

**Downers Grove Grade School
District No. 58**

Downers Grove, Illinois

Annual Financial Report

Year Ended June 30, 2023

Downers Grove Grade School District No. 58

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2023

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(Concluded)

MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education
Downers Grove Grade School District No. 58
Downers Grove, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Downers Grove Grade School District No. 58 (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Downers Grove Grade School District No. 58'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 and each major fund of the District, as of June 30, 2023, and the respective changes in financial position, for the year then ended 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) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

(Continued)

Responsibilities of Management for the Financial Statements (Continued)

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

(Continued)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the Illinois Municipal Retirement Fund and Teachers' Retirement System of the State of Illinois Pension data, the other postemployment benefits data, and the budgetary comparison schedules and notes to the required supplementary information, as listed 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 Financial Information

Our audit for the year ended June 30, 2023 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary financial information, as listed in the table of contents, for the year ended June 30, 2023 is presented for purposes of additional analysis and is 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 for the year ended June 30, 2023 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 accompanying supplementary financial information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2023.

Supplementary Financial Information (Continued)

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of District as of and for the year ended June 30, 2022 (not presented herein), and have issued our report thereon dated December 15, 2022 which contained unmodified opinions on the respective financial statements of the governmental activities, and each major fund. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund with comparative actual amounts for the year ended June 30, 2022 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 2022 basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund were subjected to the auditing procedures applied in the audit of the 2022 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or to those 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 Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2022.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2023, on our consideration of District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.

Miller, Cooper & Co., LTD.

Certified Public Accountants

Deerfield, Illinois
December 29, 2023

Downers Grove Grade School District No. 58

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2023

The discussion and analysis of Downers Grove Grade School District No. 58's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2022. 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

- ❑ Government-wide revenues were \$115.8 million, \$5.9 million more than the government-wide expenses of \$109.9 million.
- ❑ Governmental funds revenues were \$109.5 million, \$2.4 million less than the governmental fund expenses of \$111.9 million.
- ❑ Additionally, there was an issuance of \$141.4 million in general obligation bonds from the passage of a referendum.
- ❑ The aggregate fund balance increased \$140.0 million from \$35.5 million to \$175.5 million.
- ❑ At the close of fiscal year 2023, the District's long-term liabilities, including outstanding long-term bonded debt, was \$177.9 million.

Overview of the Financial Statements

This discussion and analysis are 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 the financial statements.

This report contains required supplementary information, supplementary financial information, and other supplemental information in addition to the basic financial statements.

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 and deferred outflows, liabilities and deferred inflows, with the difference between these 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 government'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.

Downers Grove Grade School District No. 58

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2023

Government-wide financial statements (Continued)

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District's governmental activities include instructional services (regular education, special education, and other), supporting services, operations and maintenance of facilities, and transportation services.

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 can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The District does not have any 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 funds 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 seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for all funds. The District considers all funds to be major funds.

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 the financial statements

The notes to the financial statements provide additional information that is essential to a better 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, including fund budgetary data, as well as information concerning the District's pension data related to the Illinois Municipal Retirement Fund (IMRF) and the Teachers' Retirement System (TRS), and information for the other postemployment benefits (OPEB).

Downers Grove Grade School District No. 58
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2023

Government-Wide Financial Analysis

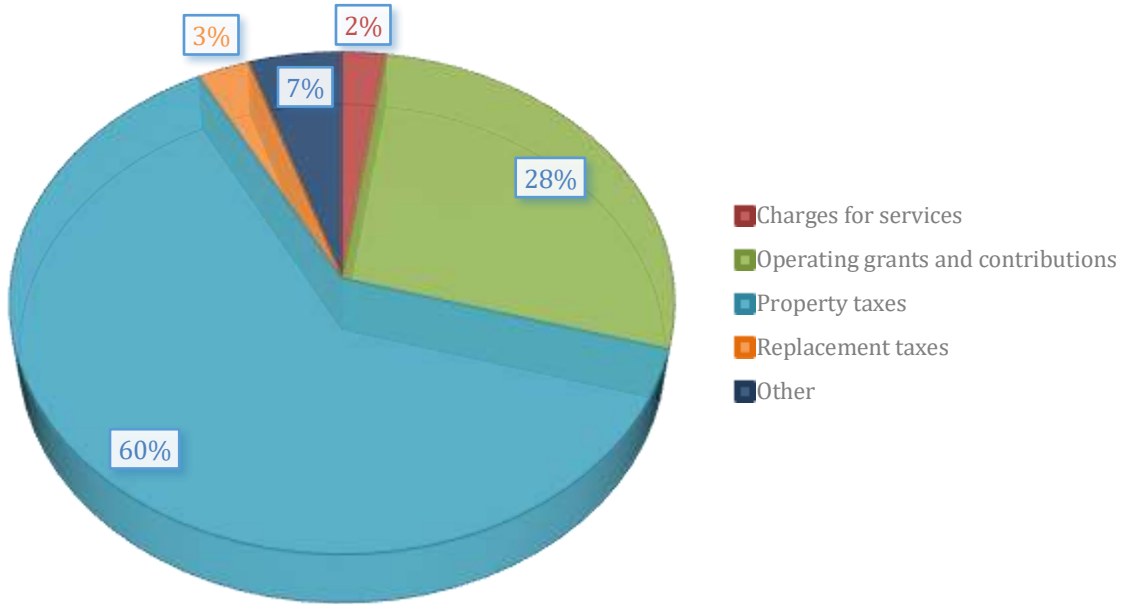
Table 1		
Condensed Statement of Net Position (Deficit)		
<i>(In millions of dollars)</i>		
	<u>2022</u>	<u>2023</u>
Assets:		
Current and other assets	\$ 71.2	\$ 213.2
Capital assets	24.5	26.6
Total assets	95.7	239.8
Deferred outflows:		
Related to pension and OPEB	5.6	8.6
Total deferred outflows	5.6	8.6
Liabilities:		
Long-term liabilities	50.7	177.9
Other liabilities	9.2	7.8
Total liabilities	59.9	185.7
Deferred inflows:		
Property taxes levied for future periods	24.8	29.8
Related to pensions and OPEB	22.4	32.9
Total deferred inflows	47.2	62.7
Net position (deficit):		
Net investment in capital assets	21.5	18.8
Restricted	12.3	30.5
Unrestricted	(39.6)	(49.2)
Total net position (deficit)	\$ (5.8)	\$ 0.1

Downers Grove Grade School District No. 58
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2023

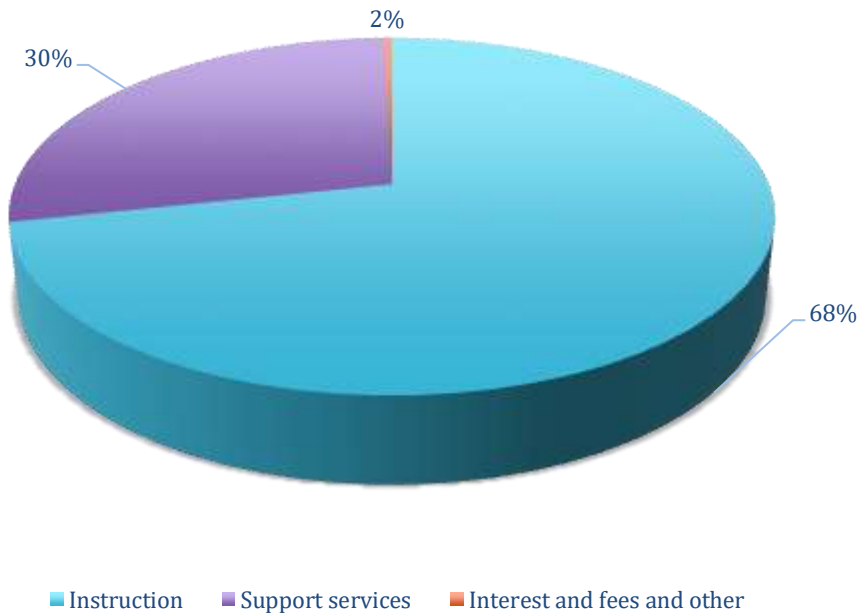
Table 2		
Changes in Net Position (Deficit)		
<i>(In millions of dollars)</i>		
	<u>2022</u>	<u>2023</u>
Revenues:		
Program revenues:		
Charges for services	\$ 2.3	\$ 2.6
Operating grants and contributions	26.4	32.3
General revenues:		
Property taxes	61.1	69.5
Replacement taxes	2.7	2.8
Other	4.9	8.6
Total revenues	<u>97.4</u>	<u>115.8</u>
Expenses:		
Instruction	67.4	74.4
Support services	26.3	32.8
Interest and fees and other	0.4	2.7
Total expenses	<u>94.1</u>	<u>109.9</u>
Special Item- Gain on Sale of Land	4.00	
Increase (Decrease) in Net Position (Deficit)	7.3	5.9
Beginning Net Position (Deficit)	(13.1)	(5.8)
Ending Net Position (Deficit)	<u>\$ (5.8)</u>	<u>\$ 0.1</u>

**Downers Grove Grade School District No. 58
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2023**

GOVERNMENT-WIDE REVENUE BY SOURCE



GOVERNMENT-WIDE EXPENSES BY FUNCTION



Downers Grove Grade School District No. 58

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2023

Financial Analysis of the District's Funds

The financial performance of the District as a whole is reflected in the governmental funds statement of revenues, expenditures, and changes in fund balances. Total revenues in the governmental funds were \$109.5 million compared to \$97.6 million in the prior year. Total expenditures in the governmental funds were \$111.9 million, compared to \$101.9 million in the prior year. Expenditures exceeded revenues by \$2.4 million. The fund balances in the governmental funds increased from \$35.5 million in the prior year to \$175.5 million as of June 30, 2023. On behalf payments by the State of Illinois to the Teachers' Retirement System (TRS) and Teachers' Health Insurance Security Fund (THIS), are recognized as both revenue and expense on the District's financial statements, were \$21.1 million compared to \$20.1 million in the prior year.

General (Educational and Working Cash) Fund Budgetary Highlights

General Fund: The largest revenue source in the General Fund is property taxes at 62% of all General Fund revenue. The total revenues in the General Fund amounted to \$89.2 million, compared to \$86.1 million in the prior year. Revenues from state sources were \$25.8 million (of which \$21.1 million represents TRS/THIS on-behalf contributions), which represented 28.9% of all revenue in the General Fund. Revenue from federal sources were \$2.0 million which represented 2.2% of all General Fund revenue. The District continues to be heavily reliant on property tax revenues.

There were total expenditures of \$89.7 million in the General Fund, compared to \$85.6 million in the prior year. TRS/THIS on behalf payments represent \$21.1 million of the total compared to \$20.1 in the prior year.

Medical Insurance Balance: At June 30, 2023, the self-funded medical insurance plan (which is a sub-account of the Educational Account in the General Fund) had an assigned fund balance of \$1.5 million for self-insurance claims. The June 30, 2022 assigned fund balance for the medical insurance plan was \$1.6 million.

Capital Asset and Debt Administration

Capital assets

By the end of fiscal year 2023, the District had compiled a total investment of \$26.6 million (net of accumulated depreciation and amortization) in a broad range of capital assets including land, construction in progress, land improvements, buildings and improvements, and equipment and right to use assets. For more detailed information on capital asset activity, refer to Note D in the notes to the financial statements.

Downers Grove Grade School District No. 58
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2023

Table 3		
Capital Assets (net of depreciation and amortization)		
<i>(In millions of dollars)</i>		
	<u>2022</u>	<u>2023</u>
Land	\$ 0.2	\$ 0.2
Counstruction in Progress	2.0	3.7
Land improvements	1.8	1.8
Buildings and improvements	17.8	18.0
Equipment and furniture	1.9	1.7
Right of use assets	0.8	1.2
Total	\$ 24.5	\$ 26.6

Long-term liabilities

At June 30, 2023, the District had \$177.9 million in general obligation bonds and other long-term liabilities outstanding. For more detailed information on long-term liability activity, refer to Note E in the notes to the financial statements.

Table 4		
Outstanding Long-Term Liabilities		
<i>(In millions of dollars)</i>		
	<u>2022</u>	<u>2023</u>
General obligation bonds	\$ 11.0	\$ 134.7
Other long-term liabilities	39.7	43.2
Total	\$ 50.7	\$ 177.9

Downers Grove Grade School District No. 58

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2023

Factors Bearing on the District's Future

As part of the District's continual management of its fiscal controls to ensure adequate and appropriate funding of programs the following steps were taken this last year:

- The District has used five-year projections in its budgeting process for many years, however, during fiscal year 2021 the Board of Education moved to the five-year financial plan process where the Board approved a five-year spending plan to anchor the budgeting process to a format of maintain the fiscal ability over the short term to its strategic plan. Fiscal year 2023 is based on that format.
- The Board approved in 2021 a fund balance policy requiring that the budget to be adopted has 35% of budgeted operating expenditures in fund balance, this policy is to ensure adequate funding during the low cash point in the year before the second installment of property taxes.
- The Board approved a balanced budget for fiscal year 2023 that is based on the five-year financial plan and the 35% fund balance policy.
 - For fiscal year 2023 did meet the fund balance policy.
 - Additionally, fiscal year 2024 was also adopted with a 34.7% projected fund balance, based on a cash basis, which also includes \$500,000 transferred from operating funds to the Capital Fund.

For the fiscal year 2023 and projected for 2024, the shift in interest rates is resulting in a significant increase in interest income. CPPRT is expected to decrease for fiscal year 2024, but is still at a significantly increased level compared to that before COVID, this has increased unrestricted revenue to be used to meet expenses.

Additionally, the District will be using all of its remaining Education Stabilization Funds in fiscal year 2024 to help with learning loss and expenses incurred due to the pandemic. These funds will assist in lowering the financial impact of the pandemic and allow the District to add programs to assist students with learning loss.

The District continues to see growth in new construction in both commercial and residential real estate. Most residential growth is teardowns and rebuilds on existing residential lots. The aggregate property base also continues to see appreciation above inflation. The downtown TIF expired for the 2021 tax levy year and added over \$65 million in new property to the accessible tax base for the District of mostly commercial property. The CPI-U, which is used to limit the property tax levy is at the maximum rate for the 2022 taxes collected in 2023 and 2023 taxes collected in 2024. This has resulted in an increase in property tax revenue higher than prior years, though during this time, inflation exceeded the 5% limit and the District has worked to find ways to control costs to manage the inflationary impact on expenditures. Though fees are a smaller portion of revenue, the District does adjust registration fees annually to the actual level of inflation, and not capped at 5%. This revenue helps offset the increase in consumables which grow at the level of inflation.

In November 2022, the voters of the District approved a \$179 million referendum for capital improvements. The District issued \$140 million of those bonds in December 2022 for the next three years of capital improvements. The capital projects will update facilities and add additions to the middle schools to move 6th grade from the elementary schools to middle school, addressing overcrowding in elementary schools and making needed curriculum changes to 6th grade, which will meet current curriculum formats. It is anticipated that the capital projects will take five years for all projects to be completed.

Downers Grove Grade School District No. 58
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2023

Requests for Information

This financial report is designed to provide the District's citizens, 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 District's Assistant Superintendent for Business and Chief School Business Official at (630) 719-5800.

BASIC FINANCIAL STATEMENTS

Downers Grove Grade School District No. 58
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
June 30, 2023

ASSETS	
Cash and investments	\$ 177,535,911
Receivables (net of allowance for uncollectibles)	
Property taxes	34,557,941
Replacement taxes	438,130
Intergovernmental	615,682
Capital assets:	
Land	219,459
Construction in progress	3,693,083
Depreciable and amortizable buildings, property, and equipment, net of depreciation and amortization	<u>22,750,583</u>
Total assets	<u>239,810,789</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	5,060,970
Deferred outflows related to other postemployment benefits	<u>3,583,909</u>
Total deferred outflows	<u>8,644,879</u>
LIABILITIES	
Accounts payable	1,562,594
Salaries and wages payable	4,848,961
Payroll deductions payable	28,124
Claims payable	845,388
Interest payable	6,071
Unearned revenue	574,558
Long-term liabilities:	
Due within one year	3,076,669
Due after one year	<u>174,802,931</u>
Total liabilities	<u>185,745,296</u>
DEFERRED INFLOWS OF RESOURCES	
Property taxes levied for a future period	29,805,585
Deferred inflows related to pensions	767,121
Deferred inflows related to other postemployment benefits	<u>32,073,226</u>
Total deferred inflows	<u>62,645,932</u>
NET POSITION	
Net investment in capital assets	18,756,950
Restricted for:	
Operations and maintenance	4,425,613
Debt service	2,444,629
Retirement benefits	1,222,172
Student transportation	805,787
Capital projects	21,568,301
Unrestricted	<u>(49,159,012)</u>
Total net position	<u>\$ 64,440</u>

The accompanying notes are an integral part of this statement.

