	0.1413	0.1389	0.1517
0.1207	0.1113	0.1119	0.1153	0.1253	0.1376
0.4605	0.5928	0.6231	0.7163	0.7072	0.9078
0.1696	0.1758	0.1850	0.2001	0.1850	0.2231
0.0791	0.0797	0.0411	0.0417	0.0399	0.0450
-	-	-	-	-	-
5.9746	6.1638	6.3384	6.8325	6.4133	7.8519

\$ 36,778,910	\$ 35,359,841	\$ 35,260,724	\$ 35,383,078	\$ 31,335,023	\$ 42,032,235
1,118,044	1,723,805	2,115,225	2,795,529	2,655,138	2,044,392
7,295,580	7,110,421	6,973,764	7,040,118	6,369,272	8,214,865
7,714,280	7,430,493	6,755,344	6,601,158	6,130,329	7,116,605
3,842,995	3,742,557	3,670,292	3,595,520	3,372,924	3,275,150
1,468,848	1,483,477	1,421,298	1,393,819	1,327,569	1,488,883
1,365,870	1,215,839	1,169,435	1,137,348	1,197,584	1,350,496
5,211,128	6,475,737	6,511,843	7,065,765	6,759,228	8,909,743
1,919,234	1,920,436	1,933,383	1,973,837	1,768,180	2,189,649
895,115	870,641	429,525	411,339	381,353	441,659
-	-	-	-	-	-
\$ 67,610,004	\$ 67,333,247	\$ 66,240,833	\$ 67,397,511	\$ 61,296,600	\$ 77,063,677
\$ 33,586,889	\$ 35,016,881	\$ 33,249,188	\$ 33,404,036	\$ 29,852,672	\$ 37,119,808
33,872,164	32,198,766	32,932,240	33,885,194	31,125,026	39,827,829
\$ 67,459,053	\$ 67,215,647	\$ 66,181,428	\$ 67,289,230	\$ 60,977,698	\$ 76,947,637

49.68%	52.01%	50.19%	49.56%	48.70%	48.17%
99.78%	99.83%	99.91%	99.84%	99.48%	99.85%

# School District U-46

## Property Tax Levies and Collections - Kane County Last Ten Levy Years

	2022	2021	2020	2019
<b>Rates Extended</b>				
Educational	3.2762	3.2219	3.2276	3.2331
Tort immunity/liability insurance	0.1069	0.0905	0.1008	0.1050
Special education	0.6632	0.6297	0.6410	0.6453
Operations and maintenance	0.6714	0.6781	0.7008	0.6523
Transportation	0.1517	0.1514	0.1670	0.2212
Municipal retirement - IMRF	0.0407	0.0887	0.1075	0.1171
Social security	0.0549	0.1029	0.1220	0.1264
Bond and interest/supp.	0.5184	0.5486	0.5809	0.6008
Life safety	0.0840	0.0839	0.0853	0.0859
Prior year adjustment	0.0080	0.0013	(0.0055)	0.0018
Revenue recapture	0.0216	0.0210	-	-
<b>Total Rates Extended</b>	<b>5.5970</b>	<b>5.6180</b>	<b>5.7274</b>	<b>5.7889</b>
<b>Levies Extended</b>				
Educational	\$ 74,793,682	\$ 68,380,418	\$ 64,873,309	\$ 62,051,039
Tort immunity/liability insurance	2,439,693	1,921,811	2,026,124	2,015,994
Special education	15,139,369	13,365,261	12,883,460	12,385,149
Operations and maintenance	15,327,775	14,392,474	14,086,128	12,519,809
Transportation	3,464,300	3,213,219	3,356,484	4,245,336
Municipal retirement - IMRF	930,086	1,882,140	2,161,094	2,246,510
Social security	1,253,789	2,184,058	2,452,772	2,426,596
Bond and interest/supp.	11,833,723	11,642,661	11,676,951	11,531,710
Life safety	1,918,671	1,779,929	1,714,234	1,648,333
Prior year adjustment	183,653	28,563	(109,607)	35,481
Revenue recapture	492,950	445,128	-	-
<b>Total Levies Extended</b>	<b>\$ 127,777,691</b>	<b>\$ 119,235,662</b>	<b>\$ 115,120,949</b>	<b>\$ 111,105,957</b>
Current year collections	\$ 64,486,123	\$ 61,935,185	\$ 59,114,552	\$ 45,933,903
Subsequent year collections	-	56,849,991	55,664,150	64,883,488
<b>Total Collections</b>	<b>\$ 64,486,123</b>	<b>\$ 118,785,176</b>	<b>\$ 114,778,702</b>	<b>\$ 110,817,391</b>
Percentage of extensions collected				
Current year collections	50.47%	51.94%	51.35%	41.34%
Total collections	50.47%	99.62%	99.70%	99.74%
<b>All Three Counties Combined</b>				
Total levies extended	\$ 351,434,277	\$ 333,356,626	\$ 326,153,116	\$ 318,973,118
Current year collections	\$ 176,864,447	\$ 174,037,646	\$ 166,545,597	\$ 150,537,135
Subsequent year collections	-	155,175,175	156,645,839	164,900,093
<b>Total collections</b>	<b>\$ 176,864,447</b>	<b>\$ 329,212,821</b>	<b>\$ 323,191,436</b>	<b>\$ 315,437,228</b>
Percentage of extensions collected				
Current year collections	50.33%	52.21%	51.06%	47.19%
Total collections	50.33%	98.76%	99.09%	98.89%

