

**WASHINGTON COMMUNITY HIGH
SCHOOL DISTRICT NO. 308
WASHINGTON, ILLINOIS**

**BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**



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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Washington Community High School District No. 308
Washington, Illinois

Opinions

We have audited the accompanying basic financial statements of Washington Community High School District No. 308 (the District), which comprise the statement of assets and liabilities arising from cash transactions – regulatory basis as of June 30, 2022, and the following statements: statement of revenues received, expenditures disbursed, other sources (uses) of funds and changes in fund balances – all funds – regulatory basis; statement of revenues received - all funds – regulatory basis; and statement of expenditures disbursed - budget to actual – regulatory basis (all funds) for the year then ended, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of the District, as of June 30, 2022, and the respective cash receipt and disbursements and budgetary results for the year then ended, in accordance with the financial reporting provisions of the Illinois State Board of Education as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District, as of June 30, 2022, or changes in net position, or cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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.

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

As described in Note 1, the financial statements are prepared by the District, on the basis of the financial reporting provisions of the Illinois State Board of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Illinois State Board of Education. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the District. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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.

Other Information

Our audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The combining schedule of assets, liabilities, and fund balances arising from cash transactions – agency fund -regulatory basis on page S1, the schedule of receipts and disbursements – activity funds on pages S2-S5, and the Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report (as required by the Illinois Grant Accountability and Transparency Act) on page S6 are presented for the purposes of additional analysis and are not a required part of the financial statements of the District. Such information is the responsibility of management and has been derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2022, on our consideration of the District's internal control over financial reporting and 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* and should be considered in assessing the District's internal control over financial reporting and compliance.



November 3, 2022

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS - REGULATORY BASIS
JUNE 30, 2022

		Operations and Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects
ASSETS						
Cash	\$ 1,653,582	\$ 1,694,741	\$ 66,095	\$ 628,352	\$ 152,337	\$ 41
Investments	2,435,622	4,821,411	14,785	72,082	7,127	-
Student activity funds						
cash and investments	364,844	-	-	-	-	-
Other current assets	1,741,759	-	-	-	-	-
Land, buildings, improvements, and capitalized equipment	-	-	-	-	-	-
Amount available in Debt Services Fund	-	-	-	-	-	-
Amount to be provided for payment on long-term debt	-	-	-	-	-	-
Total Assets	<u>\$ 6,195,807</u>	<u>\$ 6,516,152</u>	<u>\$ 80,880</u>	<u>\$ 700,434</u>	<u>\$ 159,464</u>	<u>\$ 41</u>
LIABILITIES AND FUND BALANCES						
Long-term debt payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	-	-	-	-	-	-
Fund balances:						
Reserved fund balance	1,976,124	-	-	-	-	-
Reserved fund balance - student activity funds	364,844	-	-	-	-	-
Unreserved fund balance	3,854,839	6,516,152	80,880	700,434	159,464	41
Investment in general fixed assets	-	-	-	-	-	-
Total Liabilities and Fund Balances	<u>\$ 6,195,807</u>	<u>\$ 6,516,152</u>	<u>\$ 80,880</u>	<u>\$ 700,434</u>	<u>\$ 159,464</u>	<u>\$ 41</u>

See accompanying notes to the financial statements.

Working Cash	Tort	Fire Prevention and Safety	Agency Fund	Account Groups		Total (Memorandum Only)
				General Fixed Assets	General Long-Term Debt	
\$ 3,070,969	\$ 71,814	\$ 216,529	\$ 41,339	\$ -	\$ -	\$ 7,595,799
123,128	-	53	-	-	-	7,474,208
-	-	-	-	-	-	364,844
-	-	-	-	-	-	1,741,759
-	-	-	-	43,358,258	-	43,358,258
-	-	-	-	-	80,880	80,880
-	-	-	-	-	17,794,120	17,794,120
<u>\$ 3,194,097</u>	<u>\$ 71,814</u>	<u>\$ 216,582</u>	<u>\$ 41,339</u>	<u>\$ 43,358,258</u>	<u>\$ 17,875,000</u>	<u>\$ 78,409,868</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,875,000</u>	<u>\$ 17,875,000</u>
-	-	-	-	-	17,875,000	17,875,000
-	-	-	41,339	-	-	2,017,463
-	-	-	-	-	-	364,844
3,194,097	71,814	216,582	-	-	-	14,794,303
-	-	-	-	43,358,258	-	43,358,258
<u>\$ 3,194,097</u>	<u>\$ 71,814</u>	<u>\$ 216,582</u>	<u>\$ 41,339</u>	<u>\$ 43,358,258</u>	<u>\$ 17,875,000</u>	<u>\$ 78,409,868</u>

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF REVENUE RECEIVED, EXPENDITURES DISBURSED, OTHER SOURCES (USES)
OF FUNDS AND CHANGES IN FUND BALANCE - ALL FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Educational	Operations and Maintenance	Debt Services
Revenue received:			
Local sources and flow-through receipts	\$ 11,315,594	\$ 2,110,680	\$ 1,471,900
Student activities	676,072	-	-
State sources and flow-through receipts	4,009,867	50,000	-
Federal sources	1,575,780	915,625	-
Total direct revenue received	17,577,313	3,076,305	1,471,900
Revenues for "on behalf" payments	4,368,015	-	-
Total revenue received	21,945,328	3,076,305	1,471,900
Expenditures disbursed:			
Instruction	10,827,348	-	-
Student activities	869,271	-	-
Support services	4,119,251	2,543,339	-
Payments to other districts and governmental units	358,092	-	-
Debt service	-	-	1,588,457
Total direct expenditures disbursed	16,173,962	2,543,339	1,588,457
Expenditures for "on behalf" payments	4,368,015	-	-
Total expenditures disbursed	20,541,977	2,543,339	1,588,457
Excess (deficiency) of revenue received over expenditures disbursed	1,403,351	532,966	(116,557)
Other sources (uses) of funds:			
Principal and premium on bonds sold	-	-	1,090,000
Other uses not classified elsewhere	-	-	(1,037,937)
Total other sources (uses) of funds	-	-	52,063
Excess (deficiency) of revenue received over expenditures disbursed and other sources (uses) of funds	1,403,351	532,966	(64,494)
Fund balances - beginning of year	4,741,361	5,983,186	145,374
Other changes in fund balances - increase (decrease)	51,095	-	-
Fund balances - end of year	\$ 6,195,807	\$ 6,516,152	\$ 80,880

See accompanying notes to the financial statements.