Downers Grove Grade School District No. 58

STATEMENT OF ACTIVITIES For the Year Ended June 30, 2023

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction:				
Regular programs	\$ 32,456,788	\$ 1,978,273	\$ 684,928	\$ (29,793,587)
Special programs	12,958,910	43,402	2,283,139	(10,632,369)
Other instructional programs	1,492,147	179,822	67,413	(1,244,912)
State retirement contributions	27,446,430	-	27,446,430	-
Support services:				
Pupils	5,925,264	-	-	(5,925,264)
Instructional staff	5,521,389	-	83,448	(5,437,941)
General administration	2,064,119	-	-	(2,064,119)
School administration	3,270,343	-	-	(3,270,343)
Business	1,321,619	97,136	159,816	(1,064,667)
Transportation	5,892,406	124,660	1,591,123	(4,176,623)
Operations and maintenance	6,174,128	139,640	-	(6,034,488)
Central	987,491	-	-	(987,491)
Other supporting services	1,651,339	-	-	(1,651,339)
Community services	80,914	-	-	(80,914)
Interest and fees	2,663,288	-	-	(2,663,288)
Total governmental activities	<u>\$ 109,906,575</u>	<u>\$ 2,562,933</u>	<u>\$ 32,316,297</u>	<u>(75,027,345)</u>
General revenues:				
Taxes:				
Real estate taxes, levied for general purposes				55,501,296
Real estate taxes, levied for specific purposes				8,011,521
Real estate taxes, levied for debt service				6,016,829
Personal property replacement taxes				2,778,435
State aid-formula grants				3,460,926
Investment earnings				3,791,097
Miscellaneous				1,360,163
Total general revenues				<u>80,920,267</u>
Change in net position (deficit)				5,892,922
Net deficit, beginning of year				<u>(5,828,482)</u>
Net position, end of year				<u>\$ 64,440</u>

The accompanying notes are an integral part of this statement.

Downers Grove Grade School District No. 58

Governmental Funds

BALANCE SHEET

June 30, 2023

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
ASSETS				
Cash and investments	\$ 24,760,067	\$ 4,316,212	\$ 376,636	\$ 1,102,340
Receivables (net of allowance for uncollectibles):				
Property taxes	26,531,766	1,668,388	1,256,984	871,386
Replacement taxes	438,130	-	-	-
Intergovernmental	<u>219,635</u>	<u>-</u>	<u>396,047</u>	<u>-</u>
Total assets	<u>\$ 51,949,598</u>	<u>\$ 5,984,600</u>	<u>\$ 2,029,667</u>	<u>\$ 1,973,726</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 227,278	\$ 118,684	\$ 139,754	\$ -
Salaries and wages payable	4,848,961	-	-	-
Payroll deductions payable	26,775	1,349	-	-
Claims payable	845,388	-	-	-
Unearned revenue	<u>574,558</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>6,522,960</u>	<u>120,033</u>	<u>139,754</u>	<u>-</u>
DEFERRED INFLOWS				
Property taxes levied for a future period	<u>22,883,157</u>	<u>1,438,954</u>	<u>1,084,126</u>	<u>751,554</u>
Total deferred inflows	<u>22,883,157</u>	<u>1,438,954</u>	<u>1,084,126</u>	<u>751,554</u>
FUND BALANCES				
Restricted	-	3,576,351	805,787	1,222,172
Committed	-	849,262	-	-
Assigned	1,677,833	-	-	-
Unassigned	<u>20,865,648</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>22,543,481</u>	<u>4,425,613</u>	<u>805,787</u>	<u>1,222,172</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 51,949,598</u>	<u>\$ 5,984,600</u>	<u>\$ 2,029,667</u>	<u>\$ 1,973,726</u>

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 1,869,077	\$ 145,102,972	\$ 8,607	\$ 177,535,911
4,229,417	-	-	34,557,941
-	-	-	438,130
-	-	-	615,682
<u>\$ 6,098,494</u>	<u>\$ 145,102,972</u>	<u>\$ 8,607</u>	<u>\$ 213,147,664</u>
\$ -	\$ 1,076,878	\$ -	\$ 1,562,594
-	-	-	4,848,961
-	-	-	28,124
-	-	-	845,388
-	-	-	574,558
-	<u>1,076,878</u>	-	<u>7,859,625</u>
<u>3,647,794</u>	-	-	<u>29,805,585</u>
<u>3,647,794</u>	-	-	<u>29,805,585</u>
2,450,700	144,026,094	8,607	152,089,711
-	-	-	849,262
-	-	-	1,677,833
-	-	-	20,865,648
<u>2,450,700</u>	<u>144,026,094</u>	<u>8,607</u>	<u>175,482,454</u>
<u>\$ 6,098,494</u>	<u>\$ 145,102,972</u>	<u>\$ 8,607</u>	<u>\$ 213,147,664</u>

Downers Grove Grade School District No. 58
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2023

Total fund balances - total governmental funds	\$	175,482,454
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds.</p>		26,663,125
<p>Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:</p>		
Deferred outflows of resources related to pensions		5,060,970
Deferred inflows of resources related to pensions		(767,121)
<p>Deferred outflows and inflows of resources related to other postemployment benefit are applicable to future periods and, therefore, are not reported in the governmental funds:</p>		
Deferred outflows of resources related to OPEB		3,583,909
Deferred inflows of resources related to OPEB		(32,073,226)
<p>Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds:</p>		
General obligation bonds	\$	(134,740,165)
Unamortized bond premiums		(16,509,513)
Lease liabilities		(1,217,657)
Compensated absences		(95,358)
IMRF net pension liability		(9,545,712)
TRS net pension liability		(3,251,602)
RHP total other postemployment benefit liability		(2,677,088)
THIS net other postemployment benefit liability		(9,842,505)
		(177,879,600)
<p>Interest on long-term liabilities (interest payable) accrued in the statement of net position will not be paid with current financial resources and, therefore, is not recognized in the governmental funds balance sheet.</p>		(6,071)
Net position of governmental activities	\$	64,440

The accompanying notes are an integral part of this statement.

Downers Grove Grade School District No. 58

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2023

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
Revenues				
Property taxes	\$ 55,501,296	\$ 3,514,691	\$ 2,633,102	\$ 1,863,728
Replacement taxes	2,561,274	200,000	-	17,161
State aid	25,789,999	50,000	1,591,123	-
Federal aid	2,001,399	-	-	-
Interest	213,514	48,779	19,206	16,991
Other	<u>3,096,597</u>	<u>228,182</u>	<u>140,455</u>	<u>-</u>
Total revenues	<u>89,164,079</u>	<u>4,041,652</u>	<u>4,383,886</u>	<u>1,897,880</u>
Expenditures				
Current:				
Instruction:				
Regular programs	34,263,638	-	-	440,942
Special programs	9,170,015	-	-	443,726
Other instructional programs	1,600,578	-	-	30,401
State retirement contributions	21,104,337	-	-	-
Support services:				
Pupils	5,810,795	-	-	188,001
Instructional staff	5,308,888	-	-	172,150
General administration	2,106,531	-	-	29,876
School administration	3,429,186	-	-	167,882
Business	1,228,314	18,314	-	43,088
Transportation	-	-	5,892,406	-
Operations and maintenance	-	4,349,561	-	405,401
Central	847,588	-	-	59,215
Other supporting services	216,690	-	-	-
Community services	84,485	-	-	2,654
Nonprogrammed charges	3,545,390	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	<u>946,847</u>	<u>17,784</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>89,663,282</u>	<u>4,385,659</u>	<u>5,892,406</u>	<u>1,983,336</u>
Excess (deficiency) of revenues over expenditures	(499,203)	(344,007)	(1,508,520)	(85,456)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(1,202,473)	(87,432)	-	-
Proceeds from issuance of debt	-	-	-	-
Premium on issuance of debt	-	-	-	-
Lease issuance	<u>946,847</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(255,626)</u>	<u>(87,432)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(754,829)	(431,439)	(1,508,520)	(85,456)
Fund balance, beginning of year	<u>23,298,310</u>	<u>4,857,052</u>	<u>2,314,307</u>	<u>1,307,628</u>
Fund balance, end of year	<u>\$ 22,543,481</u>	<u>\$ 4,425,613</u>	<u>\$ 805,787</u>	<u>\$ 1,222,172</u>

The accompanying notes are an integral part of this statement.

	Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$	6,016,829	\$ -	\$ -	\$ 69,529,646
	-	-	-	2,778,435
	-	-	-	27,431,122
	2,609	-	-	2,004,008
	7,230	3,485,314	63	3,791,097
	-	<u>457,862</u>	-	<u>3,923,096</u>
	<u>6,026,668</u>	<u>3,943,176</u>	<u>63</u>	<u>109,457,404</u>
	-	-	-	34,704,580
	-	-	-	9,613,741
	-	-	-	1,630,979
	-	-	-	21,104,337
	-	-	-	5,998,796
	-	-	-	5,481,038
	-	-	-	2,136,407
	-	-	-	3,597,068
	-	47,297	-	1,337,013
	-	-	-	5,892,406
	-	-	-	4,754,962
	-	-	-	906,803
	-	1,434,649	-	1,651,339
	-	-	-	87,139
	-	-	-	3,545,390
	1,591,026	-	-	1,591,026
	3,115,885	-	-	3,115,885
	-	<u>3,778,203</u>	-	<u>4,742,834</u>
	<u>4,706,911</u>	<u>5,260,149</u>	-	<u>111,891,743</u>
	1,319,757	(1,316,973)	63	(2,434,339)
	289,905	1,000,000	-	1,289,905
	-	-	-	(1,289,905)
	-	124,995,000	-	124,995,000
	-	16,439,649	-	16,439,649
	-	-	-	946,847
	<u>289,905</u>	<u>142,434,649</u>	-	<u>142,381,496</u>
	1,609,662	141,117,676	63	139,947,157
	<u>841,038</u>	<u>2,908,418</u>	<u>8,544</u>	<u>35,535,297</u>
\$	<u>2,450,700</u>	<u>\$ 144,026,094</u>	<u>\$ 8,607</u>	<u>\$ 175,482,454</u>

Downers Grove Grade School District No. 58

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2023

Net change in fund balances - total governmental funds.	\$	139,947,157
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Amounts reported for governmental activities in the statement of activities are different because:

The net pension asset existing at July 1, 2022, resulting from the IMRF plan fiduciary net position exceeding the total pension liability was not a financial resource and therefore is not reported in the governmental funds balance sheet. (1,680,605)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which capital outlay exceeds depreciation and amortization expense in the current period.

Capital outlay	\$ 4,671,443	
Depreciation and amortization expense	<u>(2,526,518)</u>	2,144,925

Changes in deferred outflows and inflows of resources related to pensions are reported only in the statement of activities:

Deferred outflows and inflows of resources related to IMRF pension	10,863,936
Deferred outflows and inflows of resources related to TRS pension	128,915

Changes in deferred outflows and inflows of resources related to other postemployment benefits are reported only in the statement of activities:

Deferred outflows and inflows of resources related to RHP	(126,566)
Deferred outflows and inflows of resources related to THIS	(18,214,209)

Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. 477

Governmental funds report the effect of premiums when the debt is issued. However, these amounts are deferred and amortized in the statement of activities. This is the amount of the current year, net effect of these differences. (15,893,203)

(Continued)

Downers Grove Grade School District No. 58

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2023

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources:

Issuance of general obligation bonds	\$ (124,995,000)	
Principal repayments - general obligation bonds	1,350,000	
Accretion on capital appreciation bonds	(94,326)	
Lease liabilities issued	(946,847)	
Lease liabilities repayments	241,026	
Compensated absences, net	38,006	
IMRF pension liability, net	(9,545,712)	
TRS pension liability, net	47,641	
RHP other postemployment benefit liability, net	241,403	
THIS other postemployment benefit liability, net	<u>22,385,904</u>	<u>(111,277,905)</u>
Change in net position of governmental activities		\$ <u><u>5,892,922</u></u>

(Concluded)

The accompanying notes are an integral part of this statement.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Downers Grove Grade School District No. 58 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

1. Reporting Entity

The District is located in DuPage County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all personnel, budgetary, taxing, and debt matters.

The District includes all funds of its operations that are controlled by or dependent upon the District as determined on a basis of financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will, and fiscal dependency. The accompanying financial statements include only those funds of the District, as there are no organizations for which it has financial accountability.

Also, the District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

2. New Accounting Pronouncement

The GASB has issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, which was implemented by the District for the year ended June 30, 2023. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments).

The adoption of GASB 96 did not impact the financial position or operations of the District as the District does not have any SBITAs with terms greater than twelve months, which are all considered short term under GASB 96. Therefore, the District has no right to use subscription assets or liabilities recorded as of June 30, 2023.

3. Fund Accounting

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Fund Accounting (Continued)

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the servicing of general long-term debt (debt service fund), and the acquisition or construction of major capital facilities (capital project funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund. The District considers all governmental funds to be major.

4. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net deficit and the statement of activities) report information on all the nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by taxes, intergovernmental revenues, and local fees.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) amounts paid by recipients of goods or services offered by the program and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

a. General Fund

The *General Fund* includes the Educational Account and the Working Cash Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources held by the District to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid upon collection of property taxes in the fund(s) loaned to. As allowed by the School Code of Illinois, this Fund may be permanently abolished and become part of the Educational Account or it may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Account of at least 0.05% of the District's current equalized assessed valuation.

The Student Activity balance is accounted for in the Educational Account. The balance accounts for activities such as student yearbooks, student clubs and councils and scholarships.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Government-Wide and Fund Financial Statements (Continued)

b. Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources (other than those accounted for in the debt service or capital projects fund) that are legally restricted to expenditures for specified purposes.

Each of the District's special revenue funds has been established as a separate fund in accordance with the fund structure required by the state of Illinois for local educational agencies. These funds account for local property taxes restricted to specific purposes. A brief description of the District's special revenue funds is as follows:

Operations and Maintenance Fund - accounts for all revenues and expenditures made for operations, repair, and maintenance of the District's building and land. Revenues consist primarily of local property taxes and personal property replacement taxes.

Transportation Fund - accounts for all revenues and expenditures made for student transportation. Revenues are derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund - accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for noncertified employees. Revenues to finance contributions are derived primarily from local property taxes and personal property replacement taxes.

c. Debt Service Fund

Debt Service Fund - accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue sources are local property taxes levied specifically for debt service and transfers from other funds.

d. Capital Projects Funds

Capital Projects Fund - accounts for financial resources to be used for the acquisition or construction of major capital facilities. Revenues are derived from bond proceeds and transfers from other funds.

Fire Prevention and Safety Fund - accounts for state-approved life safety projects financed through bond issues or local property taxes levied specifically for such purposes.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and additions are recorded when earned, and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e. intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers most revenues are available if they are collected within 60 days after year-end. Revenues that are paid to the District by the Illinois State Board of Education are considered available if they are vouchered by year-end. Expenditures are recorded when a fund liability is incurred, except for unmatured principal and interest on general long-term debt, which is recognized when due, and certain compensated absences, claims, and judgements, which are recognized when the obligation is expected to be liquidated with expendable and available financial resources.

Property taxes, personal property replacement taxes, interest, and intergovernmental revenues associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports unearned and unavailable revenue on its financial statements. Unearned and unavailable revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability or deferred inflow of resources for unearned or unavailable revenue is removed from the balance sheet and revenue is recognized. Governmental funds also defer revenue recognition in connection with resources received, but not yet earned.

6. Deposits and Investments

Investments are stated at fair value. Changes in fair value are included in investment income.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Fair Value Measurements

Current accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted market prices for identical assets or liabilities in active markets that the District has the ability to access.

Level 2 Inputs to the valuation methodology include the following:

- * Quoted prices for similar assets or liabilities in active markets;
- * Quoted prices for identical or similar assets or liabilities in inactive markets;
- * Inputs other than quoted prices that are observable for the asset or liability;
- * Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for the District's investments measured at fair value. There have been no changes in the methodologies used at June 30, 2023.

U.S. Treasury Securities: Valued at closing price of similar instruments with comparable durations reported on the active market on which the individual securities are traded (level 2).

Negotiable Certificates of Deposit: Valued at closing price of identical instruments with comparable durations reported on the active market on which the similar securities are traded (level 2).

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Fair Value Measurements (Continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the District believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

8. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period. At June 30, 2023, the District reported deferred outflows of resources related to pension liabilities and other postemployment benefit (OPEB) liabilities. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of net assets that is applicable to a future reporting period. At June 30, 2023, the District reported deferred inflows related to property taxes levied for a future period, pensions, and OPEB.

9. Capital Assets and Right to Use Assets

Capital assets, which include land, construction in progress, land improvements, buildings and improvements, equipment, and right to use leased assets are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual or group cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

The District has recorded right to use assets for buildings and equipment. The District's right to use assets were initially recorded at an amount equal to the related lease liability (Note E). The right to use assets are amortized on a straight-line basis over the remaining term of the related lease.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Capital Assets and Right to Use Assets (Continued)

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

<u>Assets</u>	<u>Years</u>
Land improvements	15 - 20
Buildings and improvements	20 - 45
Equipment	5 - 20

Construction in progress is stated at cost and includes engineering, design, material, and labor costs incurred for planned construction. No provision for depreciation is made on construction in progress until the asset is completed and placed in service.