Source: District records

2018	2017	2016	2015	2014	2013
3.3243	3.3443	3.4863	3.8188	3.9615	3.8031
0.1009	0.1629	0.2091	0.3016	0.3085	0.1879
0.6594	0.6725	0.6894	0.7599	0.7860	0.7571
0.6970	0.7029	0.6679	0.7124	0.7286	0.6563
0.3471	0.3539	0.3628	0.3880	0.3969	0.3010
0.1326	0.1402	0.1406	0.1503	0.1573	0.1372
0.1234	0.1148	0.1156	0.1227	0.1414	0.1251
0.6521	0.7944	0.8347	0.9596	1.0423	0.9663
0.0808	0.0824	0.0423	0.0442	0.0452	0.0408
0.0061	0.0013	-	0.1071	0.3000	(0.5662)
-	-	-	-	-	-
6.1237	6.3696	6.5487	7.3646	7.8677	6.4086
\$ 59,514,490	\$ 57,435,637	\$ 56,533,961	\$ 54,836,681	\$ 52,470,474	\$ 50,845,761
1,806,679	2,798,226	3,390,761	4,330,910	4,085,778	2,512,489
11,804,804	11,549,908	11,180,092	10,912,435	10,411,350	10,122,444
12,478,640	12,071,205	10,830,991	10,230,276	9,650,033	8,773,890
6,214,318	6,078,812	5,883,473	5,572,272	5,257,196	4,024,671
2,373,246	2,407,366	2,280,376	2,157,751	2,083,776	1,834,269
2,208,336	1,971,316	1,874,467	1,761,778	1,873,095	1,672,599
11,674,441	13,642,436	13,534,845	13,994,649	14,233,892	13,452,011
1,445,909	1,414,288	686,106	635,186	598,959	544,792
109,387	21,788	(908)	1,593,496	12,143,717	(8,161,715)
-	-	-	-	-	-
\$ 109,630,250	\$ 109,390,982	\$ 106,194,164	\$ 106,025,434	\$ 112,808,270	\$ 85,621,211
\$ 45,804,761	\$ 52,908,367	\$ 52,182,995	\$ 51,819,201	\$ 56,658,282	\$ 43,224,911
63,210,161	55,742,569	53,570,607	53,741,374	55,941,528	42,024,315
\$ 109,014,922	\$ 108,650,936	\$ 105,753,602	\$ 105,560,575	\$ 112,599,810	\$ 85,249,226
41.78%	48.37%	49.14%	48.87%	50.23%	50.48%
99.44%	99.32%	99.59%	99.56%	99.82%	99.57%
\$ 311,782,517	\$ 310,766,365	\$ 304,090,202	\$ 290,506,033	\$ 305,092,496	\$ 290,506,033
\$ 150,294,175	\$ 152,977,218	\$ 152,213,730	\$ 147,205,680	\$ 152,213,730	\$ 147,205,679
158,474,646	149,356,564	149,031,433	149,356,564	149,031,433	139,488,388
\$ 308,768,821	\$ 302,333,782	\$ 301,245,163	\$ 296,562,244	\$ 301,245,163	\$ 286,694,067
48.20%	49.23%	50.06%	50.67%	49.89%	50.67%
99.03%	97.29%	99.06%	102.08%	98.74%	98.69%