Transpor- tation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety	Total (Memorandum only)
\$ 645,230	\$ 476,057	\$ -	\$ 250,139	\$ 83,272	\$ 29,463	\$ 16,382,335
-	-	-	-	-	-	676,072
266,283	-	-	-	-	-	4,326,150
880	-	-	-	-	-	2,492,285
912,393	476,057	-	250,139	83,272	29,463	23,876,842
-	-	-	-	-	-	4,368,015
912,393	476,057	-	250,139	83,272	29,463	28,244,857
-	203,492	-	-	-	-	11,030,840
-	-	-	-	-	-	869,271
939,135	272,350	-	-	70,975	-	7,945,050
-	-	-	-	-	-	358,092
-	-	-	-	-	-	1,588,457
939,135	475,842	-	-	70,975	-	21,791,710
-	-	-	-	-	-	4,368,015
939,135	475,842	-	-	70,975	-	26,159,725
(26,742)	215	-	250,139	12,297	29,463	2,085,132
-	-	-	2,165,514	-	-	3,255,514
-	-	-	(52,514)	-	-	(1,090,451)
-	-	-	2,113,000	-	-	2,165,063
(26,742)	215	-	2,363,139	12,297	29,463	4,250,195
727,176	159,249	41	830,958	59,517	187,119	12,833,981
-	-	-	-	-	-	51,095
\$ 700,434	\$ 159,464	\$ 41	\$ 3,194,097	\$ 71,814	\$ 216,582	\$ 17,135,271

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF REVENUE RECEIVED - ALL FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Educational	Operations and Maintenance	Debt Services
From local sources -			
Property taxes	\$ 10,222,382	\$ 1,957,479	\$ 1,471,728
Payments in lieu of taxes -			
Corporate personal property replacement taxes	271,643	135,821	-
Tuition	17,840	-	-
Interest on investments	3,585	5,521	172
Food services	288,773	-	-
District activity income (with Student Activity Funds)	828,665	-	-
Textbook income	110,260	-	-
Other revenue from local sources	248,518	11,859	-
Total revenue received from local sources	<u>11,991,666</u>	<u>2,110,680</u>	<u>1,471,900</u>
From state sources -			
Flow-through revenue	12,415	-	-
Evidence based funding formula	3,693,315	-	-
Special education	182,591	-	-
Career and technical education	42,463	-	-
State free lunch and breakfast	10,168	-	-
Driver education	68,709	-	-
Transportation aid - regular, vocational, special ed	-	-	-
Other restricted revenue from state sources	206	50,000	-
Total revenue received from state sources	<u>4,009,867</u>	<u>50,000</u>	<u>-</u>
From federal sources -			
Other restricted Grants-In-Aid (direct federal)	44,197	95,425	-
National school lunch program	661,676	-	-
School breakfast program	64,300	-	-
Summer food service program	23,174	-	-
Title I - low income	72,369	-	-
Title IV - student support & academic enrichment	10,000	-	-
Special education - IDEA - flow through	231,585	-	-
Title II - teacher quality	23,524	-	-
Medicaid matching funds - administrative outreach	16,921	-	-
Medicaid matching funds - fee for service	37	-	-
Other restricted revenue from federal sources	427,997	820,200	-
Total revenue received from federal sources	<u>1,575,780</u>	<u>915,625</u>	<u>-</u>
Total direct revenues received	<u>\$ 17,577,313</u>	<u>\$ 3,076,305</u>	<u>\$ 1,471,900</u>

See accompanying notes to the financial statements.

Transpor- tation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention and Safety	Total (Memorandum only)
\$ 636,181	\$ 430,675	\$ -	\$ 249,646	\$ 83,246	\$ 29,392	\$ 15,080,729
-	45,274	-	-	-	-	452,738
-	-	-	-	-	-	17,840
384	108	-	493	26	71	10,360
-	-	-	-	-	-	288,773
-	-	-	-	-	-	828,665
-	-	-	-	-	-	110,260
8,665	-	-	-	-	-	269,042
<u>645,230</u>	<u>476,057</u>	<u>-</u>	<u>250,139</u>	<u>83,272</u>	<u>29,463</u>	<u>17,058,407</u>
-	-	-	-	-	-	12,415
-	-	-	-	-	-	3,693,315
-	-	-	-	-	-	182,591
-	-	-	-	-	-	42,463
-	-	-	-	-	-	10,168
-	-	-	-	-	-	68,709
266,283	-	-	-	-	-	266,283
-	-	-	-	-	-	50,206
<u>266,283</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,326,150</u>
-	-	-	-	-	-	139,622
-	-	-	-	-	-	661,676
-	-	-	-	-	-	64,300
-	-	-	-	-	-	23,174
-	-	-	-	-	-	72,369
-	-	-	-	-	-	10,000
-	-	-	-	-	-	231,585
-	-	-	-	-	-	23,524
-	-	-	-	-	-	16,921
-	-	-	-	-	-	37
880	-	-	-	-	-	1,249,077
<u>880</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,492,285</u>
<u>\$ 912,393</u>	<u>\$ 476,057</u>	<u>\$ -</u>	<u>\$ 250,139</u>	<u>\$ 83,272</u>	<u>\$ 29,463</u>	<u>\$ 23,876,842</u>