10. Accumulated Unpaid Vacation and Sick Pay

All employees are provided sick leave and vacation benefits in accordance with their contractual agreements (teachers, secretaries, instructional aides, custodians, maintenance) or employee handbooks (administrators, technology, food service). Teachers receive 15 days of sick leave per year and may accumulate up to a maximum of 195 days, not including the current year's allocation. Secretaries, clerks, and instructional aides receive sick leave benefits as follows: 12-month employees receive 18 days per year up to a maximum of 260; 10-month employees receive 15 days per year up to a maximum of 210; and instructional aides receive 10 days per year up to maximum of 180. Custodial/maintenance employees receive 1.5 days of sick leave per month, cumulative up to 260 days. Part-time custodians receive 10 days of sick leave per year, cumulative to 180 days. Administrators receive 15 days sick leave per year and may accumulate up to a maximum of 355 days. Upon retirement, a certified employee may apply up to 355 days of unused sick leave toward service credit for the Teachers' Retirement System (TRS); therefore, the District does not pay an employee for any unused sick days.

Full-time and 600-hour or more secretarial/clerical employees scheduled on a 12-month basis receive 10 days of vacation annually. After the fifth year, an additional day is added each year to a maximum of 20 days annually. At no time may the accumulation of vacation days exceed 40 days.

Full-time custodial/technology/maintenance employees earn one vacation day each full month after 90 days of employment to a maximum of 10 days during the first 5 years of employment. Thereafter, an employee will continue to earn one additional day each year to a maximum of 20 days vacation. All vacation must be exhausted within the allocated work year.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. Accumulated Unpaid Vacation and Sick Pay (Continued)

Twelve-month administrators receive 20 days vacation each year with a maximum accumulation of 50 days. After the fifteenth year, an additional day is added each year to a maximum of 25 days annually. At no time may the accumulation of vacation days exceed 60 days.

Upon leaving employment, employees are paid for any unused vacation days up to 50. Current compensated absences would be reported within the individual funds as salary-related payments.

Due to the nature of the policies on sick leave, and the fact that any liability is contingent upon future events and cannot be reasonably estimated, no liability is provided in the financial statements for accumulated unpaid sick leave. Future payments will be made from the same fund where the employee's salary is recorded.

11. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts and losses on refunding of bonds, are deferred and amortized over the life of the applicable bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, losses on refunding, and bond issuance costs, during the current period. The face amount of debt issued, including leases, is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from actual proceeds, are reported as debt service expenditures.

12. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the Municipal Retirement/Social Security Fund, with the balance allocated at the discretion of the District.

13. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Restricted Net Position

For the government-wide financial statements, net position is reported as restricted when constraints placed on net position is either: (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, (2) imposed by law through constitutional provisions, or (3) imposed by enabling legislation. All of the District's restricted net positions were restricted as a result of enabling legislation.

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

15. Fund Balance

In the fund financial statements, governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items or inventories.

b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds, as well as debt service and capital projects funds, are by definition restricted for those specified purposes. All restricted fund balances are for purposes of the restricted funds as described in Note A-4.

c. *Committed* - refers to 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 Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. At June 30, 2023 the District has committed \$849,262 in the Operations and Maintenance Fund which represents the balance of a separate sinking fund that was created and funded by the District to fund future projects.

d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegated the authority to assign amounts to be used for specific purposes. The Board of Education has declared that the Assistant Superintendent for Business/CSBO may assign amounts for a specific purpose. At June 30, 2023, the District has assigned \$1,547,751 in the General (Educational Account) Fund associated with the medical reserve account for self-insurance claims and the District student activity balance of \$130,082 has been assigned at June 30, 2023.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Fund Balance (Continued)

e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

16. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets, and deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements, and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

17. Pensions and Other Postemployment Benefits

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

NOTE B - DEPOSITS AND INVESTMENTS

The District's investment policy is in line with State Statutes. The investments that the District may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) interest-bearing savings accounts, interest-bearing certificates of deposit or time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; (4) short-term discount obligations of corporations organized in the United States with assets exceeding \$500,000,000; (5) interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation or school district; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

At June 30, 2023, the District's cash and investments consisted of the following and for disclosure purposes, is classified into the following components:

	Total
Cash on hand	\$ 1,250
Deposits with financial institutions*	28,984,217
Illinois School District Liquid Asset Fund (ISDLAF +)	142,733,421
Illinois Funds	3,844
Illinois Trust Term Series	3,161,536
Other investments	2,651,643
	\$ 177,535,911

* Includes accounts held in demand accounts, savings accounts, and money market savings accounts, which are valued at cost.

1. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, a periodic review of the investment portfolio is performed to ensure performance is consistent with the safety, liquidity, rate of return, diversification and overall performance the District needs. Maturity information on other investments is shown in the table below.

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	More than 10
Negotiable certificates of deposit	\$ 1,434,931	\$ 487,006	\$ 947,925	\$ -	\$ -
U.S. Treasury Obligations:					
Treasury notes	975,927	735,957	239,970	-	-
Federal Home Loan Bank	240,785	240,785	-	-	-
	\$ 2,651,643	\$ 1,463,748	\$ 1,187,895	\$ -	\$ -

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

The following investments are measured at net asset value (NAV):

Investment:		<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
ISDLAF+	\$ 142,733,421	n/a	Daily	1 day
Illinois Funds	3,844	n/a	Daily	1 day
Illinois Trust	3,161,536	n/a	Daily	1 day

2. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). The District's investments in negotiable certificates of deposits are unrated.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit pooled investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees, elected from participating members. The trust is not registered with the SEC as an investment company. Investments are rated AAAM and are valued at share price, which is the price for which the investment could be sold.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are rated AAAM and are valued at Illinois Funds' share price, which is the price for which the investment could be sold.

The Illinois Trust, formerly known as the Illinois Institutional Investors Trust (IIIT), is a trust organized under the laws of the State of Illinois and managed by a Board of Trustees, elected from participating members. The Illinois Trust is not registered with the SEC as an investment company. Investments in the Illinois Trusts are rated AAAM and are valued at Illinois Trust's share price, which is the price for which the investment could be sold. There were no unfunded commitments.

3. Concentration of Credit Risk

The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District's Investment Officer to meet the District's ongoing need for safety, liquidity, and rate of return.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

4. Custodial Credit Risk

With respect to 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 limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2023, the bank balances of the District's deposits with financial institutions totaled \$30,551,219 all of which was fully insured or collateralized.

With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring that all investments be in high quality investment pools and/or be secured by private insurance or collateral.

NOTE C - PROPERTY TAXES RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2022 tax levy resolution was approved by the Board on December 12, 2022. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

Tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by the approval of the voters of the District.

The District's annual property tax levy is subject to Property Tax Extension Limitation Act (PTELA), which is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lesser of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations, and tax increment finance district property becoming eligible for taxation.

Property taxes are collected by the DuPage County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 60 days of the respective installment dates.

The portion of the 2022 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectible amounts of 1.0%. The receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, are recognized as revenue. Net taxes receivable less the amount expected to be collected within 60 days are reported as deferred inflow of resources - property taxes levied for a future period.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE D - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance July 1, 2022	Transfer/ Additions	Transfer/ Deletions	Balance June 30, 2023
Capital assets, not being depreciated				
Land	\$ 219,459	\$ -	\$ -	\$ 219,459
Construction in progress	2,009,355	3,639,604	1,955,876	3,693,083
Total capital assets, not being depreciated	2,228,814	3,639,604	1,955,876	3,912,542
Capital assets, being depreciated and amortized				
Land improvements	3,724,301	169,230	-	3,893,531
Buildings and improvements	49,152,235	1,814,346	98,287	50,868,294
Equipment	7,793,073	57,292	-	7,850,365
Right to use leased building	563,968	-	-	563,968
Right to use leased equipment	1,657,216	946,847	1,657,216	946,847
Total capital assets, being depreciated/ amortized	62,890,793	2,987,715	1,755,503	64,123,005
Less accumulated depreciation / amortization for:				
Land improvements	1,906,721	164,434	-	2,071,155
Buildings and improvements	31,425,652	1,501,173	98,287	32,828,538
Equipment	5,847,548	305,665	-	6,153,213
Right to use leased building	62,667	83,260	-	145,927
Right to use leased equipment	1,358,819	471,986	1,657,216	173,589
Total accumulated depreciation / amortization	40,601,407	2,526,518	1,755,503	41,372,422
Total capital assets, being depreciated / amortized, net	22,289,386	461,197	-	22,750,583
Governmental activities capital assets, net	\$ 24,518,200	\$ 4,100,801	\$ 1,955,876	\$ 26,663,125

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE D - CAPITAL ASSETS (Continued)

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Regular programs	\$	897,948
Special programs		28,909
Pupils		5,775
Instructional staff		200,453
General administration		5,350
School administration		5,208
Business		1,327,880
Central		<u>54,995</u>
Total depreciation and amortization expense - governmental activities	\$	<u><u>2,526,518</u></u>

NOTE E - LONG-TERM LIABILITIES

1. Changes in General Long-term Liabilities

During the year ended June 30, 2023, changes in long-term liabilities were as follows:

	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions/</u> <u>Accretion</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2023</u>
Bonds payable				
General obligation bonds	\$ 11,000,839	\$ 125,089,326	\$ 1,350,000	\$ 134,740,165
Unamortized premiums	<u>616,310</u>	<u>16,439,649</u>	<u>546,446</u>	<u>16,509,513</u>
Total bonds payable	<u>11,617,149</u>	<u>141,528,975</u>	<u>1,896,446</u>	<u>151,249,678</u>
TRS net pension liability	3,299,243	455,456	503,097	3,251,602
IMRF net pension liability *	-	12,561,092	3,015,380	9,545,712
RHP total other postemployment benefit liability	2,918,491	218,166	459,569	2,677,088
THIS net other postemployment benefit liability	32,228,409	1,305	22,387,209	9,842,505
Lease liabilities	511,836	946,847	241,026	1,217,657
Compensated absences	<u>133,364</u>	<u>157,092</u>	<u>195,098</u>	<u>95,358</u>
Total long-term liabilities - governmental activities	<u>\$ 50,708,492</u>	<u>\$ 155,868,933</u>	<u>\$ 28,697,825</u>	<u>\$ 177,879,600</u>

*In 2022, the IMRF plan fiduciary net position exceeded the total pension liability resulting in a net pension asset of \$1,680,605.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE E - LONG-TERM LIABILITIES (Continued)

1. Changes in General Long-term Liabilities (Continued)

	Due Within one year
General obligation bonds	\$ 2,820,000
Lease liabilities	256,669
	\$ 3,076,669

2. General Obligation Bonds

During the fiscal year ended June 30, 2023, the District issued \$124,995,000 of Taxable General Obligation Limited School Bonds, Series 2022. Proceeds of the 2022 Bonds were used to (i) increase the District's capital project funds and (ii) pay costs associated with the issuance of the 2022 Bonds. The issuance was approved as part of the District's referendum approved in November 2022.

General obligation bonds are direct obligations, and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Face Amount	Carrying Amount
2018 General Obligation Limited Tax Capital Appreciation Bonds, Series 2018, due December 15, 2027	1.75% - 3.18%	\$ 3,500,000	\$ 3,145,165
2021A Taxable General Obligation Limited School Bonds, Series 2021A, due December 15, 2028	0.20% - 1.40%	4,055,000	4,055,000
2021B General Obligation Limited School Bonds, Series 2021B, due December 15, 2031	4.00%	2,545,000	2,545,000
2022 General Obligation School Bonds, Series 2022, due January 1, 2042	5.00% - 5.25%	124,995,000	124,995,000
		\$ 135,095,000	\$ 134,740,165

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE E - LONG-TERM LIABILITIES (Continued)

2. General Obligation Bonds (Continued)

At June 30, 2023, the District's future cash flow requirements for retirement of bond principal and interest were as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 2,820,000	\$ 6,234,283	\$ 9,054,283
2025	2,915,000	6,412,650	9,327,650
2026	3,285,000	6,327,250	9,612,250
2027	3,670,000	6,230,950	9,900,950
2028	4,085,000	6,116,950	10,201,950
2029-2033	28,290,000	27,427,500	55,717,500
2034-2038	45,770,000	18,893,500	64,663,500
2038-2042	44,260,000	5,356,313	49,616,313
Total	\$ <u>135,095,000</u>	\$ <u>82,999,396</u>	\$ <u>218,094,396</u>

A percentage of the interest amount reported on the Build America Bonds was refunded to the District by the federal government. Future annual subsidy amounts may be subject to future increases or decreases as sequestration levels fall or rise, which cannot be determined at this time.

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$2,450,700 in the Debt Service Fund to service the outstanding bonds payable.

In a prior year, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2023, \$30,000 of Series 2018 principal outstanding is considered defeased.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2022, the statutory debt limit for the District was \$228,830,925 of which \$92,873,103 is fully available.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE E - LONG-TERM LIABILITIES (Continued)

3. Lease Liabilities

The District has various lease agreements for copiers and administrative office space. During the year ended June 30, 2023, the District entered into a new copier lease beginning August 1, 2022 and ending July 31, 2027. The District's lease agreements qualify as other than short-term leases under GASB 87 and therefore have been recorded at the present value of the future minimum lease payments. The leases expire at various dates through June 2028 and require future aggregate annual payments of principal and interest ranging from \$114,334 to \$308,172. The lease liabilities for administrative office space and copiers were measured at incremental borrowing rates of 2.70% and 5.00%, respectively. The obligations are repaid from the Debt Service Fund, with funding provided by transfers from the General (Educational Account) Fund and the Operations and Maintenance Fund. At June 30, 2023, the District's future cash flow requirements for retirement of leases payable principal and interest were as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 256,669	\$ 46,043	\$ 302,712
2025	269,742	34,758	304,500
2026	283,414	22,899	306,313
2027	297,736	10,436	308,172
2028	110,096	1,471	111,567
Total	\$ 1,217,657	\$ 115,607	\$ 1,333,264

NOTE F - INTERFUND TRANSFERS

The District transferred \$1,000,000 to the Capital Projects Fund from the General (Education Account) Fund. Amounts transferred represent funds used to pay for capital projects.

The District transferred \$202,473 to the Debt Service Fund from the General (Education Account) Fund, and \$87,432 to the Debt Service Fund from the Operations and Maintenance Fund. Amounts transferred were used for principal and interest payments on lease liabilities.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE G - RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has purchased insurance from private insurance companies for general liability, workers' compensation, and other coverages not included below. Premiums have been recorded as expenditures in the appropriate funds. There have been no significant reductions in insurance coverage from coverage in prior years. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

The District is self-insured for medical and dental coverage that is provided to District personnel. A third-party administrator processes claims for a monthly fee per participant. Expenditures are recorded as incurred in the form of direct contributions from the District to the third-party administrator for payment of employee health and dental claims, and administration fees. The District's liability will not exceed \$150,000 per employee, as provided by stop-loss provisions incorporated in the plan.

At June 30, 2023, total unpaid claims, including an estimate of claims that have been incurred but not reported to the administrative agent, totaled \$845,388. These estimates, which consider historical lag periods and current year claims experience, are developed based on reports prepared by the administrative agent. The District does not allocate overhead costs or other nonincremental costs to the claims liability. Claims incurred but not yet reported (IBNRs) include known loss events that are expected to later be presented as claims, unknown loss events that are expected to become claims, and expected future developments on claims already reported.

For the two years ended June 30, 2023 and 2022, changes in the liability for unpaid claims are as follows:

	<u>2023</u>	<u>2022</u>
Unpaid claims, beginning of fiscal year	\$ 686,389	\$ 1,064,695
Incurred claims (including IBNRs)	9,517,014	8,741,914
Claim payments	<u>(9,358,015)</u>	<u>(9,120,220)</u>
Unpaid claims, end of fiscal year	<u>\$ 845,388</u>	<u>\$ 686,389</u>

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS

1. Teachers' Retirement System of the State of Illinois

General Information about the Pension Plan

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. TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

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

As a multi-employer cost sharing pension plan, TRS employs a methodology to allocate the pension liabilities to each individual district based off of the actual contributions a District makes to the plan in a fiscal year and is re-measured annually, and thus the timing of receipt of contribution payments from the District's or refunds made by TRS to the District can have a significant impact on the District's allocation of the net pension liability that may not be reflective of the District's portion of the total contractual contribution to the Plan. The net pension liability as a whole is a significant accounting estimate that takes into account several assumptions and allocations.

Benefits Provided

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

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

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

Essentially all Tier I retirees receive an annual three 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.