**School District U-46**

**Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**

Fiscal Year	General Oblig. Bonds Net of Related Premiums and Discounts	Accreted Interest on Long-Term Debt	Debt Certificates	Subscription Based IT Arrangements*	Purchase Contracts	Less: Amount Available in Debt Service Fund
2023	\$ 172,647,040	\$ -	\$ -	\$ 1,605,629	\$ -	\$ 24,739,371
2022	201,247,670	17,731,721	525,614	402,640	-	33,088,313
2021	218,192,721	33,518,950	1,048,435	-	-	33,180,596
2020	235,350,759	47,472,625	1,568,459	-	-	32,625,408
2019	256,162,719	56,228,061	2,085,750	-	1,353,353	31,984,880
2018	280,575,922	60,008,791	2,600,303	-	2,687,098	28,616,931
2017	303,217,738	64,392,849	2,552,611	-	5,432,856	27,934,843
2016	324,525,540	69,018,018	2,968,433	-	8,141,320	26,112,980
2015	345,263,357	74,017,139	3,381,622	-	4,653,296	23,941,233
2014	262,778,810	119,803,876	3,792,143	-	6,400,590	24,156,123

Source: All Years: outstanding debt and debt service fund - District records  
Population and income data - calendar year 2013-2022 - U.S. Census Bureau

Note: This schedule includes all debt financed with general governmental resources for which there is an established repayment schedule. Other long-term liabilities such as retirement obligations and estimated liabilities such as compensated absences and claims incurred but not reported (IBNR) are not included.

\* In fiscal year 2023, GASB No. 96 was implemented by the District and subscription based IT arrangements were recognized as of the beginning of the fiscal year. Beginning of fiscal year 2023 balances equate to fiscal year 2022 ending balances and so that fiscal year was updated in the year of implementation.

Net Total Outstanding Debt	Estimated Actual Taxable Property Value	Percentage Estimated Actual Taxable Property Value	Estimated Population	Net Total Outstanding Debt Per Capita	Estimated Personal Income	Percentage of Net Total Outstanding Debt to Est. Personal Income
\$ 149,513,298	\$ 18,350,851,854	0.81%	230,788	\$ 648	\$ 9,197,594,164	1.63%
186,819,332	16,133,444,577	1.16	228,599	817	8,313,459,833	2.25
219,579,510	16,178,975,613	1.36	233,666	940	7,734,344,600	2.84
251,766,435	15,804,302,895	1.59	236,340	1,065	8,099,844,480	3.11
283,845,003	14,434,620,129	1.97	235,359	1,206	7,556,436,054	3.76
317,255,183	14,230,532,217	2.23	233,865	1,357	7,157,672,190	4.43
347,661,211	13,777,495,038	2.52	235,930	1,474	7,060,205,250	4.92
378,540,331	12,384,661,539	3.06	233,144	1,624	7,212,775,928	5.25
403,374,181	12,210,500,547	3.30	236,931	1,702	6,513,470,121	6.19
368,619,296	12,327,996,012	2.99	236,501	1,559	6,622,264,501	5.57

**School District U-46**

**Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years**

Fiscal Year	General Obligation Bonds Net of Related Premiums and Discounts	Accreted Interest on Long-Term Debt	Less: Amount Available in Debt Service Fund	Net General Bonded Debt	Estimated Actual Taxable Property Value
2023	\$ 172,647,040	\$ -	\$ 24,739,371	\$ 147,907,669	\$ 18,350,851,854
2022	201,247,670	17,731,721	33,088,313	185,891,078	16,133,444,577
2021	218,192,721	33,518,950	33,180,596	218,531,075	16,178,975,613
2020	235,350,759	47,472,625	32,625,408	250,197,976	15,804,302,895
2019	256,162,719	56,228,061	31,984,880	280,405,900	14,434,620,129
2018	280,575,922	60,008,791	28,616,931	311,967,782	14,230,532,217
2017	303,217,738	64,392,849	27,934,843	339,675,744	13,777,495,038
2016	324,525,540	69,018,018	26,112,980	367,430,578	12,384,661,539
2015	345,263,357	74,017,139	23,941,233	395,339,263	12,210,500,547
2014	262,778,810	119,803,876	24,156,123	358,426,563	12,327,996,012

Source: All Years: general bonded debt and debt service fund - District records  
Population and income data - calendar year 2012-2022 - U.S. Census Bureau

Note: This schedule includes all general obligation bonded debt being financed by property taxes.