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
EDUCATIONAL FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Instruction			
Regular programs			
Salaries	\$ 5,246,296	\$ 5,324,469	\$ 78,173
Employee benefits	1,391,000	1,465,073	74,073
Purchased services	126,090	127,455	1,365
Supplies and materials	178,150	221,008	42,858
Capital outlay	48,300	41,409	(6,891)
	<u>6,989,836</u>	<u>7,179,414</u>	<u>189,578</u>
Special education			
Salaries	1,287,703	1,272,767	(14,936)
Employee benefits	509,406	436,282	(73,124)
Purchased services	42,390	79,019	36,629
Supplies and materials	21,500	18,101	(3,399)
Capital outlay	5,000	2,534	(2,466)
Other objects	2,500	1,863	(637)
	<u>1,868,499</u>	<u>1,810,566</u>	<u>(57,933)</u>
Remedial and supplemental programs			
Salaries	42,230	67,836	25,606
Employee benefits	4,732	4,141	(591)
	<u>46,962</u>	<u>71,977</u>	<u>25,015</u>
CTE programs			
Purchased services	10,000	10,000	-
	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Interscholastic programs			
Salaries	481,886	492,341	10,455
Employee benefits	66,000	50,516	(15,484)
Purchased services	103,150	103,103	(47)
Supplies and materials	79,825	68,974	(10,851)
Capital outlay	40,000	25,043	(14,957)
Other objects	26,050	27,867	1,817
	<u>796,911</u>	<u>767,844</u>	<u>(29,067)</u>
Summer school programs			
Salaries	50,000	32,066	(17,934)
Employee benefits	4,500	4,934	434
Supplies and materials	200	-	(200)
	<u>54,700</u>	<u>37,000</u>	<u>(17,700)</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
EDUCATIONAL FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Driver's education program			
Salaries	\$ 300,000	\$ 284,254	\$ (15,746)
Employee benefits	82,500	75,331	(7,169)
Purchased services	25,600	18,321	(7,279)
Supplies and materials	5,000	4,374	(626)
	<u>413,100</u>	<u>382,280</u>	<u>(30,820)</u>
Special education, regular, and remedial programs			
Private tuition			
Other objects	600,000	568,267	(31,733)
	<u>600,000</u>	<u>568,267</u>	<u>(31,733)</u>
Student activity fund expenditures			
Other objects	-	869,271	869,271
	<u>-</u>	<u>869,271</u>	<u>869,271</u>
Total instruction	<u>10,780,008</u>	<u>11,696,619</u>	<u>916,611</u>
Support services			
Support services - pupils			
Attendance and social work services			
Salaries	281,635	291,640	10,005
Employee benefits	38,500	63,454	24,954
Purchased services	1,000	206	(794)
Supplies and materials	1,500	1,397	(103)
Capital outlay	1,000	-	(1,000)
Other objects	2,000	1,168	(832)
	<u>325,635</u>	<u>357,865</u>	<u>32,230</u>
Guidance services			
Salaries	441,730	448,075	6,345
Employee benefits	99,500	99,880	380
Purchased services	100	143	43
Supplies and materials	13,100	28,320	15,220
Other objects	400	99	(301)
	<u>554,830</u>	<u>576,517</u>	<u>21,687</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
EDUCATIONAL FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Health services			
Salaries	\$ 75,000	\$ 67,290	\$ (7,710)
Employee benefits	14,000	8,713	(5,287)
Purchased services	200	-	(200)
Supplies and materials	2,500	1,652	(848)
	<u>91,700</u>	<u>77,655</u>	<u>(14,045)</u>
Psychological services			
Purchased services	-	48,870	48,870
	<u>-</u>	<u>48,870</u>	<u>48,870</u>
Total support services - pupils	<u>972,165</u>	<u>1,060,907</u>	<u>88,742</u>
Support services - instructional staff			
Improvement of instruction services			
Salaries	9,887	20,396	10,509
Employee benefits	41,108	65,624	24,516
Purchased services	5,422	4,506	(916)
Supplies and materials	7,845	8,738	893
	<u>64,262</u>	<u>99,264</u>	<u>35,002</u>
Educational media services			
Salaries	105,394	104,918	(476)
Employee benefits	29,550	25,265	(4,285)
Purchased services	650	292	(358)
Supplies and materials	29,800	26,699	(3,101)
Other objects	600	425	(175)
	<u>165,994</u>	<u>157,599</u>	<u>(8,395)</u>
Assessment and testing			
Other objects	56,000	67,436	11,436
	<u>56,000</u>	<u>67,436</u>	<u>11,436</u>
Total support services - instructional staff	<u>286,256</u>	<u>324,299</u>	<u>38,043</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
EDUCATIONAL FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Support services - general administration			
Board of education services			
Salaries	\$ 5,000	\$ 4,914	\$ (86)
Employee benefits	12,184	10,570	(1,614)
Purchased services	99,924	90,179	(9,745)
Supplies and materials	10,500	12,812	2,312
Other objects	20,000	15,424	(4,576)
	<u>147,608</u>	<u>133,899</u>	<u>(13,709)</u>
Executive administration services			
Salaries	250,215	250,935	720
Employee benefits	86,000	73,095	(12,905)
Purchased services	3,000	2,311	(689)
Supplies and materials	4,000	4,615	615
Other objects	5,000	2,772	(2,228)
	<u>348,215</u>	<u>333,728</u>	<u>(14,487)</u>
Total support services - general administration	<u>495,823</u>	<u>467,627</u>	<u>(28,196)</u>
Support services - school administration			
Office of the principal services			
Salaries	143,645	146,263	2,618
Employee benefits	39,500	29,900	(9,600)
Purchased services	1,500	277	(1,223)
Supplies and materials	1,500	1,875	375
Capital outlay	500	284	(216)
Other objects	1,000	719	(281)
	<u>187,645</u>	<u>179,318</u>	<u>(8,327)</u>
Total support services - school admin	<u>187,645</u>	<u>179,318</u>	<u>(8,327)</u>
Support services - business			
Direction of business support services			
Salaries	77,500	75,000	(2,500)
Employee benefits	25,300	21,908	(3,392)
Purchased services	1,500	869	(631)
Supplies and materials	2,500	467	(2,033)
Other objects	3,000	3,272	272
	<u>109,800</u>	<u>101,516</u>	<u>(8,284)</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
EDUCATIONAL FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Fiscal services			
Salaries	\$ 98,077	\$ 97,708	\$ (369)
Employee benefits	10,000	8,705	(1,295)
Purchased services	1,500	-	(1,500)
Supplies and materials	1,000	309	(691)
	<u>110,577</u>	<u>106,722</u>	<u>(3,855)</u>
Operations and maintenance of plant services			
Salaries	426,548	395,134	(31,414)
Employee benefits	100,000	102,595	2,595
Purchased services	48,000	36,330	(11,670)
	<u>574,548</u>	<u>534,059</u>	<u>(40,489)</u>
Food services			
Salaries	191,140	193,645	2,505
Employee benefits	65,500	57,823	(7,677)
Purchased services	7,000	5,499	(1,501)
Supplies and materials	345,500	424,318	78,818
Capital outlay	8,000	828	(7,172)
Other objects	1,000	612	(388)
	<u>618,140</u>	<u>682,725</u>	<u>64,585</u>
Total support services - business	<u>1,413,065</u>	<u>1,425,022</u>	<u>11,957</u>
Support services - central			
Staff services			
Purchased services	-	5,050	5,050
	<u>-</u>	<u>5,050</u>	<u>5,050</u>
Data processing services			
Salaries	279,942	278,504	(1,438)
Employee benefits	81,000	71,207	(9,793)
Purchased services	142,000	156,676	14,676
Supplies and materials	25,000	59,343	34,343
Capital outlay	200,000	56,807	(143,193)
	<u>727,942</u>	<u>622,537</u>	<u>(105,405)</u>
Total support services - central	<u>727,942</u>	<u>627,587</u>	<u>(100,355)</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