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

Contributions

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

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

On-behalf Contributions to TRS

The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2023, state of Illinois contributions recognized by the 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 \$22,155,792 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$20,724,672 in the General Fund based on the current financial resources measurement basis.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

General Information about the Pension Plan (Continued)

Contributions (Continued)

2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2023 were \$244,673 and are deferred because they were paid after the June 30, 2022 measurement date.

Federal and Special Trust Fund Contributions

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

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

For the year ended June 30, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$522,322 were paid from federal and special trust funds that required employer contributions of \$54,793.

Early 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 District 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.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

Early Retirement Cost Contributions (Continued)

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2023, the District paid \$7,897 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

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

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

District's proportionate share of the net pension liability	\$ 3,251,602
State's proportionate share of the net pension liability associated with the District	<u>282,054,976</u>
Total	<u>\$ 285,306,578</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, 2021, rolled forward to 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 0.0038783272 percent, which was a decrease of 0.0003508595 percent 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 for the support provided by the state pertaining to the District's employees:

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

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

	Governmental Activities	General Fund
State on-behalf contributions - revenue and expense/expenditure	\$ 22,155,792	\$ 20,724,672
District TRS pension expense	68,112	244,673
Total TRS expense/expenditure	\$ 22,223,904	\$ 20,969,345

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	\$ 6,536	\$ 17,928
Change of assumptions	14,993	6,208
Net difference between projected and actual earnings on pension plan investments	2,975	-
Changes in proportion and differences between District contributions and proportionate share of contributions	353,254	742,985
Total deferred amounts to be recognized in pension expense in the future periods	377,758	767,121
District contributions subsequent to the measurement date	244,673	-
Total deferred amounts related to pensions	\$ 622,431	\$ 767,121

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

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

The District reported \$244,673 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

<u>Year ending June 30,</u>	<u>Net Deferred Inflows of Resources</u>
2024	\$ 66,101
2025	118,501
2026	162,593
2027	19,072
2028	<u>23,096</u>
Total	<u>\$ 389,363</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:

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

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

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

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

Actuarial Assumptions (Continued)

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

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

* Based on the 2021 Horizon Survey of Capital Market Assumptions

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

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

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

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

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

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
District's proportionate share of the net pension liability	\$ 3,976,739	\$ 3,251,602	\$ 2,650,295

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

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*.

2. Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for regular employees provides retirement, disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed with 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 General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. That report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP).

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

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

2. 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% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of 3% of the original pension amount, or 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

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

Retirees and beneficiaries currently receiving benefits	413
Inactive plan members entitled to but not yet receiving benefits	558
Active plan members	<u>199</u>
Total	<u><u>1,170</u></u>

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2022 was 15.67%. For the fiscal year ended June 30, 2023 the District contributed \$902,572 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.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%, including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates, specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study from years 2017 to 2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Long-term Expected Rate of Return The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2022:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equities	35.50%	6.50 %
International equities	18.00%	7.60 %
Fixed income	25.50%	4.90 %
Real estate	10.50%	6.20 %
Alternative investments	9.50%	6.25% - 9.90%
Cash equivalents	1.00%	4.00 %
Total	100.00%	

Other information: There were no benefit changes during the year.

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2022. 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 (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Single Discount Rate (Continued)

- b. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on pension plan investments is 7.25%, the municipal bond rate is 4.05% (based on the daily rate closest to but not later than the measurement date of the "20-Year Municipal GO AA Index"), and the resulting single discount rate is 7.25%.

Changes in Net Pension Liability

The following table shows the components of the change in the District's net pension liability for the calendar year ended December 31, 2022:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
	<u>(A)</u>	<u>(B)</u>	<u>(A) - (B)</u>
Balances at December 31, 2021	\$ 52,959,408	\$ 54,640,013	\$ (1,680,605)
Changes for the year:			
Service cost	536,668	-	536,668
Interest on the total pension liability	3,723,637	-	3,723,637
Changes in benefit terms	-	-	-
Difference between expected and actual experience of the total pension liability	722,235	-	722,235
Changes of assumptions	-	-	-
Contributions - employer	-	912,658	(912,658)
Contributions - employees	-	270,152	(270,152)
Net investment income	-	(7,578,552)	7,578,552
Benefit payments, including refunds of employee contributions	(3,734,472)	(3,734,472)	-
Other (net transfer)	-	151,965	(151,965)
Net changes	<u>1,248,068</u>	<u>(9,978,249)</u>	<u>11,226,317</u>
Balances at December 31, 2022	<u>\$ 54,207,476</u>	<u>\$ 44,661,764</u>	<u>\$ 9,545,712</u>

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher than the current rate:

	<u>1% Lower (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Higher (8.25%)</u>
Net pension liability	\$ <u>14,887,874</u>	\$ <u>9,545,712</u>	\$ <u>5,084,149</u>

Pension Expense and 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 \$1,264,953. At June 30, 2023, the District reported, deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 176,245	\$ -
Net difference between projected and actual earnings on pension plan investments	<u>3,826,677</u>	<u>-</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>4,002,922</u>	<u>-</u>
Pension contributions made subsequent to the measurement date	<u>435,617</u>	<u>-</u>
Total deferred amounts related to pensions	<u>\$ 4,438,539</u>	<u>\$ -</u>

The District reported \$435,617 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2024.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year Ended June 30,	Net Deferred Inflows (Outflows) of Resources
2024	\$ 168,094
2025	(610,653)
2026	(1,269,771)
2027	(2,290,592)
2028	-
Thereafter	-
Total	\$ (4,002,922)

3. Summary of Pension Items

Below is a summary of the various pension items:

	TRS	IMRF	Total
Deferred outflows of resources:			
Employer contributions	\$ 244,673	\$ 435,617	\$ 680,290
Experience	6,536	176,245	182,781
Assumptions	14,993	-	14,993
Proportionate share	353,254	-	353,254
Investments	2,975	3,826,677	3,829,652
	\$ 622,431	\$ 4,438,539	\$ 5,060,970
Net pension liability	\$ 3,251,602	\$ 9,545,712	\$ 12,797,314
Pension expense	\$ 22,223,904	\$ 1,264,953	\$ 23,488,857
Deferred inflows of resources:			
Assumptions	\$ 6,208	\$ -	\$ 6,208
Experience	17,928	-	17,928
Proportionate share	742,985	-	742,985
	\$ 767,121	\$ -	\$ 767,121

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE H - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

4. Social Security/Medicare

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "nonparticipating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security/Medicare. The District paid the total required contribution for the current fiscal year.

5. 457(b) Retirement Plan Savings Plan

On October 14, 2020 the Board of Education approved the establishment of a 457(b) Retirement Savings Plan, which is a defined contribution plan, for District employees. The plan is held in a trust and administered by a third party serving as the plan's trustee. The number of employees participating in the plan on June 30, 2023 was 15. The plan allows for both employee and the District to make optional contributions to the plan. For the fiscal year ended June 30, 2023, the District did not make any contributions to the plan.

6. 403(b) Retirement Plan

The District also has a 403(b) Salary Reduction plan, that also contains a Roth option, which is a defined contribution plan, for District employees. The plan is held in a trust and administered by a third party serving as the plan's trustee. The number of employees participating in the plan on June 30, 2023 was 168. The plan allows for both employee and the District to make contributions to the plan. For the fiscal year ended June 30, 2023, the District did not make any contributions to the plan.

7. TRS Supplemental Savings Plan

Illinois Teachers' Retirement System established a Supplemental Savings Plan that is available to Illinois public school teachers employed outside the city of Chicago that was required to be adopted by all public-school districts in Illinois by September 30, 2022. The Board of Education voted to adopt this plan on December 6, 2021. The Supplemental Savings Plan is a 457(b) Retirement Plan, which is a defined contribution plan. The plan assets are held in a trust and is administered by a third party serving as the plan's trustee. The number of employees participating in the plan on June 30, 2023 was 2. The plan allows for both employee and the District to make contributions to the plan. For the fiscal year ended June 30, 2023, the District did not make any contributions to the plan.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS

1. Teachers' Health Insurance Security (THIS)

General Information about the Other Postemployment Plan

Plan Description

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

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

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

Benefits Provided

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

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

General Information about the Other Postemployment Plan (Continued)

Contributions

On behalf contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the District. In the fund financial statements, the State contributions are intended to match contributions to the THIS Fund from active members, which were 0.90 percent of pay during the year ended June 30, 2023. In the government-wide financial statements, State of Illinois contributions also include a proportional allocation of the State's OPEB expense (based on the portion of the District's share of the expense compared to all School Districts in aggregate). For the year ended June 30, 2023, the District recognized revenue and expenses of \$5,290,637 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$379,665 in the General Fund based on the current financial resources measurement basis for State of Illinois contributions on behalf of the District's employees.

District contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.67 percent during the year ended June 30, 2023. For the year ended June 30, 2023, the District paid \$282,639 to the THIS Fund, which was 100 percent of the required contribution. These amounts are deferred because they were paid after the June 30, 2022 measurement date.

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.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

At June 30, 2023, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for state OPEB 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 net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$	9,842,505
State's estimated proportionate share of the net OPEB liability associated with the District*		13,389,760
Total	\$	23,232,265

* The State's proportionate share of the net OPEB liability (NOL) associated with the District is not available in the actuarial report and therefore the amount reported above is an estimate based allocating the State's total NOL for the entire plan (per the actuary) based on the District's proportionate share of the NOL to all the school districts participating in the Plan. Additionally, the amounts included below related to sensitivity of the healthcare rate, discount rate and amortization of deferred inflows and outflows are based on a similar allocation methodology.

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021, and rolled forward to June 30, 2022. The District's proportion 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 projected contributions of all participating THIS employers and the state during that period. At June 30, 2022, the District's proportion was 0.143798 percent, which was a decrease of 0.002327 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 expense/expenditure	\$ 5,290,637	\$ 379,665
District OPEB pension (income) expense	(3,889,026)	282,639
Total OPEB expense/expenditure	\$ 1,401,611	\$ 662,304

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 6,437,482
Change of assumptions	8,879	24,278,841
Net difference between projected and actual earnings on OPEB plan investments	1,196	-
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>2,108,145</u>	<u>1,071,365</u>
Total deferred amounts to be recognized in OPEB expense in future periods	<u>2,118,220</u>	<u>31,787,688</u>
District contributions subsequent to the measurement date	<u>282,639</u>	<u>-</u>
Total deferred amounts related to OPEB	<u>\$ 2,400,859</u>	<u>\$ 31,787,688</u>

The District reported \$282,639 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2024. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

Year ending June 30:	Net Deferred Inflows of Resources
2024	\$ 4,684,405
2025	4,489,147
2026	4,085,712
2027	3,915,239
2028	3,827,401
Thereafter	8,667,564
Total	\$ 29,669,468

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you 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

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

Actuarial Assumptions (Continued)

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 Trend Rate	Trend rates for plan year 2023 are based on actual premium increases. For non-Medicare costs, trend rates start at 8.00% for plan year 2024 and decrease gradually to an ultimate rate of 4.25% in 2039. For MAPD costs, trend rates are 0% 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.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

Discount Rate

The State, school districts and active members contribute 0.90 percent, 0.67 percent, 0.90 percent of pay, respectively for fiscal year 2022. Retirees contribute a percentage of the premium rate. The State also contributes an additional amount to cover plan costs in excess of contributions and investment income. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 1.92 percent at June 30, 2021, and 3.69 percent at June 30, 2022, was used to measure the total OPEB liability. The increase in the single discount rate, from 1.92 percent to 3.69 percent, caused the total OPEB liability to decrease by approximately \$1,448 million as of June 30, 2022.

Investment Return

During plan year end June 30, 2022, the trust earned \$143,000 in interest, and the market value of assets at June 30, 2022, is \$378.63 million. The long-term investment return was assumed to be 2.75 percent.

Money-Weighted Rate of Return

The annual money-weighted rate of return was estimated based on monthly investment performance, net of investment expenses, adjusted for changing amounts actually invested. The annual money-weighted rate of return was 0.304% for plan year end June 30, 2022, and 0.320% for plan year end June 30, 2021.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net OPEB liability as of June 30, 2022, using the discount rate of 3.69 percent and sensitivity single discount rates that are either one percentage point higher or lower:

	1% Decrease (2.69%)	Current Discount Rate (3.69%)	1% Increase (4.69%)
District's proportionate share of the net OPEB liability	\$ 10,938,631	\$ 9,842,505	\$ 8,716,284

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Trend Rate

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

	<u>1% Decrease*</u>	<u>Current Healthcare Trend Rate</u>	<u>1% Increase**</u>
District's proportionate share of the net OPEB liability	\$ <u>8,317,192</u>	\$ <u>9,842,505</u>	\$ <u>11,516,514</u>

*One percentage point decrease in healthcare trend rates are 5.00% in 2023, 7.00% in 2024 decreasing to an ultimate trend rate of 3.25% in 2039.

** One percentage point increase in healthcare trend rates are 7.00% in 2023, 9.00% in 2024 decreasing to an ultimate trend rate of 5.25% in 2039.

2. Retiree Health Plan (RHP)

Plan Description

The District administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The benefits, benefit levels, employee contributions and employer contributions are governed by the District and may be amended by the District through its employment contracts. The plan does not issue a separate financial report.

Benefits Provided

The plan provides the ability for retirees and their spouses to access the District's group health insurance plan during retirement, provided they are on the group health insurance plan at the time of retirement. Retirees are responsible to contribute a premium toward the cost of their insurance, which is determined by the Board. Retirees may also access dental insurance benefits on a "pay all" basis. Dependents may also continue coverage on a pay-all basis.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

Employees Covered by Benefit Terms

As of June 30, 2022 (most recent available) the following employees were covered by the benefit terms:

Active	422
Inactive entitled to but not yet receiving benefits	-
Inactive currently receiving benefits	<u>54</u>
Total	<u><u>476</u></u>

Contributions

Retirees under the age of 65 contribute the full active employee equivalent rate. Retirees have the option of choosing from an HMO or PPO plan through the District. Premiums for the plan are set by the Board of Education. Currently, the District contributes 0 percent to 100 percent to postemployment benefits, which varies for different employee groups.

Total OPEB Liability

The total OPEB liability was determined by an actuarial valuation performed as of July 1, 2021 using the following actuarial methods and assumptions:

Actuarial valuation date	July 1, 2021
Measurement date	June 30, 2022
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Discount rate *	4.13%
Inflation	3.00%
Salary rate increases	4.00%
Healthcare inflation rate	District Medical Plans: 7.00% initial 4.50% ultimate (reached in fiscal year 2037)
	TRIP TCHP Plan Option: 5.00% for all years
	TRIP Plan Stipend: 0% for all years

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

Total OPEB Liability (Continued)

Mortality rates	IMRF Employees and Retirees: rates from the December 31, 2021 IMRF actuarial valuation report. TRS Employees and Retirees: rates from the June 30, 2021 TRS actuarial valuation report.
Election at retirement	100% of Administrators and Certified Staff assumed to elect the TRIP coverage at retirement. 10% of active IMRF employees are assumed to elect continuation of coverage on the District medical plan at retirement.
Marital status	30% of employees electing coverage continuation are assumed to be married and to elect spousal coverage with males three years older than females. Actual spouse data was used for current retirees.

*In 2023, changes in assumptions related to the discount rate were made (4.09% to 4.13%).