Percentage of Net General Bonded Debt to Estimated Actual Valuation	Estimated Population	Net General Bonded Debt Per Capita	Estimated Personal Income	Percentage of Net General Bonded Debt to Est. Personal Income
0.81%	230,788	\$ 641	\$ 9,197,594,164	1.61%
1.15	228,599	813	8,313,459,833	2.24
1.35	233,666	935	7,734,344,600	2.83
1.58	236,340	1,059	8,099,844,480	3.09
1.94	235,359	1,191	7,556,436,054	3.71
2.19	233,865	1,334	7,157,672,190	4.36
2.47	235,930	1,440	7,060,205,250	4.81
2.97	233,144	1,576	7,212,775,928	5.09
3.24	236,931	1,669	6,513,470,121	6.07
2.91	236,501	1,516	6,622,264,501	5.41

**School District U-46****Legal Debt Margin Information  
Last Ten Fiscal Years**

	2023	2022	2021	2020
Debt limit	\$ 844,139,185	\$ 742,138,451	\$ 744,232,878	\$ 726,997,933
Total net debt applicable to limit	133,670,629	152,863,211	170,325,228	187,256,693
Legal debt margin	<u>\$ 710,468,556</u>	<u>\$ 589,275,240</u>	<u>\$ 573,907,650</u>	<u>\$ 539,741,240</u>
Total net debt applicable to the limit as a percentage of debt limit	16%	21%	23%	26%

Note: Legal debt limit from 2014-2023 was 13.8% of the EAV.

**Legal Debt Margin Calculation for Fiscal 2023**

Assessed Value	\$ 6,116,950,618
Debt limit (13.8%) of assessed value	<u>844,139,185</u>
Debt outstanding applicable to the limit:	
General obligation bonds	158,410,000
Less: Amount set aside for repayment of debt	<u>24,739,371</u>
Total net debt applicable to the limit	<u>133,670,629</u>
Total legal debt margin	<u>\$ 710,468,556</u>

Source: District Records

2019	2018	2017	2016	2015	2014
\$ 663,992,526	\$ 654,604,482	\$ 633,764,772	\$ 569,694,431	\$ 561,683,025	\$ 567,087,817
208,996,706	236,874,236	261,144,286	285,646,318	303,729,127	245,987,387
\$ 454,995,820	\$ 417,730,246	\$ 372,620,486	\$ 257,953,898	\$ 321,100,430	\$ 363,977,344
31%	36%	41%	50%	54%	43%

# **School District U-46**

## **Direct and Overlapping General Obligation Bonded Debt Current Fiscal Year**

<b>Governmental Unit</b>	<b>Outstanding Debt</b>	<b>Overlapping Percentage</b>	<b>Direct and Overlapping Debt</b>
<u><b>Taxing Districts:</b></u>			
Cook County	\$2,251,061,750	1.359%	\$ 30,591,929
Cook County Forest Preserve District	98,005,000	1.359%	1,331,888
DuPage County	19,960,000 (1)(3)	2.895%	577,842
DuPage County Forest Preserve District	69,295,000	2.895%	2,006,090
Kane County Forest Preserve District	92,320,000 (1)	13.093%	12,087,458
Metropolitan Water Reclamation District	2,637,381,349 (4)	1.355%	35,736,517
<u><b>Municipalities:</b></u>			
Bartlett	50,040,000	100.000%	50,040,000
Elgin	13,690,000 (5)	69.201%	9,473,617
Hanover Park	9,690,000	37.304%	3,614,758
Hoffman Estates	88,080,305	9.686%	8,531,458
Schaumburg	275,640,000	2.239%	6,171,580
Streamwood	16,390,000	96.729%	15,853,883
<u><b>Library Districts:</b></u>			
Poplar Creek	9,130,000	79.034%	7,215,804
<u><b>Park Districts:</b></u>			
Bartlett Park	16,250,000	100.000%	16,250,000
Carol Stream Park	56,290,872 (2)	7.888%	4,440,224
Dundee Township Park	2,144,645 (1)	0.626%	13,425
Hanover Park Park	1,455,465 (1)	40.643%	591,545
Hoffman Estates Park	7,340,000 (1)(3)	9.709%	712,641
Schaumburg Park	18,730,284	2.150%	402,701
St. Charles Park	12,550,000 (1)	2.165%	271,708
Streamwood Park	4,274,000 (1)	100.000%	4,274,000
West Chicago	15,172,000 (1)	1.428%	216,656
<u><b>Miscellaneous:</b></u>			
Bartlett SSA #1 - Bluff City	905,000	100.000%	905,000
Wayne SSA #5	6,050,000	0.088%	5,324
South Elgin Fire District	8,185,000	53.702%	4,395,509
<u><b>School Districts:</b></u>			
Community College District #509	133,850,000	40.263%	<u>53,892,026</u>
Total Overlapping General Obligation Bonded Debt			269,603,583
<b>Direct Debt:</b>			
Community Unit School District #46	158,410,000	100.000%	<u>158,410,000</u>
Total Direct and Overlapping General Obligation Bonded Debt			<u><b>\$ 428,013,583</b></u>