EDUCATIONAL FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Support services - other			
Purchased services	\$ 7,800	\$ 8,170	\$ 370
Supplies and materials	35,100	26,321	(8,779)
	<u>42,900</u>	<u>34,491</u>	<u>(8,409)</u>
Total support services	<u>4,125,796</u>	<u>4,119,251</u>	<u>(6,545)</u>
Payments to other districts and governmental units			
Payments to other governmental units (in-state)			
Payments for regular programs			
Purchased services	82,000	82,000	-
	<u>82,000</u>	<u>82,000</u>	<u>-</u>
Payments for special education programs			
Purchased services	17,500	25,626	8,126
Other objects	88,000	76,831	(11,169)
	<u>105,500</u>	<u>102,457</u>	<u>(3,043)</u>
Total payments to other governmental units (in-state)	<u>187,500</u>	<u>184,457</u>	<u>(3,043)</u>
Payments to other governmental units - tuition			
Payments for regular programs - tuition			
Other objects	2,000	1,128	(872)
	<u>2,000</u>	<u>1,128</u>	<u>(872)</u>
Payments for special education programs - tuition			
Other objects	165,000	172,507	7,507
	<u>165,000</u>	<u>172,507</u>	<u>7,507</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
EDUCATIONAL FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Total payments to other governmental units - tuition	<u>\$ 167,000</u>	<u>\$ 173,635</u>	<u>\$ 6,635</u>
Total payments to other districts and governmental units	<u>354,500</u>	<u>358,092</u>	<u>3,592</u>
Provisions for contingencies	<u>250,000</u>	<u>-</u>	<u>(250,000)</u>
Total direct expenditures disbursed	<u><u>\$ 15,510,304</u></u>	<u><u>\$ 16,173,962</u></u>	<u><u>\$ 663,658</u></u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
OPERATIONS AND MAINTENANCE FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Support services			
Support services - business			
Facilities acquisition and construction services			
Purchased services	\$ 225,000	\$ 229,696	\$ 4,696
Capital outlay	1,460,000	1,395,843	(64,157)
	<u>1,685,000</u>	<u>1,625,539</u>	<u>(59,461)</u>
Operation and maintenance of plant services			
Salaries	50,000	49,951	(49)
Employee benefits	500	-	(500)
Purchased services	616,000	582,311	(33,689)
Supplies and materials	348,000	285,538	(62,462)
Capital outlay	30,000	-	(30,000)
Other objects	1,000	-	(1,000)
	<u>1,045,500</u>	<u>917,800</u>	<u>(127,700)</u>
Total support services - business	<u>2,730,500</u>	<u>2,543,339</u>	<u>(187,161)</u>
Provisions for contingencies	<u>577,000</u>	<u>-</u>	<u>(577,000)</u>
Total direct expenditures disbursed	<u>\$ 3,307,500</u>	<u>\$ 2,543,339</u>	<u>\$ (764,161)</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
DEBT SERVICES FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Debt service			
Interest on long-term debt	\$ 442,295	\$ 439,394	\$ (2,901)
Payments of principal on long-term debt	1,095,000	1,095,000	-
Other debt service - purchased services	3,000	2,000	(1,000)
Other debt service - other objects	-	52,063	52,063
	<u>1,540,295</u>	<u>1,588,457</u>	<u>48,162</u>
Total direct expenditures disbursed	<u>\$ 1,540,295</u>	<u>\$ 1,588,457</u>	<u>\$ 48,162</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
TRANSPORTATION FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Support services			
Support services - business			
Pupil transportation services			
Salaries	\$ 256,500	\$ 226,534	\$ (29,966)
Employee benefits	4,500	3,476	(1,024)
Purchased services	664,972	651,930	(13,042)
Supplies and materials	40,000	51,452	11,452
Capital outlay	26,000	5,719	(20,281)
Other objects	500	24	(476)
	<u>992,472</u>	<u>939,135</u>	<u>(53,337)</u>
Provisions for contingencies	<u>28,802</u>	<u>-</u>	<u>(28,802)</u>
Total direct expenditures disbursed	<u>\$ 1,021,274</u>	<u>\$ 939,135</u>	<u>\$ (82,139)</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Employee benefits			
Instruction			
Regular programs	\$ -	\$ 98,711	\$ 98,711
Pre-K programs	99,000	-	(99,000)
Special education programs	72,831	71,617	(1,214)
Interscholastic programs	24,200	28,657	4,457
Summer school programs	1,220	462	(758)
Driver's education programs	4,000	4,045	45
	<u>201,251</u>	<u>203,492</u>	<u>2,241</u>
Support services			
Support services - pupils			
Attendance and social work services	19,500	19,863	363
Guidance services	19,900	21,254	1,354
Health services	13,400	11,156	(2,244)
	<u>52,800</u>	<u>52,273</u>	<u>(527)</u>
Support services - instructional staff			
Improvement of instruction services	-	38	38
Educational media services	7,400	5,658	(1,742)
	<u>7,400</u>	<u>5,696</u>	<u>(1,704)</u>
Support services - general administration			
Board of education services	1,395	1,296	(99)
Executive administration services	17,700	16,716	(984)
	<u>19,095</u>	<u>18,012</u>	<u>(1,083)</u>
Support services - school administration			
Office of the principal services	14,650	6,672	(7,978)
	<u>14,650</u>	<u>6,672</u>	<u>(7,978)</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Support services - business			
Direction of business support services	\$ 1,150	\$ 1,160	\$ 10
Fiscal services	18,500	16,926	(1,574)
Operations and maintenance of plant services	74,934	73,818	(1,116)
Pupil transportation services	37,719	33,449	(4,270)
Food services	32,500	31,489	(1,011)
	<u>164,803</u>	<u>156,842</u>	<u>(7,961)</u>
Support services - central			
Data processing services	36,000	32,855	(3,145)
	<u>36,000</u>	<u>32,855</u>	<u>(3,145)</u>
Total support services	<u>294,748</u>	<u>272,350</u>	<u>(22,398)</u>
Total employee benefits	<u>495,999</u>	<u>475,842</u>	<u>(20,157)</u>
Total direct expenditures disbursed	<u>\$ 495,999</u>	<u>\$ 475,842</u>	<u>\$ (20,157)</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
CAPITAL PROJECTS FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Budget (Final)	Actual	Actual Over (Under) Final Budget
Support services			
Support services - business			
Facilities acquisition and construction services			
Capital outlay	\$ -	\$ -	\$ -
	<u>-</u>	<u>-</u>	<u>-</u>
Total direct expenditures disbursed	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
TORT FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Support services - business			
Operation and maintenance of plant services			
Other objects	\$ 67,028	\$ 64,994	\$ (2,034)
	<u>67,028</u>	<u>64,994</u>	<u>(2,034)</u>
Support services - central			
Information services			
Other objects	5,981	5,981	-
	<u>5,981</u>	<u>5,981</u>	<u>-</u>
Total direct expenditures disbursed	<u>\$ 73,009</u>	<u>\$ 70,975</u>	<u>\$ (2,034)</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
STATEMENT OF EXPENDITURES DISBURSED - BUDGET TO ACTUAL -
FIRE PREVENTION AND SAFETY FUND - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	Final Budget	Actual	Actual Over (Under) Final Budget
Support services			
Support services -business			
Facilities acquisition and construction services			
Capital outlay	\$ 218,111	\$ -	\$ (218,111)
	<u>218,111</u>	<u>-</u>	<u>(218,111)</u>
Total direct expenditures disbursed	<u>\$ 218,111</u>	<u>\$ -</u>	<u>\$ (218,111)</u>