Discount Rate

The District does not have a dedicated Trust to pay retiree healthcare benefits; there are no assets accumulated to pay retiree healthcare benefits. Per GASB 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). A rate of 4.13% is used, which is the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2023.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A) - (B)
	<u> </u>	<u> </u>	<u> </u>
Balances at July 1, 2022	\$ 2,918,491	\$ -	\$ 2,918,491
Changes for the year:			
Service cost	108,077	-	108,077
Interest on the total OPEB liability	110,090	-	110,090
Changes of benefit terms	-	-	-
Difference between expected and actual experience of the total OPEB liability	-	-	-
Changes of assumptions and other inputs	(5,979)	-	(5,979)
Contributions - employer	-	-	-
Contributions - active and inactive employees	-	-	-
Net investment income	-	-	-
Benefit payments, including the implicit rate subsidy	(453,591)	-	(453,591)
Other changes	-	-	-
Net changes	<u>(241,403)</u>	<u>-</u>	<u>(241,403)</u>
 Balances at June 30, 2023	 <u>\$ 2,677,088</u>	 <u>\$ -</u>	 <u>\$ 2,677,088</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the plan's total OPEB liability, calculated using a Single Discount Rate of 4.13%, as well as what the plan's total OPEB liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher than the current rate:

	1% Lower (3.13%)	Current Discount Rate (4.13%)	1% Higher (5.13%)
	<u> </u>	<u> </u>	<u> </u>
Total OPEB liability	\$ 2,829,957	\$ 2,677,088	\$ 2,532,264

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

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

The following presents the plan's net OPEB liability, calculated using a Healthcare Trend Rate range of 4.50%-5.50%, as well as what the plan's net OPEB liability would be if it were calculated using a Healthcare Trend Rate range that is 1% lower or 1% higher than the current range:

	1% Lower (3.50 - 4.00%)	Current Healthcare Rate (4.50 - 5.00%)	1% Higher (5.50 - 6.00%)
Total OPEB liability	\$ 2,600,169	\$ 2,677,088	\$ 2,765,481

OPEB Expense and 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 \$338,754. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in OPEB Expense in Future Periods		
Differences between expected and actual experience	\$ 443,468	\$ -
Change of assumptions	<u>739,582</u>	<u>285,538</u>
Total deferred amounts to be recognized in OPEB expense in the future periods	<u>\$ 1,183,050</u>	<u>\$ 285,538</u>

Downers Grove Grade School District No. 58
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (Continued)

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

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

Year Ended June 30,	Net Deferred Outflows of Resources
<u> </u>	<u> </u>
2024	\$ 120,586
2025	120,586
2026	120,586
2027	120,586
2028	120,315
Thereafter	<u>294,853</u>
Total	<u>\$ 897,512</u>

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE I - OTHER POSTEMPLOYMENT BENEFITS (Continued)

3. Summary of OPEB Items

Below is a summary of the various OPEB items at June 30, 2023:

	<u>THIS</u>	<u>RHP</u>	<u>Total</u>
Deferred outflows of resources:			
Employer contributions	\$ 282,639	\$ -	\$ 282,639
Experience	-	443,468	443,468
Assumptions	8,879	739,582	748,461
Investments	1,196	-	1,196
Proportionate share	<u>2,108,145</u>	<u>-</u>	<u>2,108,145</u>
	<u>\$ 2,400,859</u>	<u>\$ 1,183,050</u>	<u>\$ 3,583,909</u>
OPEB liability	<u>\$ 9,842,505</u>	<u>\$ 2,677,088</u>	<u>\$ 12,519,593</u>
OPEB expense	<u>\$ 1,401,611</u>	<u>\$ 338,754</u>	<u>\$ 1,740,365</u>
Deferred inflows of resources:			
Assumptions	\$ 24,278,841	\$ 285,538	\$ 24,564,379
Experience	6,437,482	-	6,437,482
Proportionate share	<u>1,071,365</u>	<u>-</u>	<u>1,071,365</u>
	<u>\$ 31,787,688</u>	<u>\$ 285,538</u>	<u>\$ 32,073,226</u>

NOTE J - JOINT AGREEMENT

The District is a member of the School Association for Special Education in DuPage County (SASED), a joint agreement that provides certain special education services to residents of many school districts. The District believes that, because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these should not be included as component units of the District.

Complete financial statements for the School Association for Special Education in DuPage County (SASED) can be obtained from its business office at 6 S 331 Cornwall Road, Naperville, Illinois 60540.

Downers Grove Grade School District No. 58

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE K - CONTINGENCIES

1. Litigation

The District, in the normal course of business, is subject to various litigation. Although the outcome of these matters is not presently determinable, the District believes they will not have a significant impact on the District. With regard to other pending matters, the eventual outcome and related liability, if any, are not determinable at this time. No provision has been made in the accompanying financial statements for settlement costs.

2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. 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, although the District expects such amounts, if any, to be insignificant. In addition, From time to time, the District may receive revenues in excess of expenditures related to certain federal grant programs. This surplus will typically be drawn down by the District in the subsequent fiscal year. While the District believes it unlikely, the District may be required to remit surplus funds back to the granting agency.

3. Tax Abatements

During fiscal year 2019, the District entered into a real estate tax abatement agreement with an industrial taxpayer to provide an incentive for the taxpayer to expand its existing facility; thereby increasing the District's tax base and increasing employment. Under the terms of the agreement, the District agreed to abate a portion of the additional tax revenues generated by the expansion project, ranging from 90% in the first full tax year following the completion of the project, to 10% in the ninth year. The amount of the real estate taxes to be abated for the 2022 tax year was approximately \$41,000.

NOTE L - COMMITMENTS

As of June 30, 2023, the District has committed to approximately \$3,060,000 in capital projects.

NOTE M - SUBSEQUENT EVENT

Management has evaluated subsequent events through December 29, 2023, the date that these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Downers Grove Grade School District No. 58

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS Illinois Municipal Retirement Fund Nine Most Recent Fiscal Years

	2023	2022	2021
Total pension liability			
Service cost	\$ 536,668	\$ 586,415	\$ 649,972
Interest on the total pension liability	3,723,637	3,687,073	3,566,730
Difference between expected and actual experience of the total pension liability	722,235	(76,905)	1,276,326
Assumption changes	-	-	(282,754)
Benefit payments and refunds	(3,734,472)	(3,600,297)	(3,436,891)
Net change in total pension liability	1,248,068	596,286	1,773,383
Total pension liability, beginning	52,959,408	52,363,122	50,589,739
Total pension liability, ending	\$ 54,207,476	\$ 52,959,408	\$ 52,363,122
Plan fiduciary net position			
Contributions, employer	\$ 912,658	\$ 950,563	\$ 974,531
Contributions, employee	270,152	268,203	284,507
Net investment income	(7,578,552)	8,537,777	6,416,592
Benefit payments, including refunds of employee contributions	(3,734,472)	(3,600,297)	(3,436,891)
Other (net transfer)	151,965	(135,841)	487,050
Net change in plan fiduciary net position	(9,978,249)	6,020,405	4,725,789
Plan fiduciary net position, beginning	54,640,013	48,619,608	43,893,819
Plan fiduciary net position, ending	\$ 44,661,764	\$ 54,640,013	\$ 48,619,608
Net pension liability (asset)	\$ 9,545,712	\$ (1,680,605)	\$ 3,743,514
Plan fiduciary net position as a percentage of the total pension liability	82.39 %	103.17 %	92.85 %
Covered Valuation Payroll	\$ 5,824,238	\$ 5,719,112	\$ 6,255,012
Net pension liability (asset) as a percentage of covered valuation payroll	163.90 %	(29.39) %	59.85 %

Note 1: Actuarial valuations are as of December 31, which is six months prior to the end of the fiscal year.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015, therefore 10 years of information is not available.

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 634,766	\$ 619,570	\$ 686,233	\$ 782,284	\$ 746,714	\$ 830,709
3,469,607	3,339,906	3,346,657	3,197,627	3,037,325	2,779,385
555,210	1,275,982	175,824	615,264	603,963	150,038
-	1,182,124	(1,385,320)	(241,033)	95,189	1,726,170
<u>(3,218,218)</u>	<u>(2,982,999)</u>	<u>(2,777,166)</u>	<u>(2,433,212)</u>	<u>(2,047,024)</u>	<u>(1,736,852)</u>
1,441,365	3,434,583	46,228	1,920,930	2,436,167	3,749,450
49,148,374	45,713,791	45,667,563	43,746,633	41,310,466	37,561,016
<u>\$ 50,589,739</u>	<u>\$ 49,148,374</u>	<u>\$ 45,713,791</u>	<u>\$ 45,667,563</u>	<u>\$ 43,746,633</u>	<u>\$ 41,310,466</u>
\$ 887,330	\$ 918,803	\$ 848,576	\$ 926,983	\$ 908,587	\$ 887,996
287,383	269,112	276,271	287,160	301,130	363,996
7,481,785	(2,527,731)	6,760,004	2,342,140	178,145	2,081,383
(3,218,218)	(2,982,999)	(2,777,166)	(2,433,212)	(2,047,024)	(1,736,852)
<u>196,934</u>	<u>1,399,821</u>	<u>(1,282,568)</u>	<u>427,864</u>	<u>417,073</u>	<u>87,652</u>
5,635,214	(2,922,994)	3,825,117	1,550,935	(242,089)	1,684,175
38,258,605	41,181,599	37,356,482	35,805,547	36,047,636	34,363,461
<u>\$ 43,893,819</u>	<u>\$ 38,258,605</u>	<u>\$ 41,181,599</u>	<u>\$ 37,356,482</u>	<u>\$ 35,805,547</u>	<u>\$ 36,047,636</u>
<u>\$ 6,695,920</u>	<u>\$ 10,889,769</u>	<u>\$ 4,532,192</u>	<u>\$ 8,311,081</u>	<u>\$ 7,941,086</u>	<u>\$ 5,262,830</u>
86.76 %	77.84 %	90.09 %	81.80 %	81.85 %	87.26 %
\$ 6,266,454	\$ 5,904,907	\$ 6,084,557	\$ 6,336,280	\$ 6,619,221	\$ 6,788,974
106.85 %	184.42 %	74.49 %	131.17 %	119.97 %	77.52 %

Downers Grove Grade School District No. 58
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
 Illinois Municipal Retirement Fund
Nine Most Recent Fiscal Years

Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2023	\$ 912,658	* \$ 912,658	\$ -	\$ 5,824,238	15.67 %
2022	947,085	950,563	(3,478)	5,719,112	16.62
2021	1,077,113	974,531	102,582	6,255,012	15.58
2020	887,330	887,330	-	6,266,454	14.16
2019	918,804	918,803	1	5,904,907	15.56
2018	846,970	848,576	(1,606)	6,084,557	13.95
2017	913,058	926,983	(13,925)	6,336,280	14.63
2016	900,876	908,587	(7,711)	6,619,221	13.73
2015	887,997	887,996	1	6,788,974	13.08

* Estimated based on contribution rate of 15.67% and covered valuation payroll of \$5,824,238.

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 therefore 10 years of information is not available.

Downers Grove Grade School District No. 58
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
Teachers' Retirement System of the State of Illinois
Nine Most Recent Fiscal Years

	<u>2023</u>		<u>2022</u>		<u>2021</u>		<u>2020</u>	
District's proportion of the net pension liability	0.0038783272	%	0.0042291867	%	0.0042881939	%	0.0053416410	%
District's proportionate share of the net pension liability	\$ 3,251,602		\$ 3,299,243		\$ 3,697,077		\$ 4,332,507	
State's proportionate share of the net pension liability associated with the District	<u>282,054,976</u>		<u>276,511,648</u>		<u>289,574,305</u>		<u>308,339,795</u>	
Total	<u>\$ 285,306,578</u>		<u>\$ 279,810,891</u>		<u>\$ 293,271,382</u>		<u>\$ 312,672,302</u>	
District's covered employe payroll	\$ 39,683,186		\$ 37,921,575		\$ 36,058,524		\$ 34,080,454	
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	8.19	%	8.70	%	10.25	%	12.71	%
Plan fiduciary net position as a percentage of the total pension liability	42.8	%	45.1	%	37.8	%	39.6	%

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pension liability is reported.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015, therefore 10 years of information is not available.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.0035632007 %	0.0051814405 %	0.0046950648 %	0.0066063731 %	0.0064739066 %
\$ 2,777,331	\$ 3,958,524	\$ 3,706,099	\$ 4,327,840	\$ 3,939,908
<u>190,258,816</u>	<u>241,739,723</u>	<u>255,215,128</u>	<u>188,886,330</u>	<u>187,434,288</u>
<u>\$ 193,036,147</u>	<u>\$ 245,698,247</u>	<u>\$ 258,921,227</u>	<u>\$ 193,214,170</u>	<u>\$ 191,374,196</u>
\$ 33,190,956	\$ 32,682,535	\$ 31,176,055	\$ 30,136,212	\$ 30,291,184
8.37 %	12.11 %	11.89 %	14.36 %	13.01 %
40.0 %	39.3 %	36.4 %	41.5 %	43.0 %

Downers Grove Grade School District No. 58
MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS
 Teachers' Retirement System of the State of Illinois
Nine Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 230,162	\$ 219,945	\$ 209,139	\$ 197,667
Contributions in relation to the contractually required contribution	<u>230,157</u>	<u>220,002</u>	<u>209,045</u>	<u>241,911</u>
Contribution deficiency (excess)	<u>\$ 5</u>	<u>\$ (57)</u>	<u>\$ 94</u>	<u>\$ (44,244)</u>
District's covered-employee payroll	\$ 42,184,975	\$ 39,683,186	\$ 37,921,575	\$ 36,058,524
Contributions as a percentage of covered-employee payroll	0.55 %	0.55 %	0.55 %	0.67 %

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pension liability is reported.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015, therefore 10 years of information is not available.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 192,508	\$ 238,814	\$ 186,079	\$ 229,365	\$ 223,244
<u>148,048</u>	<u>213,474</u>	<u>181,826</u>	<u>231,487</u>	<u>230,986</u>
<u><u>\$ 44,460</u></u>	<u><u>\$ 25,340</u></u>	<u><u>\$ 4,253</u></u>	<u><u>\$ (2,122)</u></u>	<u><u>\$ (7,742)</u></u>
\$ 34,080,454	\$ 33,190,956	\$ 32,682,535	\$ 31,176,055	\$ 30,136,212
0.43 %	0.64 %	0.56 %	0.74 %	0.77 %

Downers Grove Grade School District No. 58

MULTIYEAR SCHEDULE OF CHANGES IN TOTAL OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY AND RELATED RATIOS

Retiree Health Plan

Six Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB liability			
Service cost	\$ 108,077	\$ 143,507	\$ 136,547
Interest on the total OPEB liability	110,090	58,179	74,282
Changes of benefit terms	-	-	-
Difference between expected and actual experience of the total OPEB liability	-	384,918	-
Changes of assumptions and other inputs	(5,979)	(92,285)	75,191
Benefit payments, including the implicit rate subsidy	(453,590)	(489,182)	(330,478)
Other changes	-	-	-
Net change in total OPEB liability	<u>(241,402)</u>	<u>5,137</u>	<u>(44,458)</u>
Total OPEB liability, beginning	2,918,491	2,913,354	2,957,812
Total OPEB liability, ending	<u>\$ 2,677,089</u>	<u>\$ 2,918,491</u>	<u>\$ 2,913,354</u>
Plan fiduciary net position			
Contributions, employer	\$ -	\$ -	\$ -
Contributions, employee	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds of employee contributions	-	-	-
Other (net transfer)	-	-	-
Net change in plan fiduciary net position	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position, beginning	-	-	-
Plan fiduciary net position, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability	<u>\$ 2,677,089</u>	<u>\$ 2,918,491</u>	<u>\$ 2,913,354</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00 %	0.00 %	0.00 %
Covered Valuation Payroll	N/A	N/A	\$ 32,439,096
Net OPEB liability as a percentage of covered valuation payroll	N/A	N/A	9.00 %

Note: The District implemented GASB 75 beginning with its fiscal year ended June 30, 2018, therefore 10 years of information is not available.

	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$	132,258	\$ 125,285	\$ 112,964
	57,235	71,667	71,294
	-	-	70,890
	128,245	-	22,584
	419,876	70,317	19,900
	(342,132)	(281,131)	(303,313)
	339,816	(30,816)	(65,122)
	<u>735,298</u>	<u>(44,678)</u>	<u>(70,803)</u>
	2,222,514	2,267,192	2,337,995
\$	<u><u>2,957,812</u></u>	<u><u>2,222,514</u></u>	<u><u>2,267,192</u></u>

\$	-	\$ -	\$ -
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
\$	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
\$	<u><u>2,957,812</u></u>	<u><u>2,222,514</u></u>	<u><u>2,267,192</u></u>

0.00 % 0.00 % 0.00 %

\$ 32,439,096 \$ 32,306,296 \$ 32,306,296

9.14 % 6.90 % 7.04 %

Downers Grove Grade School District No. 58
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY
Teachers' Health Insurance Security Fund
Six Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>
District's proportion of the net OPEB liability	0.143798 %	0.146125 %	0.142452 %
District's proportionate share of the net OPEB liability	\$ 9,842,505	\$ 32,228,409	\$ 38,085,735
State's proportionate share of the net OPEB liability associated with the District	<u>13,389,760</u>	<u>43,697,019</u>	<u>51,595,799</u>
Total	<u>\$ 23,232,265</u>	<u>\$ 75,925,428</u>	<u>\$ 89,681,534</u>
District's covered payroll	\$ 39,683,186	\$ 37,921,575	\$ 36,058,524
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	24.80 %	84.99 %	105.62 %
Plan fiduciary net position as a percentage of the total OPEB liability	5.24 %	1.40 %	0.70 %

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

Note 2: The District implemented GASB 75 beginning with it's fiscal year ended June 30, 2018, therefore 10 years of information is not available.