(1) Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation. Excludes Illinois EPA Revolving Loan Fund Bonds.

(2) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.

(3) Excludes outstanding Debt Certificates.

(4) Includes Illinois EPA Revolving Loan Fund Bonds.

(5) Excludes self-supporting bonds for which abatements are filed annually.

Note: The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the District's taxable assessed value that is within the government's boundaries and dividing it by the District's total taxable assessed value.

Source: Offices of the County Clerks of Cook, DuPage and Kane Counties, Illinois

**School District U-46**

**Principal Employers**

**Current Fiscal Year and Nine Fiscal Years Ago**

Employer	Industry	2023			2014		
		Number of Employees	Rank	Percentage of Total District Population	Number of Employees	Rank	Percentage of Total District Population
School District U-46	Education	4,501	1	2.0%	3,914	3	1.7%
Northwest Community Healthcare	Medical	4,000	2	1.7	4,000	2	1.7
Fermi Accelerated National Lab	Research	4,000	3	1.7	-	-	-
Transform Holdco, LLC	Retail	3,200	4	1.4	-	-	-
Hearthside Food Solutions LLC	Food Products	3,000	5	1.3	-	-	-
Beacon Sales Acquisition, Inc.	Building Materials	3,000	6	1.3	-	-	-
Northrop Grumman Corp	Technology	2,800	7	1.2	-	-	0.0
Zurich North America	Insurance	2,500	8	1.1	2,500	5	1.1
Chase	Banking	2,500	9	1.1	2,500	6	1.1
St. Alexius Medical Center	Medical	2,500	10	1.1	2,045	9	0.9
Sears Holding Corp	Retail	-	-	-	6,200	1	2.6
AT&T Services	Communications	-	-	-	2,500	4	1.1
Caterpillar, Inc.	Construction	-	-	-	2,300	7	1.0
Advocate Sherman Hospital	Medical	-	-	-	2,200	8	0.9
Rush Copley Medical Center	Medical	-	-	-	2,000	10	0.8
Total employment of district principal employers		<u>32,001</u>			<u>30,159</u>		
Total district population		<u>230,788</u>			<u>236,501</u>		

Source: City of Elgin 2022 ACFR, Kane County 2022 ACFR, Village of Hoffman Estates 2022 ACFR  
Population data - calendar year 2012 and 2021 - U.S. Census Bureau

Note: The listing above indicates the area's largest employers within or near the District boundaries and their approximate number of employees. The purpose of this exhibit is to represent large area employees that may employ residents of the District.

**School District U-46**

**District Employment Statistics  
Full-Time Equivalents (FTE)  
Last Ten Fiscal Years**

Staff	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Teachers	2,682	2,429	2,697	2,668	2,587	2,504	2,480	2,426	2,395	2,360
Noon Hour Supervisors (part-time)	81	84	85	93	90	86	91	80	80	71
Educational Assistants/Paraprofessionals	533	461	525	544	490	527	511	422	530	443
Secretary/Clerical	209	240	250	255	249	224	233	229	212	214
Transportation	416	425	415	451	458	411	403	404	400	220
Custodial/Maintenance	164	161	171	172	163	145	139	139	131	128
Technical/Other Support	303	353	363	383	341	266	258	194	187	168
Food Services	132	132	150	156	155	149	158	153	148	162
School-Based Administrators	185	192	152	141	112	109	104	99	95	92
Supervisors/Directors/Coordinators	47	32	42	40	41	39	39	40	37	39
Central Support Administrators	34	19	38	36	39	34	32	29	41	37
High School Divisionals	-	-	-	6	18	15	17	17	17	16
Superintendent/Cabinet	8	9	10	9	11	9	10	10	8	10
Total staff	4,794	4,537	4,898	4,954	4,754	4,518	4,475	4,242	4,281	3,960