See accompanying notes to the financial statements.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Washington Community High School District No. 308 (the District) conforms to the cash basis of accounting, in accordance with regulatory reporting requirements established by the Illinois State Board of Education. Following is a summary of the significant accounting policies.

A. Principles Used to Determine the Scope of the Reporting Entity

The District's reporting entity includes its governing board and all related organizations for which the District exercises oversight responsibility.

The District has developed criteria to determine whether outside agencies with activities which benefit the students of the District, including any joint agreements which serve pupils from numerous districts, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

The District has determined that no other agencies are part of its reporting entity after applying the aforementioned criteria. In addition, the District is not aware of any entity which exercises such oversight with respect to it.

B. Basis of Presentation – Fund Accounting

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and liabilities (arising from cash transactions), fund balance, revenue received and expenditures disbursed. The District maintains individual funds required by the State of Illinois. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types and broad fund categories are used by the District in accordance with regulatory reporting requirements established by the Illinois State Board of Education:

1. Governmental Funds

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities arising from cash transactions are accounted for through governmental funds.

The Educational Fund and the Operations and Maintenance Fund are the general operating funds of the District. They are used to account for all financial resources except those required to be accounted for in another fund. Special Education is included in these funds.

Special Revenue Funds, which include the Transportation, Illinois Municipal Retirement/Social Security Fund, Tort, and Fire Prevention and Safety Fund, are used to account for cash received from specific sources including taxes and grants (other than those accounted for in the Debt Services Fund, Capital Projects Fund or Fiduciary Funds) that are legally restricted to expenditures for specified purposes.

The Debt Service Fund accounts for the accumulation of resources (generally from taxes levied or bond proceeds) for, and the payment of, general long-term debt principal, interest and related costs.

The Capital Projects Fund accounts for the accumulation of resources (through board action, taxes levied, or bond proceeds) for, and the payment of, costs associated with major construction projects of the District.

The Expendable Trust Fund (Working Cash Fund) accounts for financial resources held by the District to be used for temporary inter-fund loans to other District funds.

2. Fiduciary Funds

Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent or custodian for individuals, private organizations, other governments or other funds.

The Agency Fund includes the Melvin White Scholarship Fund which accounts for assets held by the District as a custodian. This fund is custodial in nature and does not involve the measurement of results of operations.

3. Governmental and Expendable Trust Funds – Measurement and Focus

The financial statements of all governmental funds and expendable trust funds focus on the measurement of spending or “financial flow” and the determination of changes in financial position, rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (cash receipts and other financing sources) and decreases (cash disbursements and other financing uses) in fund balances.

C. General Fixed Assets and General Long-Term Debt Account Groups

The accounting and reporting treatment applied to the land, buildings, and equipment and long-term liabilities associated with a fund are determined by its measurement focus. Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group rather than in governmental funds. Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds. The two account groups are not "Funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

D. Use of Estimates

The preparation of financial statements and related notes in accordance with regulatory reporting requirements established by the Illinois State Board of Education requires management to make estimates and assumptions that affect the reported amounts. Accordingly, actual results could differ from those estimates.

E. Basis of Accounting

Basis of accounting refers to when revenue received and expenditures disbursed are recognized in the accounts and how they are reported in the financial statements. The District maintains its accounting records for all funds and account groups on the cash basis of accounting, as prescribed or permitted by the Illinois State Board of Education. Accordingly, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

Cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

Proceeds from the sale of bonds, when applicable, are included as other financing sources in the appropriate fund on the date received. Related bond principal payable in the future is recorded at the same time in the general long-term debt account group.

Under the cash basis of accounting, the District does not recognize the inception of capital or other leases in the funds or in the general long-term debt account group.

F. Budgets and Budgetary Accounting

The budget for all governmental fund types and the expendable trust fund is prepared on the cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. The original budget was adopted on September 13, 2021 and was later amended on June 13, 2022.

For each fund, total fund expenditures may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year. All encumbrances lapse at the end of the fiscal year.

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

1. At the June Board of Education meeting, a tentative operating budget is submitted to the Board of Education for the fiscal year commencing on July 1. The tentative operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments at least 30 days prior to final action by the Board of Education.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year.
5. The board of education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
6. The board of education may amend the budget by the same procedures required of its original adoption.

G. Cash and Cash Equivalents

Cash includes amounts in demand and time (savings) accounts held at local financial institutions, bank money market funds, and certificates of deposits with an initial maturity of 90 days or less.

H. Investments

Investments are stated at cost. The District may invest in securities as authorized by Sections 2 and 6 of the Public Funds Investment Act (30 ILCS 235/2 and 6) and Section 8-7 of the School Code. Generally, allowable investments consist of: interest bearing deposits in financial institutions; the Illinois Public Treasurers' Investment Pool; notes and bonds guaranteed by the United States of America; and, subject to certain restrictions, short term corporate obligations and repurchase agreements with financial institutions.

Illinois statutes require that investment earnings be allocated to the appropriate individual fund.

I. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "inter-fund receivables/payables."

J. General Fixed Assets

General fixed assets have been acquired for general government purposes. At the time of purchase, assets are recorded as expenditures in the governmental funds and capitalized at cost in the general fixed asset account group or estimated cost if actual costs are not available. Significant donated general fixed assets are valued at their estimated fair value on the date donated. Donated fixed assets are not recorded in the fund financial statements on the cash basis. Depreciation accounting is not considered applicable (except to determine the per capita tuition charge).

K. Unpaid Compensated Absences

Vacation and sick pay is considered to be an expenditure in the year paid. For most District employees, vacation pay does not accumulate if not used in the year earned. Accumulated sick pay benefits are available to all full-time employees to use in future years. Upon retirement an employee will be paid up to \$500 for unused sick days in excess of those applied towards retirement credit.

L. Total Columns on Combined Statements

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. This data is not comparable to a consolidation and interfund eliminations have not been made in the aggregation of this data.

M. Regulatory Basis Capitalization and Depreciation Policy

As part of the computation of the per capita tuition charge, the Illinois State Board of Education has mandated a capitalization policy with regards to fixed assets. Amounts are to be capitalized in the general fixed asset account group if an item exceeds \$500. The District does not follow the specific identification policy for equipment (except for transportation equipment). Consequently, according to Illinois State Board of Education guidelines, the other equipment is removed from the depreciation schedule when fully depreciated. Depreciation expense (computed solely for the purpose of computing per capita tuition charges) was \$1,714,840 for the year ended June 30, 2022. The straight-line depreciation method is used over the following estimated useful lives:

Permanent buildings	50 years
Improvements other than buildings	20 years
Equipment (including food service equipment)	10 years
Transportation and certain other equipment	5 years

N. Real Estate Taxes

Real estate taxes are a lien on individual properties from January 1 in the year in which the taxes are levied. The levy must be filed with the County Clerk by the last Tuesday in December. The 2020 tax levy, which accounted for all property tax revenue received during the fiscal year ended June 30, 2022 was passed December 14, 2020. Due dates, by statute, are June 1 and September 1 of the following year. Generally, collections of tax monies are made within 30 to 60 days of the due dates.