<u>2020</u>	<u>2019</u>	<u>2018</u>
0.138560 %	0.139964 %	0.142035 %
\$ 38,349,888	\$ 36,874,634	\$ 36,857,598
<u>51,930,641</u>	<u>49,514,681</u>	<u>48,403,185</u>
<u>\$ 90,280,529</u>	<u>\$ 86,389,315</u>	<u>\$ 85,260,783</u>
\$ 34,080,454	\$ 33,190,956	\$ 32,682,535
112.53 %	111.10 %	112.77 %
0.25 %	(0.07) %	(0.17) %

Downers Grove Grade School District No. 58
MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS
Teachers' Health Insurance Security Fund
Six Most Recent Fiscal Years

Fiscal year ended June 30,	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 265,877	\$ 348,878	\$ 331,738	\$ 313,540	\$ 292,080	\$ 274,533
Contributions in relation to the contractually required contribution	<u>265,908</u>	<u>348,947</u>	<u>331,529</u>	<u>313,312</u>	<u>291,980</u>	<u>274,467</u>
Contribution excess	<u>\$ 31</u>	<u>\$ 69</u>	<u>\$ (209)</u>	<u>\$ (228)</u>	<u>\$ (100)</u>	<u>\$ (66)</u>
District's covered employee payroll	\$ 42,184,975	\$ 39,683,186	\$ 37,921,575	\$ 36,058,524	\$ 34,080,454	\$ 33,190,956
Contributions as a percentage of covered employee payroll	0.63 %	0.88 %	0.87 %	0.87 %	0.86 %	0.83 %

Note: The District implemented GASB 75 beginning with its fiscal year ended June 30, 2018, therefore 10 years of information is not available.

Downers Grove Grade School District No. 58

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Revenues					
Local sources					
General levy	\$ 56,158,783	\$ 56,108,783	\$ 55,501,296	\$ (607,487)	\$ 51,691,084
Corporate personal property replacement taxes	2,400,000	3,000,000	2,561,274	(438,726)	2,445,095
Regular tuition from pupils or parents	243,080	243,080	160,626	(82,454)	235,726
Summer school tuition from pupils or parents	40,000	40,000	38,230	(1,770)	39,532
Special education tuition from other districts	-	-	43,402	43,402	-
Interest on investments	145,000	355,000	213,514	(141,486)	(60,083)
Sales to pupils - lunch	200,000	200,000	97,136	(102,864)	563
Other district/school activity revenue	20,000	20,000	-	(20,000)	105,629
Student Activity Fund Revenues	65,000	65,000	141,592	76,592	139,632
Rentals - regular textbook	735,839	735,839	828,622	92,783	928,119
Contributions and donations from private sources	58,000	58,000	243,646	185,646	51,246
Impact fees from municipal or county governments	200,000	200,000	-	(200,000)	208,373
Refund of prior years' expenditures	50,000	50,000	13,859	(36,141)	30,056
Payments of surplus moneys					
Payment from other districts	76,000	76,000	70,436	(5,564)	79,663
Other local fees	1,012,000	812,000	989,025	177,025	563,656
Other	<u>762,120</u>	<u>712,120</u>	<u>470,023</u>	<u>(242,097)</u>	<u>671,105</u>
Total local sources	<u>62,165,822</u>	<u>62,675,822</u>	<u>61,372,681</u>	<u>(1,303,141)</u>	<u>57,129,396</u>
State sources					
Evidence Based Funding Formula	3,468,377	3,468,377	3,460,926	(7,451)	3,465,290
Special Education - Private Facility Tuition	800,000	820,000	654,765	(165,235)	596,561
Special Education - Orphanage - Individual	165,000	165,000	201,073	36,073	140,473
State Free Lunch & Breakfast	8,000	8,000	997	(7,003)	13,450
Early Childhood - Block Grant	365,000	365,000	363,964	(1,036)	363,964
Other restricted revenue from state sources	5,000	5,000	3,937	(1,063)	4,807
On-Behalf Payments to TRS from the State	<u>25,000,000</u>	<u>25,000,000</u>	<u>21,104,337</u>	<u>(3,895,663)</u>	<u>20,084,094</u>
Total state sources	<u>29,811,377</u>	<u>29,831,377</u>	<u>25,789,999</u>	<u>(4,041,378)</u>	<u>24,668,639</u>

(Continued)

Downers Grove Grade School District No. 58

General Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Federal sources					
National School Lunch Program	\$ 150,000	\$ 150,000	\$ 132,618	\$ (17,382)	\$ 743,518
Special Milk Program	40,000	40,000	26,201	(13,799)	-
School Breakfast Program	-	-	-	-	184,365
Summer Food Service Program	40,000	40,000	-	(40,000)	10,664
Title I - Low Income	425,000	425,000	108,836	(316,164)	261,671
Federal Special Education - Preschool Flow-Through	71,712	71,712	41,817	(29,895)	22,431
Federal Special Education - IDEA Flow Through	1,100,000	1,100,000	1,207,474	107,474	1,219,543
Title III - English Language Acquisition	21,000	21,000	14,804	(6,196)	18,888
Title II - Teacher Quality	204,272	204,272	79,511	(124,761)	145,660
Medicaid Matching Funds - Administrative Outreach	125,000	125,000	52,210	(72,790)	79,293
Medicaid Matching Funds - Fee-For-Service Program	300,000	300,000	125,800	(174,200)	125,960
Other Restricted Grants Received from Federal Govt. thru State	<u>2,300,000</u>	<u>2,300,000</u>	<u>212,128</u>	<u>(2,087,872)</u>	<u>1,453,132</u>
Total federal sources	<u>4,776,984</u>	<u>4,776,984</u>	<u>2,001,399</u>	<u>(2,775,585)</u>	<u>4,265,125</u>
Total revenues	<u>96,754,183</u>	<u>97,284,183</u>	<u>89,164,079</u>	<u>(8,120,104)</u>	<u>86,063,160</u>
Expenditures					
Instruction					
Regular programs					
Salaries	19,936,401	20,436,401	27,083,990	(6,647,589)	26,083,000
Employee benefits	7,507,941	7,207,941	5,338,021	1,869,920	5,655,472
On-Behalf Payments to TRS from the State	25,000,000	25,000,000	21,104,337	3,895,663	20,084,094
Purchased services	330,618	330,618	18,494	312,124	103,558
Supplies and materials	862,724	862,724	1,633,999	(771,275)	1,598,383
Capital outlay	5,600	5,600	946,847	(941,247)	650,405
Other objects	30,600	30,600	3,985	26,615	2,345
Non-capitalized equipment	19,050	5,000	11,975	(6,975)	28,256
Termination benefits	<u>7,050</u>	<u>7,050</u>	<u>-</u>	<u>7,050</u>	<u>-</u>
Total	<u>53,699,984</u>	<u>53,885,934</u>	<u>56,141,648</u>	<u>(2,255,714)</u>	<u>54,205,513</u>

(Continued)

Downers Grove Grade School District No. 58

General Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Pre-K programs					
Salaries	\$ 7,829,162	\$ 7,829,162	\$ 195,035	\$ 7,634,127	\$ 1,160,748
Employee benefits	332,375	332,375	20,145	312,230	25,748
Purchased services	3,800	3,800	-	3,800	-
Supplies and materials	154,453	154,453	38	154,415	-
Termination benefits	12,000	12,000	-	12,000	-
Total	<u>8,331,790</u>	<u>8,331,790</u>	<u>215,218</u>	<u>8,116,572</u>	<u>1,186,496</u>
Special education programs					
Salaries	1,160,000	1,160,000	5,843,605	(4,683,605)	4,543,179
Employee benefits	618,510	618,510	846,847	(228,337)	699,443
Purchased services	279	279	15,528	(15,249)	7,734
Supplies and materials	836	836	244,086	(243,250)	148,441
Capital outlay	-	-	7,695	(7,695)	-
Other objects	1,350,000	1,900,000	1,366,792	533,208	1,243,255
Total	<u>3,129,625</u>	<u>3,679,625</u>	<u>8,324,553</u>	<u>(4,644,928)</u>	<u>6,642,052</u>
Special education programs pre-K					
Salaries	754,000	754,000	470,537	283,463	465,331
Employee benefits	23,406	23,406	79,549	(56,143)	97,082
Purchased services	149,264	149,264	802	148,462	-
Supplies and materials	836	836	53,473	(52,637)	12,721
Non-capitalized equipment	-	-	678	(678)	-
Total	<u>927,506</u>	<u>927,506</u>	<u>605,039</u>	<u>322,467</u>	<u>575,134</u>
Remedial and Supplemental programs K-12					
Salaries	100,000	100,000	196,640	(96,640)	308,529
Employee benefits	394,873	394,873	40,370	354,503	56,000
Purchased services	152,531	152,531	-	152,531	-
Supplies and materials	-	-	3,413	(3,413)	48,976
Total	<u>647,404</u>	<u>647,404</u>	<u>240,423</u>	<u>406,981</u>	<u>413,505</u>
Interscholastic programs					
Salaries	100,000	100,000	93,496	6,504	68,826
Employee benefits	1,234	1,234	1,128	106	817
Purchased services	3,000	3,000	5,595	(2,595)	5,270
Supplies and materials	4,000	4,000	6,839	(2,839)	5,597
Total	<u>108,234</u>	<u>108,234</u>	<u>107,058</u>	<u>1,176</u>	<u>80,510</u>

(Continued)

Downers Grove Grade School District No. 58

General Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Summer school programs					
Salaries	\$ 153,722	\$ 153,722	\$ 83,383	\$ 70,339	\$ 113,262
Employee benefits	116	116	1,646	(1,530)	2,057
Purchased services	5,000	5,000	-	5,000	-
Supplies and materials	<u>1,000</u>	<u>1,000</u>	<u>1,141</u>	<u>(141)</u>	<u>1,253</u>
Total	<u>159,838</u>	<u>159,838</u>	<u>86,170</u>	<u>73,668</u>	<u>116,572</u>
Gifted programs					
Salaries	15,000	15,000	-	15,000	-
Employee benefits	367	367	-	367	-
Purchased services	45,163	45,163	-	45,163	-
Supplies and materials	-	-	1,368	(1,368)	1,878
Non-capitalized equipment	-	-	-	-	2,962
Total	<u>60,530</u>	<u>60,530</u>	<u>1,368</u>	<u>59,162</u>	<u>4,840</u>
Bilingual programs					
Salaries	993,978	993,978	1,037,978	(44,000)	518,717
Employee benefits	23,003	23,003	147,021	(124,018)	93,224
Purchased services	52,522	52,522	1,970	50,552	1,643
Supplies and materials	-	-	3,795	(3,795)	916
Total	<u>1,069,503</u>	<u>1,069,503</u>	<u>1,190,764</u>	<u>(121,261)</u>	<u>614,500</u>
Student Activity Fund Expenditures	<u>-</u>	<u>-</u>	<u>173,174</u>	<u>(173,174)</u>	<u>164,988</u>
Total instruction	<u>68,134,414</u>	<u>68,870,364</u>	<u>67,085,415</u>	<u>1,784,949</u>	<u>64,004,110</u>
Support services					
Pupils					
Attendance and social work services					
Salaries	1,345,000	1,345,000	1,548,714	(203,714)	1,297,743
Employee benefits	171,865	171,865	367,916	(196,051)	308,377
Purchased services	-	-	19,281	(19,281)	14,818
Supplies and materials	<u>1,500</u>	<u>1,500</u>	<u>700</u>	<u>800</u>	<u>1,245</u>
Total	<u>1,518,365</u>	<u>1,518,365</u>	<u>1,936,611</u>	<u>(418,246)</u>	<u>1,622,183</u>

(Continued)

Downers Grove Grade School District No. 58

General Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				2022 Actual
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	
Guidance services					
Salaries	\$ 420,000	\$ 420,000	\$ 485,953	\$ (65,953)	\$ 387,865
Employee benefits	1,524	1,524	70,515	(68,991)	67,747
Supplies and materials	-	-	196	(196)	13
Total	<u>421,524</u>	<u>421,524</u>	<u>556,664</u>	<u>(135,140)</u>	<u>455,625</u>
Health services					
Salaries	2,910,805	2,910,805	793,673	2,117,132	779,100
Employee benefits	162,276	162,276	86,851	75,425	63,760
Purchased services	365,461	190,461	46,782	143,679	26,594
Supplies and materials	17,159	17,159	11,050	6,109	7,322
Non-capitalized equipment	-	-	660	(660)	-
Total	<u>3,455,701</u>	<u>3,280,701</u>	<u>939,016</u>	<u>2,341,685</u>	<u>876,776</u>
Psychological services					
Salaries	763,456	763,456	766,684	(3,228)	514,486
Employee benefits	262	262	115,774	(115,512)	88,787
Purchased services	<u>271,791</u>	<u>121,791</u>	<u>80,543</u>	<u>41,248</u>	<u>144,102</u>
Total	<u>1,035,509</u>	<u>885,509</u>	<u>963,001</u>	<u>(77,492)</u>	<u>747,375</u>
Speech pathology and audiology services					
Salaries	462,699	462,699	1,116,590	(653,891)	967,052
Employee benefits	36,942	36,942	174,193	(137,251)	151,461
Purchased services	22,000	22,000	137,458	(115,458)	82,721
Supplies and materials	<u>1,500</u>	<u>1,500</u>	<u>774</u>	<u>726</u>	<u>935</u>
Total	<u>523,141</u>	<u>523,141</u>	<u>1,429,015</u>	<u>(905,874)</u>	<u>1,202,169</u>
Total pupils	<u>6,954,240</u>	<u>6,629,240</u>	<u>5,824,307</u>	<u>804,933</u>	<u>4,904,128</u>
Instructional staff					
Improvement of instruction services					
Salaries	1,927,969	1,927,969	1,738,302	189,667	1,499,091
Employee benefits	84,721	84,721	385,574	(300,853)	331,482
Purchased services	409,970	234,970	341,623	(106,653)	356,305
Supplies and materials	2,024,934	2,024,934	44,494	1,980,440	29,388
Capital outlay	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>4,497,594</u>	<u>4,272,594</u>	<u>2,509,993</u>	<u>1,762,601</u>	<u>2,216,266</u>

(Continued)

Downers Grove Grade School District No. 58

General Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Educational media services					
Salaries	\$ 989,000	\$ 989,000	\$ 1,228,704	\$ (239,704)	\$ 1,004,805
Employee benefits	79,508	79,508	286,818	(207,310)	243,427
Purchased services	1,060,000	660,000	321,189	338,811	656,973
Supplies and materials	325,000	1,325,000	923,069	401,931	360,232
Capital outlay	-	-	12,200	(12,200)	1,561,492
Total	2,453,508	3,053,508	2,771,980	281,528	3,826,929
Assessment and testing					
Salaries	-	-	12,063	(12,063)	5,709
Employee benefits	640	640	1,340	(700)	660
Total	640	640	13,403	(12,763)	6,369
Total instructional staff	6,951,742	7,326,742	5,295,376	2,031,366	6,049,564
General administration					
Board of education services					
Salaries	10,000	10,000	8,940	1,060	8,638
Employee benefits	1,500	1,500	14,855	(13,355)	4,230
Purchased services	218,752	118,752	195,950	(77,198)	137,057
Supplies and materials	-	-	10,453	(10,453)	13,871
Other objects	-	-	14,414	(14,414)	19,550
Total	230,252	130,252	244,612	(114,360)	183,346
Executive administration services					
Salaries	515,000	515,000	322,620	192,380	297,024
Employee benefits	17,524	17,524	90,364	(72,840)	86,295
Purchased services	108,378	108,378	9,971	98,407	22,692
Supplies and materials	1,000	1,000	19,085	(18,085)	14,460
Other objects	-	-	5,730	(5,730)	12,610
Total	641,902	641,902	447,770	194,132	433,081
Special area administrative services					
Salaries	195,955	195,955	388,110	(192,155)	363,235
Employee benefits	36,012	36,012	111,961	(75,949)	112,772
Purchased services	23,805	23,805	3,509	20,296	1,773
Supplies and materials	-	-	1,511	(1,511)	3,912
Total	255,772	255,772	505,091	(249,319)	481,692

(Continued)

Downers Grove Grade School District No. 58

General Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Tort immunity services					
Purchased services	\$ 586,354	\$ 461,573	\$ 909,058	\$ (447,485)	\$ 710,739
Total	<u>586,354</u>	<u>461,573</u>	<u>909,058</u>	<u>(447,485)</u>	<u>710,739</u>
Total general administration	<u>1,714,280</u>	<u>1,489,499</u>	<u>2,106,531</u>	<u>(617,032)</u>	<u>1,808,858</u>
School administration					
Office of the principal services					
Salaries	3,019,001	3,019,001	2,592,700	426,301	2,434,134
Employee benefits	93,970	93,970	814,219	(720,249)	757,962
Purchased services	6,136	6,136	9,676	(3,540)	50,696
Supplies and materials	15,100	15,100	12,591	2,509	3,950
Other objects	850	850	-	850	1,729
Total	<u>3,135,057</u>	<u>3,135,057</u>	<u>3,429,186</u>	<u>(294,129)</u>	<u>3,248,471</u>
Total school administration	<u>3,135,057</u>	<u>3,135,057</u>	<u>3,429,186</u>	<u>(294,129)</u>	<u>3,248,471</u>
Business					
Direction of business support services					
Salaries	240,919	240,919	292,874	(51,955)	316,737
Employee benefits	96,970	96,970	64,417	32,553	72,973
Purchased services	6,136	6,136	4,289	1,847	2,222
Supplies and materials	15,100	15,100	-	15,100	-
Other objects	850	850	-	850	-
Total	<u>359,975</u>	<u>359,975</u>	<u>361,580</u>	<u>(1,605)</u>	<u>391,932</u>
Fiscal services					
Salaries	256,096	256,096	150,602	105,494	109,287
Employee benefits	2,564	2,564	44,115	(41,551)	40,591
Purchased services	134,040	64,040	395,824	(331,784)	312,617
Supplies and materials	20,000	20,000	5,567	14,433	3,672
Other objects	1,000	1,000	-	1,000	1,020
Total	<u>413,700</u>	<u>343,700</u>	<u>596,108</u>	<u>(252,408)</u>	<u>467,187</u>