Source: District Human Resources Records

## School District U-46

### Demographic and Economic Statistics Last Ten Fiscal Years

Calendar Year	Fiscal Year	School District U-46			Unemployment Rate
		(a) Estimated District Population	(b) Estimated Per Capita Income	(a) x (b) Estimated Personal Income	
2022	2023	230,788	\$ 39,853	\$ 9,197,594,164	4.6%
2021	2022	228,599	36,367	8,313,459,833	5.1
2020	2021	233,666	33,100	7,734,344,600	8.0
2019	2020	236,340	34,272	8,099,844,480	3.7
2018	2019	235,359	32,106	7,556,436,054	4.4
2017	2018	233,865	30,606	7,157,672,190	4.6
2016	2017	235,930	29,925	7,060,205,250	5.4
2015	2016	233,144	30,937	7,212,775,928	6.0
2014	2015	236,931	27,491	6,513,470,121	6.1
2013	2014	236,501	28,001	6,622,264,501	8.5

Source: United States Census Bureau

# School District U-46

## Operating Indicators by Function Last Ten Fiscal Years

Function	2023	2022	2021	2020
Instruction				
Student enrollment:				
Elementary	17,916	18,008	18,571	19,873
Middle school	5,109	5,582	5,745	5,864
High school	12,022	12,262	12,074	11,991
Total student enrollment	35,047	35,852	36,390	37,728
Support services - pupil				
% of students with disabilities	15.3%	15.4%	14.5%	15.2%
Support services - pupil				
Information technology services				
work orders completed	37,838	38,214	33,623	36,606
School administration				
Student attendance rate	89.2%	89.7%	93.5%	91.3%
Business				
Fiscal				
Purchase orders processed	9,552	9,255	8,366	8,384
Nonpayroll checks issued	6,607	6,598	6,008	6,592
Maintenance				
Maintenance work orders completed	32,502	32,632	34,881	33,849
District square footage maintained by				
custodians and maintenance staff	5,738,412	5,738,412	5,738,412	5,738,412
District acreage maintained by				
grounds staff	826	826	826	826
Transportation				
Average number of students				
Transported daily				
Regular, public schools	20,655	23,803	23,612	22,862
Non-public	79	55	53	56
Special education	1,854	1,528	1,531	2,125
Total number of students transported	22,588	25,386	25,196	25,043
Student transportation miles traveled				
Regular education	1,809,860	2,069,408	802,029	1,435,392
Special education	1,886,943	1,940,635	776,663	1,335,696
Non-reimbursable	192,141	216,763	-	104,679
Total student transportation				
miles traveled	3,888,944	4,226,806	1,578,692	2,875,767

Source: Plant Operations, Transportation, Information Services, District Records  
and Financial Services



2019	2018	2017	2016	2015	2014
20,339	20,782	21,393	21,676	22,354	22,285
5,862	6,030	5,995	5,719	5,822	6,034
11,969	11,952	12,185	12,257	12,047	12,068
38,170	38,764	39,573	39,652	40,223	40,387
14.0%	13.9%	13.0%	13.1%	12.8%	12.5%
35,010	37,404	39,555	35,521	31,738	38,866
92.8%	93.0%	92.8%	94.1%	94.3%	94.6%
9,337	9,033	8,992	9,596	7,912	9,440
7,017	6,852	6,996	7,335	7,491	7,977
33,823	32,095	23,341	29,057	27,035	17,575
5,706,771	5,706,771	5,611,259	5,535,666	5,492,057	5,492,057
821	821	811	805	805	805
22,484	23,229	26,698	26,982	24,772	25,160
-	-	-	8	7	16
1,872	2,168	2,380	2,088	2,064	1,720
24,356	25,397	29,078	29,078	26,843	26,896
2,492,105	1,959,678	1,957,058	2,520,791	2,512,688	2,516,457
2,089,628	1,992,878	2,025,432	1,699,136	1,083,595	1,519,958
155,361	127,555	150,027	154,797	297,215	269,997
4,737,094	4,080,111	4,132,517	4,374,724	3,893,498	4,306,412