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

	2020 Levy	2021 Levy
Assessed Valuation	<u>\$ 512,014,116</u>	<u>\$ 516,468,075</u>
Educational	1.92606	1.90311
Operations and Maintenance	0.38351	0.41456
Debt Services	0.28834	0.29042
Transportation	0.12464	0.13191
Municipal Retirement	0.03644	0.03581
Social Security	0.04794	0.04712
Working Cash	0.04891	0.04806
Tort Immunity	0.01631	0.01602
Fire Prevention and Safety	0.00576	0.00566
Special Education	0.07671	0.09423
	<u>2.95462</u>	<u>2.98690</u>

NOTE 2. CASH AND INVESTMENTS

The District's cash and investments at June 30, 2022 consisted of deposits with financial institutions and investments in The Illinois School District Liquid Asset Fund Plus (ISDLAFP) money market accounts. The District uses a common bank account for certain funds. Accounting records are maintained to show the portion of this common account attributable to each participating fund and are displayed on the balance sheet as "cash" or "investments". Investment income is allocated proportionately to each fund.

Cash and investments are presented in the financial statements as follows:

Cash	\$ 7,960,643
Investments	7,474,208
Other current assets	<u>1,741,759</u>
	<u>\$ 17,176,610</u>

Cash and investments at June 30, 2022, are comprised of the following:

Deposits held at local financial institutions	\$ 13,784,484
Deposits held at financial institutions - Insured Cash Sweep Accounts	1,769,815
The Illinois School District Liquid Asset Fund Plus	<u>1,622,311</u>
	<u>\$ 17,176,610</u>

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires all amounts deposited with financial institutions in excess of any insurance limit to be collateralized by eligible securities. As of June 30, 2022, none of the District's bank deposits were exposed to custodial credit risk.

Other investments are as follows:

	Carrying Amount	Fair Value
Money market accounts:		
The Illinois School District Liquid Asset Fund Plus	<u>\$ 1,622,311</u>	<u>\$ 1,622,311</u>

The District invests in the Liquid and Max Class money market accounts sponsored by ISDLAFP. ISDLAFP is a common law trust organized and existing under the laws of the State of Illinois. Standard & Poor's has assigned its "AAAm" rating to this fund. The weighted average maturity of the portfolio is managed at 60 days or less. The District has not entered into collateral agreements over its other investments.

This investment is valued at the net asset value (NAV) on the last trading day of the fiscal year. The District considers this investment to be a level 1 investment in the fair value hierarchy as it can be traded at the measurement date at its published NAV. Level 1 investments are those investments whose fair value is determined by inputs that are from quoted prices in active markets for identical assets.

NOTE 3. GENERAL FIXED ASSETS ACCOUNT GROUP

A summary of changes in general fixed assets follows:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Land	\$ 434,584	\$ -	\$ -	\$ 434,584
Buildings - permanent	13,128,789	843,032	-	13,971,821
Improvements other than buildings	25,743,314	327,081	-	26,070,395
Capitalized equipment - 10 years	2,741,275	196,599	287,540	2,650,334
Capitalized equipment - 5 years	69,370	5,719	-	75,089
Construction in progress	-	156,035		156,035
	<u>42,117,332</u>	<u>1,528,466</u>	<u>287,540</u>	<u>43,358,258</u>
Accumulated depreciation	<u>19,078,738</u>	<u>1,714,840</u>	<u>287,540</u>	<u>20,506,038</u>
Fixed assets (net of accumulated depreciation)	<u>\$ 23,038,594</u>	<u>\$ (186,374)</u>	<u>\$ -</u>	<u>\$ 22,852,220</u>

NOTE 4. GENERAL LONG-TERM DEBT ACCOUNT GROUP

In December 2009, the District issued \$3,995,000 in General Obligation Limited School Bonds (Life Safety Bonds). Portions of these bonds were defeased with the 2013 and 2018 debt issuances as described below. The remaining bonds outstanding were paid in full during the year ended June 30, 2022.

In November 2013, the District issued \$4,060,000 in General Obligation Limited School Bonds (Working Cash and Refunding Bonds). A portion of these bonds were defeased with the 2018 and 2022 debt issuance as described below. The remaining bonds are due in annual installments \$90,000 to \$375,000, bear interest at 2.95% to 4.75% and have a final maturity date of December 1, 2031. The outstanding balance on these remaining bonds was \$3,125,000 as of June 30, 2022.

In September 2016, the District issued \$9,375,000 in General Obligation Refunding School Bonds. The bonds are due in annual installments of \$655,000 to \$1,065,000, bear interest at 2.02% and have a final maturity date of December 1, 2030. The outstanding balance on these bonds was \$7,800,000 as of June 30, 2022.

In April 2018, the District issued \$3,500,000 in General Obligation Limited School Bonds and \$305,000 in General Obligation Limited Refunding School Bonds (Working Cash and Refunding Bonds). These 2018 bonds were defeased in their entirety with the 2021 debt issuance as described below. The 2018 refunding bonds were issued to provide resources to purchase U.S. government securities (\$254,308) and pay a portion of the expenses of issuing the bonds (\$50,692). The securities were placed on deposit with an escrow agent for the purpose of generating resources for future debt service payments on \$220,000 of the 2009 general obligation bonds and \$25,000 of the 2013 general obligation bonds (refunded bonds). As a result, the refunded bonds are considered to be defeased and the liability has been removed from the District's general long-term debt account group. As of June 30, 2022, \$25,000 of the 2013 bonds considered defeased are still outstanding. The escrow account balance is \$25,475 as of June 30, 2022.

In February 2021, the District issued \$4,180,000 in General Obligation Limited Refunding School Bonds. A portion of these bonds were defeased with the 2022 debt issuance as described below. The remaining bonds are due in annual installments of \$55,000 to \$555,000, bear interest at 2.38%, and have a final maturity date of December 1, 2036. The outstanding balance on these remaining bonds was \$3,750,000 as of June 30, 2022. These refunding bonds were issued to provide resources to purchase U.S. government securities (\$4,098,735) and pay certain costs of issuing the bonds (\$81,265). The securities were placed on deposit with an escrow agent for the purpose of generating resources for future debt service payments on the 2018 general obligation working cash and refunding bonds – \$3,805,000 in total (refunded bonds). As a result, the refunded bonds are considered to be defeased and the liability has been removed from the District's general long-term debt account group. As of June 30, 2022, \$3,805,000 of the 2018 bonds considered defeased are still outstanding. The escrow account balance is \$3,878,253 as of June 30, 2022.