(Continued)

Downers Grove Grade School District No. 58

General Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Food services					
Purchased services	\$ 607,111	\$ 357,111	\$ 252,489	\$ 104,622	\$ 560,854
Supplies and materials	1,000	1,000	18,137	(17,137)	60,805
Non-capitalized equipment	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,105</u>
Total	<u>618,111</u>	<u>358,111</u>	<u>270,626</u>	<u>87,485</u>	<u>626,764</u>
Total business	<u>1,391,786</u>	<u>1,061,786</u>	<u>1,228,314</u>	<u>(166,528)</u>	<u>1,485,883</u>
Central					
Direction of central support services					
Salaries	285,000	285,000	316,876	(31,876)	313,345
Employee benefits	97,025	97,025	170,164	(73,139)	181,397
Purchased services	<u>233,561</u>	<u>148,561</u>	<u>70,974</u>	<u>77,587</u>	<u>3,263</u>
Total	<u>615,586</u>	<u>530,586</u>	<u>558,014</u>	<u>(27,428)</u>	<u>498,005</u>
Information services					
Salaries	200,000	200,000	131,553	68,447	88,845
Employee benefits	7,727	7,727	26,487	(18,760)	28,473
Purchased services	<u>225,501</u>	<u>225,501</u>	<u>45,192</u>	<u>180,309</u>	<u>54,125</u>
Total	<u>433,228</u>	<u>433,228</u>	<u>203,232</u>	<u>229,996</u>	<u>171,443</u>
Staff services					
Purchased services	121,746	121,746	86,192	35,554	97,100
Supplies and materials	2,000	2,000	-	2,000	11,942
Other objects	<u>15,000</u>	<u>15,000</u>	<u>150</u>	<u>14,850</u>	<u>-</u>
Total	<u>138,746</u>	<u>138,746</u>	<u>86,342</u>	<u>52,404</u>	<u>109,042</u>
Total central	<u>1,187,560</u>	<u>1,102,560</u>	<u>847,588</u>	<u>254,972</u>	<u>778,490</u>
Other supporting services					
Salaries	25,000	25,000	-	25,000	731
Employee benefits	25,000	25,000	208,239	(183,239)	139,632
Purchased services	32,065	32,065	1,056	31,009	-
Supplies and materials	<u>-</u>	<u>-</u>	<u>696</u>	<u>(696)</u>	<u>3,107</u>
Total	<u>82,065</u>	<u>82,065</u>	<u>209,991</u>	<u>(127,926)</u>	<u>143,470</u>
Total support services	<u>21,416,730</u>	<u>20,826,949</u>	<u>18,941,293</u>	<u>1,885,656</u>	<u>18,418,864</u>

(Continued)

Downers Grove Grade School District No. 58

General Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Community services					
Salaries	\$ 103,000	\$ 103,000	\$ 25,473	\$ 77,527	\$ 43,136
Employee benefits	144,285	144,285	1,677	142,608	20,526
Purchased services	27,000	27,000	54,656	(27,656)	84,315
Supplies and materials	<u>21,500</u>	<u>21,500</u>	<u>9,378</u>	<u>12,122</u>	<u>5,198</u>
Total	<u>295,785</u>	<u>295,785</u>	<u>91,184</u>	<u>204,601</u>	<u>153,175</u>
Payments for special education programs					
Purchased services	301,621	201,621	112,499	89,122	127,246
Other objects	<u>2,400,000</u>	<u>2,400,000</u>	<u>3,432,891</u>	<u>(1,032,891)</u>	<u>2,881,770</u>
Total	<u>2,701,621</u>	<u>2,601,621</u>	<u>3,545,390</u>	<u>(943,769)</u>	<u>3,009,016</u>
Total payments to other districts and other government units	<u>2,701,621</u>	<u>2,601,621</u>	<u>3,545,390</u>	<u>(943,769)</u>	<u>3,009,016</u>
Total expenditures	<u>92,548,550</u>	<u>92,594,719</u>	<u>89,663,282</u>	<u>2,931,437</u>	<u>85,585,165</u>
Excess (deficiency) of revenues over expenditures	<u>4,205,633</u>	<u>4,689,464</u>	<u>(499,203)</u>	<u>(5,188,667)</u>	<u>477,995</u>
Other financing sources (uses)					
Proceeds from sale of capital assets	-	-	-	-	1,147,293
Lease issuance	-	-	946,847	946,847	650,405
Transfer to debt service fund for principal on GASB 87 leases	(500,000)	-	(166,387)	(166,387)	(423,307)
Transfer to debt service fund for interest on GASB 87 leases	-	-	(36,086)	(36,086)	(6,158)
Transfer to Capital Projects Fund	<u>(500,000)</u>	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(255,626)</u>	<u>744,374</u>	<u>1,368,233</u>
Net change to fund balance	<u>\$ 3,205,633</u>	<u>\$ 3,689,464</u>	<u>(754,829)</u>	<u>\$ (4,444,293)</u>	<u>1,846,228</u>
Fund balance, beginning of year			<u>23,298,310</u>		<u>21,452,082</u>
Fund balance, end of year			<u>\$ 22,543,481</u>		<u>\$ 23,298,310</u>

(Concluded)

Downers Grove Grade School District No. 58
Operations and Maintenance Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2023
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Revenues					
Local sources					
General levy	\$ 4,121,995	\$ 4,121,995	\$ 3,514,691	\$ (607,304)	\$ 3,464,185
Corporate personal property replacement taxes	200,000	200,000	200,000	-	200,000
Interest on investments	25,500	65,500	48,779	(16,721)	3,065
Rentals	200,000	200,000	139,640	(60,360)	138,433
Contributions and donations from private sources	153,500	203,500	24,429	(179,071)	153,500
Other	20,000	20,000	64,113	44,113	16,217
Total local sources	<u>4,720,995</u>	<u>4,810,995</u>	<u>3,991,652</u>	<u>(819,343)</u>	<u>3,975,400</u>
State sources					
School Infrastructure - Maintenance Projects	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total state sources	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total revenues	<u>4,770,995</u>	<u>4,860,995</u>	<u>4,041,652</u>	<u>(819,343)</u>	<u>4,025,400</u>
Expenditures					
Support services					
Business					
Facilities acquisition and construction services					
Purchased services	-	-	18,314	(18,314)	104,845
Capital outlay	-	-	-	-	26,081
Total	<u>-</u>	<u>-</u>	<u>18,314</u>	<u>(18,314)</u>	<u>130,926</u>

(Continued)

Downers Grove Grade School District No. 58

Operations and Maintenance Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2023
 With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				2022 Actual
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	
Operation and maintenance of plant services					
Salaries	\$ 1,850,161	\$ 1,800,161	\$ 1,904,154	\$ (103,993)	\$ 1,703,417
Employee benefits	481,319	431,319	444,355	(13,036)	442,750
Purchased services	1,466,488	1,266,488	1,186,872	79,616	1,309,269
Supplies and materials	907,822	707,822	760,822	(53,000)	851,807
Capital outlay	155,000	155,000	23,305	131,695	103,108
Other objects	3,000	3,000	-	3,000	-
Non-capitalized equipment	20,000	-	47,837	(47,837)	23,315
Total	<u>4,883,790</u>	<u>4,363,790</u>	<u>4,367,345</u>	<u>(3,555)</u>	<u>4,433,666</u>
Total support services	<u>4,883,790</u>	<u>4,363,790</u>	<u>4,385,659</u>	<u>(21,869)</u>	<u>4,564,592</u>
Total expenditures	<u>4,883,790</u>	<u>4,363,790</u>	<u>4,385,659</u>	<u>(21,869)</u>	<u>4,564,592</u>
Excess (deficiency) of revenues over expenditures	<u>(112,795)</u>	<u>497,205</u>	<u>(344,007)</u>	<u>(841,212)</u>	<u>(539,192)</u>
Other financing uses					
Transfer to debt service fund for principal on GASB 87 leases	-	-	(74,638)	(74,638)	(101,982)
Transfer to debt service fund for interest on GASB 87 leases	<u>-</u>	<u>-</u>	<u>(12,794)</u>	<u>(12,794)</u>	<u>(11,359)</u>
Total other financing uses	<u>-</u>	<u>-</u>	<u>(87,432)</u>	<u>(87,432)</u>	<u>(113,341)</u>
Net change in fund balance	<u>\$ (112,795)</u>	<u>\$ 497,205</u>	<u>(431,439)</u>	<u>\$ (928,644)</u>	<u>(652,533)</u>
Fund balance, beginning of year			<u>4,857,052</u>		<u>5,509,585</u>
Fund balance, end of year			<u>\$ 4,425,613</u>		<u>\$ 4,857,052</u>

(Concluded)

Downers Grove Grade School District No. 58

Transportation Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Revenues					
Local sources					
General levy	\$ 2,580,888	\$ 2,580,888	\$ 2,633,102	\$ 52,214	\$ 2,597,525
Regular transportation fees from pupils or parents - in state	60,000	60,000	47,450	(12,550)	45,495
Regular transportation fees from other districts - in state	75,000	75,000	77,210	2,210	73,800
Regular transportation fees from other sources - Interest on investments	10,000	42,000	19,206	(22,794)	811
Impact fees from municipal or county governments	10,000	50,000	-	(50,000)	-
Payment from other districts	70,000	70,000	-	(70,000)	-
Other	-	-	15,795	15,795	13,391
Total local sources	<u>2,805,888</u>	<u>2,877,888</u>	<u>2,792,763</u>	<u>(85,125)</u>	<u>2,731,022</u>
Transportation - Regular and Vocational	1,000,000	600,000	476,257	(123,743)	67,337
Transportation - Special Education	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,114,866</u>	<u>(85,134)</u>	<u>945,884</u>
Total state sources	<u>2,200,000</u>	<u>1,800,000</u>	<u>1,591,123</u>	<u>(208,877)</u>	<u>1,013,221</u>
Total revenues	<u>5,005,888</u>	<u>4,677,888</u>	<u>4,383,886</u>	<u>(294,002)</u>	<u>3,744,243</u>
Expenditures					
Support services					
Business					
Pupil transportation services					
Purchased services	<u>5,391,678</u>	<u>5,341,678</u>	<u>5,892,406</u>	<u>(550,728)</u>	<u>4,769,996</u>
Total support services	<u>5,391,678</u>	<u>5,341,678</u>	<u>5,892,406</u>	<u>(550,728)</u>	<u>4,769,996</u>
Total expenditures	<u>5,391,678</u>	<u>5,341,678</u>	<u>5,892,406</u>	<u>(550,728)</u>	<u>4,769,996</u>
Deficiency of revenues over expenditures	<u>\$ (385,790)</u>	<u>\$ (663,790)</u>	(1,508,520)	<u>\$ (844,730)</u>	(1,025,753)
Fund balance, beginning of year			<u>2,314,307</u>		<u>3,340,060</u>
Fund balance, end of year			<u>\$ 805,787</u>		<u>\$ 2,314,307</u>

Downers Grove Grade School District No. 58
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2023
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Revenues					
Local sources					
General levy	\$ 1,886,028	\$ 1,886,028	\$ 931,864	\$ (954,164)	\$ 932,581
Social security/Medicare only levy	-	-	931,864	931,864	932,581
Corporate personal property replacement taxes	17,161	17,161	17,161	-	17,161
Interest on investments	1,000	21,000	16,991	(4,009)	1,037
Total local sources	<u>1,904,189</u>	<u>1,924,189</u>	<u>1,897,880</u>	<u>(26,309)</u>	<u>1,883,360</u>
Total revenues	<u>1,904,189</u>	<u>1,924,189</u>	<u>1,897,880</u>	<u>(26,309)</u>	<u>1,883,360</u>
Expenditures					
Instruction					
Regular programs	282,588	232,588	440,352	(207,764)	439,573
Pre-K programs	124,670	124,670	3,384	121,286	3,343
Special education programs	191,126	141,126	391,675	(250,549)	382,382
Special education programs pre-K	73,920	73,920	34,535	39,385	29,233
Remedial and supplemental programs K-12	42,262	42,262	17,476	24,786	16,966
Interscholastic programs	39,863	39,863	1,915	37,948	1,671
Summer school programs	13,922	13,922	3,205	10,717	5,037
Gifted programs	1,581	1,581	-	1,581	-
Bilingual programs	17,102	17,102	22,487	(5,385)	11,356
Total instruction	<u>787,034</u>	<u>687,034</u>	<u>915,029</u>	<u>(227,995)</u>	<u>889,561</u>
Support services					
Pupils					
Attendance and social work services	31,413	31,413	49,180	(17,767)	17,373
Guidance services	6,500	6,500	6,871	(371)	5,490
Health services	248,235	248,235	106,153	142,082	117,052
Psychological services	5,000	5,000	10,565	(5,565)	7,182
Speech pathology and audiology services	-	-	15,232	(15,232)	13,358
Total pupils	<u>291,148</u>	<u>291,148</u>	<u>188,001</u>	<u>103,147</u>	<u>160,455</u>

(Continued)

Downers Grove Grade School District No. 58
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2023
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Instructional staff					
Improvement of instruction services	\$ 178,278	\$ 178,278	\$ 38,009	\$ 140,269	\$ 36,649
Educational media services	113	113	133,969	(133,856)	135,612
Assessment and testing	<u>100</u>	<u>100</u>	<u>212</u>	<u>(112)</u>	<u>82</u>
Total instructional staff	<u>178,491</u>	<u>178,491</u>	<u>172,190</u>	<u>6,301</u>	<u>172,343</u>
General administration					
Board of education services	14,512	14,512	1,905	12,607	2,012
Executive administration services	22,181	22,181	16,792	5,389	17,194
Special area administrative services	<u>112,469</u>	<u>112,469</u>	<u>11,179</u>	<u>101,290</u>	<u>11,064</u>
Total general administration	<u>149,162</u>	<u>149,162</u>	<u>29,876</u>	<u>119,286</u>	<u>30,270</u>
School administration					
Office of the principal services	<u>303,296</u>	<u>303,296</u>	<u>167,882</u>	<u>135,414</u>	<u>165,171</u>
Total school administration	<u>303,296</u>	<u>303,296</u>	<u>167,882</u>	<u>135,414</u>	<u>165,171</u>
Business					
Direction of business support services	68,828	68,828	10,583	58,245	19,879
Fiscal services	5	5	32,505	(32,500)	25,633
Operation and maintenance of plant services	<u>507,810</u>	<u>432,810</u>	<u>405,401</u>	<u>27,409</u>	<u>390,121</u>
Total business	<u>576,643</u>	<u>501,643</u>	<u>448,489</u>	<u>53,154</u>	<u>435,633</u>

(Continued)

Downers Grove Grade School District No. 58
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2023
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Central					
Direction of central support services	\$ 6,559	\$ 6,559	\$ 31,481	\$ (24,922)	\$ 34,613
Information services	8,157	8,157	27,734	(19,577)	20,694
Staff services	<u>4,027</u>	<u>4,027</u>	<u>-</u>	<u>4,027</u>	<u>-</u>
Total central	<u>18,743</u>	<u>18,743</u>	<u>59,215</u>	<u>(40,472)</u>	<u>55,307</u>
Total support services	<u>1,517,483</u>	<u>1,442,483</u>	<u>1,065,653</u>	<u>376,830</u>	<u>1,019,179</u>
Community services	<u>2,073</u>	<u>2,073</u>	<u>2,654</u>	<u>(581)</u>	<u>2,740</u>
Total expenditures	<u>2,306,590</u>	<u>2,131,590</u>	<u>1,983,336</u>	<u>148,254</u>	<u>1,911,480</u>
Deficiency of revenues over expenditures	<u>\$ (402,401)</u>	<u>\$ (207,401)</u>	(85,456)	<u>\$ 121,945</u>	(28,120)
Fund balance, beginning of year			<u>1,307,628</u>		<u>1,335,748</u>
Fund balance, end of year			<u>\$ 1,222,172</u>		<u>\$ 1,307,628</u>

(Concluded)

Downers Grove Grade School District No. 58
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

The Board of Education follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on September 12, 2022 and amended by the Board of Education on June 12, 2023.
- g) All budget appropriations lapse at the end of the fiscal year.