# **School District U-46**

## **District Enrollment by School Last Ten Fiscal Years**

School	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Bartlett	432	472	449	485	504	543	566	557	556	581
Centennial	514	498	474	476	451	494	520	484	458	480
Century Oaks	431	464	459	479	526	519	563	560	548	581
Channing	365	362	397	452	438	463	484	630	625	594
Clinton	474	443	447	433	454	461	481	452	439	458
Coleman	578	607	602	648	675	724	695	555	567	550
Creekside	482	498	511	538	555	581	639	698	655	662
Fox Meadow	433	426	439	512	551	592	616	701	734	764
Garfield	265	280	272	277	300	326	366	419	425	410
Glenbrook	480	489	477	497	493	506	554	536	541	520
Hanover Countryside	355	353	395	393	384	383	423	429	448	461
Harriet Gifford	399	379	394	402	418	437	473	529	541	510
Hawk Hollow	293	353	350	373	365	373	373	359	391	409
Heritage	421	397	413	424	451	463	481	473	498	503
Highland	569	555	571	610	614	636	617	489	515	493
Hillcrest	426	419	436	494	489	495	534	584	648	621
Hilltop	495	501	557	566	596	622	625	665	667	712
Horizon	484	520	526	579	573	621	606	603	531	525
Huff	491	492	511	585	595	636	692	643	660	677
Illinois Park	366	361	365	443	461	476	402	397	463	467
Independence	266	256	264	325	316	280	215	260	290	281
Laurel Hill	367	392	421	472	487	521	566	523	526	501
Liberty	523	505	534	597	617	637	656	682	733	687
Lincoln	464	472	457	469	413	382	426	627	646	649
Lords Park	576	553	583	655	668	741	773	694	761	733
Lowrie	348	368	379	385	392	401	391	385	400	407
McKinley	338	333	331	368	389	395	397	386	404	414
Nature Ridge	554	531	565	599	596	641	652	686	706	695
Oakhill	383	394	419	437	424	431	441	478	480	477
Ontarioville	384	421	463	528	553	536	569	587	638	625
Otter Creek	659	637	657	676	677	697	698	730	806	731
Parkwood	285	300	337	353	375	364	414	421	435	427
Prairieview	396	316	324	332	344	335	353	383	407	400
Ridge Circle	456	459	475	475	523	526	543	506	518	513
Ronald O'Neal	459	479	514	529	546	549	534	557	566	528
Spring Trail	360	340	357	341	347	362	358	368	364	385
Sunnydale	325	345	370	380	383	395	394	404	393	381
Sycamore Trails	617	623	618	664	686	656	634	604	591	583
Timber Trails	365	326	374	413	468	484	493	511	556	586
Washington	356	369	381	391	396	404	405	411	438	481
Wayne	340	345	306	350	370	334	363	375	416	447
Willard	228	248	265	293	319	323	335	335	370	376
One HOPE United	43	57	50	80	62	82	73	N/A	N/A	N/A
More at 4	71	70	82	95	95	93	82	N/A	N/A	N/A
Abbott	541	637	658	666	689	684	612	489	498	539
Canton	418	424	460	505	496	537	597	638	658	646
Eastview	688	735	729	785	823	842	835	838	922	923
Ellis	599	676	736	755	719	691	705	627	600	634
Kenyon Woods	792	880	920	962	968	1,041	1,074	1,002	959	1,039
Kimball	588	609	609	626	612	570	592	621	642	682
Larsen	598	657	624	654	634	680	709	684	709	718
Tefft	885	964	1,009	911	921	964	871	820	831	853
Bartlett High School	2,286	2,379	2,389	2,410	2,418	2,426	2,495	2,548	2,590	2,610
Central School Programs	122	96	101	125	103	101	167	107	109	132
Elgin High School	2,645	2,715	2,664	2,601	2,609	2,593	2,581	2,550	2,478	2,453
Dream Academy	190	146	152	191	171	131	124	157	150	140
Larkin High School	2,161	2,147	2,117	2,062	2,052	2,084	2,090	2,109	1,950	1,962
Phoenix	23	25	43	37	N/A	N/A	N/A	N/A	N/A	N/A
South Elgin High School	2,846	2,976	2,816	2,736	2,674	2,682	2,738	2,770	2,791	2,745
Streamwood High School	1,749	1,778	1,792	1,829	1,942	1,958	1,990	2,016	1,982	2,026
Total Enrollment	35,047	35,852	36,390	37,728	38,170	38,904	39,655	39,652	40,223	40,387

Source: District records

### Notes:

Enrollment based on enrollment as of October 1st  
Elementary totals include Pre-K students