In June 2022, the District issued \$3,200,000 in General Obligation Limited Working Cash and Refunding School Bonds. The bonds are due in annual installments (beginning December 1, 2037) of \$580,000 to \$700,000, bear interest at 4.5% to 5.5%, and have a final maturity date of December 1, 2041. The outstanding balance on these remaining bonds was \$3,200,000 as of June 30, 2022. The refunding bonds of \$1,090,000 were issued to provide resources to purchase U.S. government securities (\$1,037,937) and pay certain costs of issuing the bonds (\$52,063). The securities were placed on deposit with an escrow agent for the purpose of generating resources for future debt service payments on the 2013 and 2021 general obligation working cash and refunding bonds – \$1,020,000 in total (refunded bonds). As a result, the refunded bonds are considered to be defeased and the liability has been removed from the District's general long-term debt account group. As of June 30, 2022, \$1,020,000 of the 2013 and 2021 bonds considered defeased are still outstanding. The escrow account balance is \$1,031,987 as of June 30, 2022. This defeasance transaction resulted in an economic loss to the District of \$205,328 (in present value dollars).

A summary of changes in general long-term debt follows:

	Balance June 30, 2021	Issuances	Payments/ Defeasance	Balance June 30, 2022
General Obligation Bonds -				
2009 Life Safety Bonds	\$ 120,000	\$ -	\$ 120,000	\$ -
2013 Working Cash and Refunding Bonds	4,035,000	-	910,000	3,125,000
2016 Refunding Bonds	8,455,000	-	655,000	7,800,000
2021 Refunding Bonds	4,180,000	-	430,000	3,750,000
2022 Working Cash and Refunding Bonds	-	3,200,000	-	-
	<u>\$ 16,790,000</u>	<u>\$ 3,200,000</u>	<u>\$ 2,115,000</u>	<u>\$ 17,875,000</u>

Debt service requirements to maturity are as follows:

Year ending June 30,	Payments Due		Total
	Principal	Interest	
2023	\$ 980,000	\$ 503,107	\$ 1,483,107
2024	1,105,000	474,138	1,579,138
2025	1,170,000	444,946	1,614,946
2026	1,215,000	417,224	1,632,224
2027	1,285,000	387,592	1,672,592
2028	1,340,000	355,879	1,695,879
2029	1,415,000	322,307	1,737,307
2030	1,470,000	286,980	1,756,980
2031	1,545,000	249,789	1,794,789
2032	495,000	224,083	719,083
2033	505,000	211,500	716,500
2034	520,000	199,302	719,302
2035	530,000	186,807	716,807
2036	545,000	174,014	719,014
2037	555,000	160,925	715,925
2038	580,000	138,660	718,660
2039	610,000	106,725	716,725
2040	640,000	76,050	716,050
2041	670,000	46,575	716,575
2042	700,000	15,750	715,750
	<u>\$ 17,875,000</u>	<u>\$ 4,982,353</u>	<u>\$ 22,857,353</u>

The District generally uses the debt service fund to liquidate its long-term debt.

The District is subject to the Illinois School Code which limits the amount of bond indebtedness to 6.9% of the most recent available assessed valuation of the District. At June 30, 2022, the statutory limit for the District provided a legal debt margin as follows:

2021 assessed valuation	<u>\$ 516,468,075</u>
Legal debt margin (6.9% of assessed valuation)	\$ 35,636,297
Less current outstanding debt	<u>(17,875,000)</u>
Legal debt margin remaining	<u>\$ 17,761,297</u>

NOTE 5. FUND BALANCE REPORTING

According to Government Accounting Standards, fund balances are to be classified into five major classifications – nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance. The regulatory model, followed by the District, only reports reserved and unreserved fund balances. Below are definitions of the differences and a reconciliation of how these balances are reported.

A. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. Due to the cash basis nature of the District all such items are expensed at the time of purchase, so there is nothing to report for this classification.

B. Restricted Fund Balance

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

1. Special Education

Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Educational Fund. Expenditures disbursed exceeded revenue received for this purpose, resulting in no restricted fund balance.

2. State Grants

Proceeds from State grants and the related expenditures have been included in the Educational, Operations and Maintenance, and Transportation funds. Expenditures disbursed exceeded revenue received from State grants, resulting in no restricted fund balance.

3. Federal Grants

Proceeds from federal grants and the related expenditures have been included in the Educational Fund. Expenditures disbursed exceeded revenue received from federal grants. However, due to the District's participation in federal nutrition programs, revenues from all sources received by the food service program are restricted. Therefore, \$234,365 of the fund balance in the Educational Fund is restricted for food service.

4. Social Security

Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. Expenditures disbursed exceeded revenue received for this purpose, resulting in no restricted fund balance.

5. Self-Funded Insurance Account

The net proceeds from insurance premiums paid and the related disbursements for claims have been included in the Educational Fund as other changes in fund balance. The unexpended balance of the account, totaling \$1,741,759, is included as reserved fund balance in the Educational Fund.

6. Scholarship Fund

Cash disbursed and the related cash receipts for the Melvin White Scholarship have been included in an Agency Fund. The unexpended balance of the agency account, totaling \$41,339 is included as reserved fund balance in the Agency Fund.

C. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (Board of Education). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

The Board of Education commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

The District has committed \$3,884,965 contractually for HVAC projects as of June 30, 2022. Furthermore, by action of the Board of Education, the District has committed an additional \$2,130,671 of Operations and Maintenance Fund balance for future maintenance improvement work involving District facilities, equipment, and transportation assets. These balances are included in the financial statements as unreserved in the Operations and Maintenance Fund.

Employee contracts for services rendered during the school year for employees electing twelve month pay schedules are recorded as disbursements in the fiscal year when such checks are drawn. At June 30, 2022, the total amount of unpaid contracts for services performed during the fiscal year ended June 30, 2022 amounted to \$772,903. Further, the District provides a retirement incentive equal to 20% of a teacher's compensation for the year in which an irrevocable notification of retirement is received, payable over the teacher's remaining years of service. As of June 30, 2022, \$22,927 of this incentive was due to teachers who declared for retirement prior to June 30, 2022. These amounts are included in the financial statements as unreserved in the Educational Fund.

D. Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by (a) the Board of Education itself or (b) the finance committee or by the Superintendent when the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The District did not have any assigned fund balance at June 30, 2022.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the general operating funds for amounts that have not been restricted, committed, or assigned to specific purposes within the general funds. Unassigned fund balance amounts are shown in the financial statements as unreserved fund balances in the Educational, Operations and Maintenance, Transportation, and Working Cash Funds.

F. Regulatory Fund Balance Definitions

Reserved fund balances are those balances that are reserved for a specified purpose, other than the regular purpose of any given fund. Unreserved fund balances are all balances that are not reserved for a specific purpose other than the specified purpose of a fund.

G. Reconciliation of Fund Balance Reporting

The first three columns of the following table represent fund balance reporting according to generally accepted accounting principles. The last two columns represent fund balance reporting under the regulatory basis of accounting utilized in preparation of the financial statements.