2. EXPENDITURES IN EXCESS OF BUDGETS

The following funds had expenditures in excess of budgets at June 30, 2023:

<u>Funds</u>	<u>Variance</u>
Operations and Maintenance	\$ 21,869
Transportation	550,728
Debt Service	703,411
Capital Projects	1,410,149

Downers Grove Grade School District No. 58
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

3. CHANGES OF ASSUMPTIONS - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

For the 2022 measurement year, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated September 30, 2021.

For the 2021 measurement year, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated September 30, 2021.

For the 2020 - 2016 measurement year, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit. The assumptions used for the 2020 - 2018 and 2017 - 2016 measurement years were based on an experience study dated September 30, 2018 and August 13, 2015, respectively.

For the 2015 measurement year, the assumed investment rate of return was 7.50 percent, including an inflation rate of 3.00 percent and real return of 4.50 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.

4. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2022 IMRF CONTRIBUTION RATE*

Valuation Date:

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

Methods and Assumptions Used to Determine the 2022 Contribution Rate:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed

Downers Grove Grade School District No. 58
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

4. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2022 IMRF CONTRIBUTION RATE* (Continued)

Methods and Assumptions Used to Determine the 2022 Contribution Rate: (Continued)

Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular SLEP and ECO groups): 21-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 16 years for most employers (five employers were financed over 17 years; one employer was financed over 18 years; two employers were financed over 19 years; three employers were financed over 25 years; four employers were financed over 26 years and one was financed over 27 years).
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	2.75%
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%, including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes	There were no benefit changes during the year.
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* Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation.

Downers Grove Grade School District No. 58
 NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

4. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2022 IMRF CONTRIBUTION RATE* (Continued)

Change in Assumptions:

For the 2022 measurement year, the assumed investment rate of return was 7.25 percent, including an inflation rate of 2.25 percent and a real return of 5.00 percent.

For the 2021, 2020, 2019 and 2018 measurement years, the assumed investment rate of return was 7.25 percent, including an inflation rate of 2.50 percent and a real return of 4.75 percent.

For the 2017, 2016, 2015 and 2014 measurement years, the assumed investment rate of return was 7.50 percent, including an inflation rate of 2.50 percent and a real return of 5.00 percent.

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2022 THIS CONTRIBUTION RATE

Valuation Date:

Notes	Actuarially determined contribution rates are calculated as of June 30 each year, 12 months prior to the fiscal year in which contributions are reported.
Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Fiscal Year End	June 30, 2023

Methods and Assumptions Used to Determine the 2022 Contribution Rate:

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.
Single equivalent discount rate	3.69%
Price Inflation	2.25%

Downers Grove Grade School District No. 58
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2022 THIS CONTRIBUTION RATE (Continued)

Methods and Assumptions Used to Determine the 2022 Contribution Rate: (Continued)

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 rates for plan year 2023 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2024 and decrease gradually to an ultimate rate of 4.25% in 2039. For Medicare Advantage prescription drug (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.

Change in Assumptions:

The Discount Rate was changed from 1.92% used in the Fiscal Year 2022 valuation to 3.69%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

The Discount Rate was changed from 2.45% used in the Fiscal Year 2021 valuation to 1.92%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

The Discount Rate was changed from 3.13% used in the Fiscal Year 2020 valuation to 2.45%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

Downers Grove Grade School District No. 58
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2022 THIS CONTRIBUTION RATE (Continued)

Change in Assumptions: (Continued)

The Discount Rate was changed from 3.62% used in the Fiscal Year 2019 valuation to 3.13%, which is the Fixed-income municipal bonds with 20 years to maturity that includes only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

The Discount Rate was changed from 3.56% used in the Fiscal Year 2018 valuation to 3.62%, which is the Fixed-income municipal bonds with 20 years to maturity that includes only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

SUPPLEMENTARY FINANCIAL INFORMATION

Downers Grove Grade School District No. 58

General Fund

COMBINING BALANCE SHEET

June 30, 2023

	Educational Account	Working Cash Account	Total
ASSETS			
Cash and investments	\$ 14,074,996	\$ 10,685,071	\$ 24,760,067
Receivables (net of allowance for uncollectibles):			
Property taxes	26,363,257	168,509	26,531,766
Replacement taxes	438,130	-	438,130
Intergovernmental	<u>219,635</u>	<u>-</u>	<u>219,635</u>
Total assets	<u>\$ 41,096,018</u>	<u>\$ 10,853,580</u>	<u>\$ 51,949,598</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 227,278	\$ -	\$ 227,278
Salaries and wages payable	4,848,961	-	4,848,961
Payroll deductions payable	26,775	-	26,775
Claims payable	845,388	-	845,388
Unearned revenue	<u>574,558</u>	<u>-</u>	<u>574,558</u>
Total liabilities	<u>6,522,960</u>	<u>-</u>	<u>6,522,960</u>
DEFERRED INFLOWS			
Property taxes levied for a future period	<u>22,737,821</u>	<u>145,336</u>	<u>22,883,157</u>
Total deferred inflows	<u>22,737,821</u>	<u>145,336</u>	<u>22,883,157</u>
FUND BALANCES			
Assigned	1,677,833	-	1,677,833
Unassigned	<u>10,157,404</u>	<u>10,708,244</u>	<u>20,865,648</u>
Total fund balance	<u>11,835,237</u>	<u>10,708,244</u>	<u>22,543,481</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 41,096,018</u>	<u>\$ 10,853,580</u>	<u>\$ 51,949,598</u>

Downers Grove Grade School District No. 58

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES For the Year Ended June 30, 2023

	Educational Account	Working Cash Account	Total
Revenues			
Property taxes	\$ 55,163,000	\$ 338,296	\$ 55,501,296
Replacement taxes	2,561,274	-	2,561,274
State aid	25,789,999	-	25,789,999
Federal aid	2,001,399	-	2,001,399
Interest	75,828	137,686	213,514
Other	3,096,597	-	3,096,597
Total revenues	88,688,097	475,982	89,164,079
Expenditures			
Current:			
Instruction:			
Regular programs	34,263,638	-	34,263,638
Special programs	9,170,015	-	9,170,015
Other instructional programs	1,600,578	-	1,600,578
State retirement contributions	21,104,337	-	21,104,337
Support services:			
Pupils	5,810,795	-	5,810,795
Instructional staff	5,308,888	-	5,308,888
General administration	2,106,531	-	2,106,531
School administration	3,429,186	-	3,429,186
Business	1,228,314	-	1,228,314
Central	847,588	-	847,588
Other supporting services	216,690	-	216,690
Community services	84,485	-	84,485
Nonprogrammed charges	3,545,390	-	3,545,390
Capital outlay	946,847	-	946,847
Total expenditures	89,663,282	-	89,663,282
Excess (deficiency) of revenues over expenditures	(975,185)	475,982	(499,203)
Other financing sources (uses)			
Transfers in	946,847	-	946,847
Transfers out	(1,202,473)	-	(1,202,473)
Total other financing sources (uses)	(255,626)	-	(255,626)
Net change in fund balance	(1,230,811)	475,982	(754,829)
Fund balance, beginning of year	13,066,048	10,232,262	23,298,310
Fund balance, end of year	\$ 11,835,237	\$ 10,708,244	\$ 22,543,481

Downers Grove Grade School District No. 58

Debt Service Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Revenues					
Local sources					
General levy	\$ 1,542,531	\$ 5,542,531	\$ 6,016,829	\$ 474,298	\$ 1,444,500
Interest on investments	<u>1,000</u>	<u>11,000</u>	<u>7,230</u>	<u>(3,770)</u>	<u>253</u>
Total local sources	<u>1,543,531</u>	<u>5,553,531</u>	<u>6,024,059</u>	<u>470,528</u>	<u>1,444,753</u>
Federal sources					
Build America Bond Interest Reimbursement	<u>30,000</u>	<u>30,000</u>	<u>2,609</u>	<u>(27,391)</u>	<u>20,432</u>
Total federal sources	<u>30,000</u>	<u>30,000</u>	<u>2,609</u>	<u>(27,391)</u>	<u>20,432</u>
Total revenues	<u>1,573,531</u>	<u>5,583,531</u>	<u>6,026,668</u>	<u>443,137</u>	<u>1,465,185</u>
Expenditures					
Debt service					
Bonds and other - interest	<u>200,000</u>	<u>200,000</u>	<u>3,115,485</u>	<u>(2,915,485)</u>	<u>247,456</u>
Principal payments on long-term debt	<u>1,800,000</u>	<u>3,800,000</u>	<u>1,591,026</u>	<u>(2,208,974)</u>	<u>1,845,289</u>
Other debt service					
Purchased services	3,500	3,500	-	3,500	-
Other objects	<u>-</u>	<u>-</u>	<u>400</u>	<u>(400)</u>	<u>3,701</u>
Total debt service	<u>2,003,500</u>	<u>4,003,500</u>	<u>4,706,911</u>	<u>(703,411)</u>	<u>2,096,446</u>
Total expenditures	<u>2,003,500</u>	<u>4,003,500</u>	<u>4,706,911</u>	<u>(703,411)</u>	<u>2,096,446</u>
Excess (deficiency) of revenues over expenditures	<u>(429,969)</u>	<u>1,580,031</u>	<u>1,319,757</u>	<u>(260,274)</u>	<u>(631,261)</u>
Other financing sources					
Transfer to pay principal on capital leases	500,000	-	241,025	241,025	525,289
Transfer to pay interest on capital leases	<u>-</u>	<u>-</u>	<u>48,880</u>	<u>48,880</u>	<u>17,517</u>
Total other financing sources	<u>500,000</u>	<u>-</u>	<u>289,905</u>	<u>289,905</u>	<u>542,806</u>
Net change in fund balance	<u>\$ 70,031</u>	<u>\$ 1,580,031</u>	1,609,662	<u>\$ 29,631</u>	(88,455)
Fund balance, beginning of year			<u>841,038</u>		<u>929,493</u>
Fund balance, end of year			<u>\$ 2,450,700</u>		<u>\$ 841,038</u>

Downers Grove Grade School District No. 58
 Capital Projects Fund
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended June 30, 2023
 With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023				
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget	2022 Actual
Revenues					
Local sources					
Interest on investments	\$ 5,000	\$ 3,105,000	\$ 3,485,314	\$ 380,314	\$ 580
Contributions and donations from private sources	450,000	450,000	414,241	(35,759)	133,550
Impact fees from municipal or county governments	<u>75,000</u>	<u>75,000</u>	<u>43,621</u>	<u>(31,379)</u>	<u>100,758</u>
Total local sources	<u>530,000</u>	<u>3,630,000</u>	<u>3,943,176</u>	<u>313,176</u>	<u>234,888</u>
State sources					
Other restricted revenue from state sources	<u>600,000</u>	<u>600,000</u>	<u>-</u>	<u>(600,000)</u>	<u>168,011</u>
Total state sources	<u>600,000</u>	<u>600,000</u>	<u>-</u>	<u>(600,000)</u>	<u>168,011</u>
Total revenues	<u>1,130,000</u>	<u>4,230,000</u>	<u>3,943,176</u>	<u>(286,824)</u>	<u>402,899</u>
Expenditures					
Support services					
Facilities acquisition and construction services					
Purchased services	-	1,100,000	47,297	1,052,703	93,604
Supplies and materials	25,000	25,000	-	25,000	-
Capital outlay	-	-	3,778,203	(3,778,203)	2,879,394
Other objects	<u>1,500,000</u>	<u>2,725,000</u>	<u>-</u>	<u>2,725,000</u>	<u>-</u>
Total	<u>1,525,000</u>	<u>3,850,000</u>	<u>3,825,500</u>	<u>24,500</u>	<u>2,972,998</u>
Other support services					
Other objects	<u>-</u>	<u>-</u>	<u>1,434,649</u>	<u>(1,434,649)</u>	<u>-</u>
Total support services	<u>1,525,000</u>	<u>3,850,000</u>	<u>5,260,149</u>	<u>(1,410,149)</u>	<u>2,972,998</u>
Total expenditures	<u>1,525,000</u>	<u>3,850,000</u>	<u>5,260,149</u>	<u>(1,410,149)</u>	<u>2,972,998</u>
Excess (deficiency) of revenues over expenditures	<u>(395,000)</u>	<u>380,000</u>	<u>(1,316,973)</u>	<u>(1,696,973)</u>	<u>(2,570,099)</u>
Other financing sources					
Principal on bonds sold	-	125,000,000	124,995,000	5,000	-
Premium on bonds sold	-	15,000,000	16,439,649	(1,439,649)	-
Proceeds from sale of capital assets	-	-	-	-	3,000,000
Transfer from General Fund	<u>500,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>500,000</u>	<u>141,000,000</u>	<u>142,434,649</u>	<u>(1,434,649)</u>	<u>3,000,000</u>
Net change in fund balance	<u>\$ 105,000</u>	<u>\$ 141,380,000</u>	<u>141,117,676</u>	<u>\$ (262,324)</u>	<u>429,901</u>
Fund balance, beginning of year			<u>2,908,418</u>		<u>2,478,517</u>
Fund balance, end of year			<u>\$ 144,026,094</u>		<u>\$ 2,908,418</u>

Downers Grove Grade School District No. 58

Fire Prevention and Safety Fund

SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2023					2022
	Original Budget	Amended and Final Budget	Actual	Variance From Final Budget		Actual
Revenues						
Local sources						
Interest on investments	\$ 2	\$ 62	\$ 63	\$ 1	\$	2
Total revenues	<u>2</u>	<u>62</u>	<u>63</u>	<u>1</u>		<u>2</u>
Excess of revenues over expenditures	<u>\$ 2</u>	<u>\$ 62</u>	\$ 63	<u>\$ 1</u>	\$	2
Fund balance, beginning of year			<u>8,544</u>			<u>8,542</u>
Fund balance, end of year			<u>\$ 8,607</u>		\$	<u>8,544</u>

OTHER SUPPLEMENTAL INFORMATION
(Unaudited)

Downers Grove Grade School District No. 58

GENERAL LONG-TERM DEBT

SCHEDULE OF GENERAL OBLIGATION BONDS

Year Ended June 30, 2023

	Maturity as follows			
	for the Year Ended June 30	Principal	Interest	Total
General Obligation	2024	\$ -	\$ -	\$ -
Limited Tax Capital	2025	-	-	-
Appreciation Bonds	2026	1,060,000	-	1,060,000
Series 2018, due	2027	1,390,000	-	1,390,000
December 15, 2027	2028	1,050,000	-	1,050,000
		<u>3,500,000</u>	<u>-</u>	<u>3,500,000</u>
Total		3,500,000	-	3,500,000
General Obligation Bonds	2024	1,360,000	37,100	1,397,100
Series 2021A, due	2025	1,370,000	23,450	1,393,450
December 15, 2028	2026	325,000	15,300	340,300
	2027	-	14,000	14,000
	2028	-	14,000	14,000
	2029	1,000,000	7,000	1,007,000
		<u>4,055,000</u>	<u>110,850</u>	<u>4,165,850</u>
Total		4,055,000	110,850	4,165,850
General Obligation Bonds	2024	-	101,800	101,800
Series 2021B, due	2025	-	101,800	101,800
December 15, 2031	2026	-	101,800	101,800
	2027	-	101,800	101,800
	2028	-	101,800	101,800
	2029	-	101,800	101,800
	2030	895,000	83,900	978,900
	2031	930,000	47,400	977,400
	2032	720,000	14,400	734,400
		<u>2,545,000</u>	<u>756,500</u>	<u>3,301,500</u>
Total		2,545,000	756,500	3,301,500

(Continued)

Downers Grove Grade School District No. 58

GENERAL LONG-TERM DEBT

SCHEDULE OF GENERAL OBLIGATION BONDS

Year Ended June 30, 2023

	Maturity as follows for the Year Ended June 30	Principal	Interest	Total
General Obligation Bonds	2024	\$ 1,460,000	\$ 6,095,383	\$ 7,555,383
Series 2022, due	2025	1,545,000	6,287,400	7,832,400
January 1, 2042	2026	1,900,000	6,210,150	8,110,150
	2027	2,280,000	6,115,150	8,395,150
	2028	3,035,000	6,001,150	9,036,150
	2029	3,540,000	5,849,400	9,389,400
	2030	4,150,000	5,672,400	9,822,400
	2031	4,685,000	5,464,900	10,149,900
	2032	5,500,000	5,230,650	10,730,650
	2033	6,870,000	4,955,650	11,825,650
	2034	7,565,000	4,612,150	12,177,150
	2035	8,310,000	4,233,900	12,543,900
	2036	9,105,000	3,818,400	12,923,400
	2037	9,945,000	3,363,150	13,308,150
	2038	10,845,000	2,865,900	13,710,900
	2039	11,795,000	2,323,650	14,118,650
	2040	12,840,000	1,704,413	14,544,413
	2041	13,950,000	1,030,313	14,980,313
	2042	5,675,000	297,938	5,972,938
Total		124,995,000	82,132,047	207,127,047
Total general obligation bonds payable		\$ 135,095,000	\$ 82,999,397	\$ 218,094,397

(Concluded)