N/A: Not Applicable

## School District U-46

### District Facility Information June 30, 2023

Building	Year Built	Year of Most Recent Addition	Square Footage
<i>Schools:</i>			
Garfield	1887	1998	45,448
Lowrie	1887	2000	41,252
McKinley	1887	2000	48,325
Washington	1893	2004	53,139
Dream Academy/Central Building	1911	1939	223,214
Bartlett	1928	2002	60,591
Ontarioville	1928	2013	55,531
Abbott	1932	2001	108,303
Wayne	1947	2003	59,875
Harriet Gifford	1949	2003	55,902
Larsen	1951	2002	103,886
Ellis	1952	2003	110,135
Coleman	1954	2016	67,746
Hanover Countryside	1954	1991	46,062
Huff	1954	1997	61,634
Willard	1954	2002	42,250
Clinton	1958	1999	47,233
Woodland Heights	1958	2001	37,736
Highland	1959	2016	61,726
Kimball	1959	2002	124,531
Laurel Hill	1962	2016	44,473
Streamwood Elementary	1962	1998	33,868
Larkin High	1962	2003	348,387
OakHill	1965	2003	61,958
Tefft	1965	1965	136,946
Hillcrest	1967	1999	46,553
Sunnydale	1967	2003	46,670
Channing	1968	2003	53,833
Ridge Circle	1969	2002	65,048
Century Oaks	1970	2000	50,827
Eastview	1970	2001	167,341
Glenbrook	1971	1998	47,036
Parkwood	1971	1999	51,216

(Continued)

**School District U-46**

**District Facility Information (Continued)**  
**June 30, 2023**

Building	Year Built	Year of Most Recent Addition	Square Footage
<i>Schools (Continued):</i>			
Elgin High School	1972	2003	365,242
Ronald O'Neal/Sheridan	1973	1999	46,832
Heritage	1976	1999	47,185
Independence	1976	1998	32,150
Canton	1976		126,942
Herizon	1977	2002	63,828
Lords Park	1977	1998	61,823
Streamwood High School	1978	2002	311,063
Centennial	1991	2001	75,404
Prairieview	1992	2001	74,101
Sycamore Trails	1992	2001	74,295
Fox Meadow	1996	2001	69,390
Spring Trail	1996		59,778
Bartlett High School	1997	2001	397,787
Creekside	1998		58,732
Illinois Park	1999		50,385
Nature Ridge	1999	2003	57,678
Hawk Hollow	2002		53,125
Liberty	2002		61,630
Otter Creek	2002		62,612
Hilltop	2003		63,656
Lincoln	2003		53,178
Timber Trails	2003		56,454
Kenyon Woods	2003		153,563
South Elgin High School	2004		384,365
<i>Other Buildings:</i>			
4 South Gifford	N/A		5,676
Center House	1955		1,490
1150 Bowes Rd	1997		40,000
Observatory	1910		3,590
Transportation	N/A		31,130
Plant Operations	2001		30,000
1019 E Chicago Street	1965	2002	95,512
Warehouse	2002		29,500
955 E. Chicago Street	1983		17,191
967 E. Chicago Street	1984		14,450
Total			<u>5,738,412</u>

Source: District records

N/A: Not Available

**School District U-46****Average Daily Attendance and Operating Expenditures Per Pupil  
Last Ten Fiscal Years**

Year Ended June 30,	Expenditures*	Deductions**	Operating Expenditures	Average Daily Attendance***	Operating Expenditures Per Pupil
2023	\$ 635,714,806	\$ 89,410,708	\$ 546,304,098	30,146	\$ 18,122
2022	603,668,638	75,738,987	527,929,651	30,987	17,037
2021	570,736,742	72,158,373	498,578,369	33,094	15,066
2020	586,575,765	97,843,283	488,732,482	34,597	14,126
2019	539,087,912	75,519,913	463,567,999	34,844	13,304
2018	513,582,969	71,012,679	442,570,290	34,963	12,658
2017	498,153,015	70,293,040	420,402,523	35,816	11,738
2016	493,979,652	73,577,129	399,436,488	34,759	11,492
2015	474,895,225	75,458,737	399,436,488	35,026	11,404
2014	454,035,207	75,412,143	378,623,064	35,779	10,582

Source: Annual Financial Report to State Board of Education

\* Expenditures include only the General, Special Revenue and Debt Service Funds and do not include on-behalf payments made by the State of Illinois for TRS/THIS or student activity fund amounts.

\*\*Deductions are comprised of revenues or expenditures not applicable to the regular K-12 programs including capital outlay, debt services and payments to other governments.

\*\*\*Values reflect only District calculations. Charter school tuition and ADA are not included.

*This page left blank intentionally.*