Fund	Generally Accepted Accounting Principles			Regulatory Basis	
	Restricted	Committed	Unassigned	Reserved	Unreserved
Educational	\$ 2,340,968	\$ 795,830	\$ 3,059,009	\$ 2,340,968	\$ 3,854,839
Operations and Maintenance	6,516,152	-	-	-	6,516,152
Debt Service	80,880	-	-	-	80,880
Transportation	700,434	-	-	-	700,434
Municipal Retirement	159,464	-	-	-	159,464
Capital Projects	41	-	-	-	41
Working Cash	3,194,097	-	-	-	3,194,097
Tort	71,814	-	-	-	71,814
Fire Prevention and Safety	216,582	-	-	-	216,582
Agency Funds	41,339	-	-	41,339	-
	<u>\$ 13,321,771</u>	<u>\$ 795,830</u>	<u>\$ 3,059,009</u>	<u>\$ 2,382,307</u>	<u>\$ 14,794,303</u>

H. Expenditures of Fund Balance

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

NOTE 6. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for these risks, including workers' compensation and liability insurance. There have not been significant reductions in insurance coverage from the prior year and the amount of settlements has not exceeded coverage in any of the last three years.

The District is self-insured for purposes of unemployment insurance. The District is liable to the State of Illinois for any payments made to any of its former employees claiming benefits. Unemployment payments are recorded as expenses in the year paid. As of June 30, 2022, the District estimates that there is no significant liability for unpaid unemployment insurance claims.

The District is also self-insured for purposes of medical coverage of District personnel; claims are administered by an independent third party for a fixed fee per enrolled employee and dependent. Under provisions of the plan, the District is liable for claims up to \$60,000 annually per participant (\$1,919,139 in the aggregate). Medical claims in excess of these limits are covered by a third-party carrier. The District's premiums are based on its claims experience plus administrative costs. These premiums are deposited monthly into a deposit account held at a local financial institution. The District holds and invests the funds and makes payments for claims as directed by the third-party administrator.

Claims paid, net, during the years ended June 30, 2022 and 2021 totaled \$1,321,527 and \$1,223,928, respectively. The unexpended balance of the account, totaling \$1,741,759, is included as part of other current assets in the Educational Fund at June 30, 2022. The increase or decrease from the prior year balance is included as other changes in fund balances in the Educational Fund. The District has not estimated unpaid medical claims as of June 30, 2022, including those that have been incurred but not reported.

NOTE 7. LEASES

The District leases certain copying and postage equipment under various leases. The copying equipment and postage equipment leases are 60-month leases requiring monthly payments. The District also leases buses over 5 years that require 6 annual payments (including one at the inception of the lease). However, these leases generally include provisions or separate agreements with the bus vendor allowing the District to exit the leases early, often before larger annual payments are due. The District generally exercises the options to exit the leases early. The total amount paid under these lease agreements, net, during the year ended June 30, 2022 was \$205,057.

Following are the minimum future lease obligations:

Year ending June 30,	Copying Equipment	Postage Equipment	Busses	Total
2023	\$ 28,548	\$ 1,034	\$ 174,272	\$ 203,854
2024	28,548	-	157,134	185,682
2025	28,548	-	-	28,548
2026	28,548	-	-	28,548
2027	28,548	-	-	28,548
	<u>\$ 142,740</u>	<u>\$ 1,034</u>	<u>\$ 331,406</u>	<u>\$ 475,180</u>

NOTE 8. INDIVIDUAL FUND DISCLOSURES

With Student Activity Fund expenditures included, actual expenditures exceeded budgeted expenditures in the Education Fund by \$663,658 (Student Activity Fund expenditures were not included in the budget prepared by the District). Also, actual expenditures exceeded budgeted expenditures in the Debt Services Fund by \$48,162.

NOTE 9. COMMITMENT

Through an intergovernmental agreement, the District has use of the auditorium and swimming pool of the Washington Area Community Center for a twenty-year period beginning October 15, 2007. Under this agreement the District must pay an annual maintenance fee of \$35,000 and an annual supplemental use fee of \$75,000.

NOTE 10. RETIREMENT SYSTEMS

The retirement plans of the District include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees, payments by the District made on behalf of employees and contributions made by the State of Illinois on-behalf of the District. IMRF is funded through property taxes and a perpetual lien of the District's corporate personal property replacement tax. The aggregate employer pension expense on a cash basis recognized by the District for these plans for the year ended June 30, 2022 was \$247,502. Each retirement system is discussed below.

Teachers' Retirement System

Plan Description

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

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

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest 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 2 members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the highest four. Disability provisions for Tier 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different from Tier 1.

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

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 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. Under its current contract with certified employees, the District has agreed to pay a portion of member contributions and contributed \$676,034 on behalf of employees during the year ended June 30, 2022.

On behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2022, state of Illinois contributions recognized by the District were based on the state's proportionate share of the pension expense associated with the District, and the District recognized revenue and expenditures of \$4,505,389 in pension contributions from the state of Illinois.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2022, were \$48,255.

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

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

For the year ended June 30, 2022, the employer pension contribution was 10.31 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2022, salaries totaling \$93,083 were paid from federal and special trust funds that required District contributions of \$9,597. On the cash basis, \$6,136 of these contributions were actually paid, net of refunds, during the year.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The 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.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2022, the District paid \$0 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.

Under the regulatory basis of accounting as described in Note 1, the District does not report a liability for its proportionate share of the net pension liability.

Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for regular (non-certified) employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multiple-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. The report is available for download at www.imrf.org.

Benefits Provided

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

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

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

Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of 3% of the original pension amount, or ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2021, the following employees were covered by the benefit terms: retirees and beneficiaries currently receiving benefits (60); inactive plan members entitled to but not yet receiving benefits (38); active plan members (63); total members (161).

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 2021 was 10.59% and for calendar year 2022 it is 8.89%. For the fiscal year ended June 30, 2022, the District contributed \$193,111 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.

NOTE 11. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

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

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval.

The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the State to contribute to the THIS Fund at a rate of .90 percent of salary for the year ended June 30, 2022 and for the District to contribute an amount equal to .67 percent of salary of each active participant. The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

On behalf contributions to the THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the employer. Annually, State of Illinois contributions to the plan are intended to match contributions to the THIS Fund from active members.

For the year ended June 30, 2022, the State of Illinois on behalf contribution recognized by the District was based on the State's proportionate share of the collective OPEB liability associated with the District, and the District recognized revenue and expenditures of (\$137,374) as on behalf OPEB contributions from the State of Illinois.

Employer contributions to the THIS Fund. As described above, the District also makes contributions to the THIS Fund. For the year ended June 30, 2022, the District paid \$55,744, on the cash basis, to the THIS Fund related to this contribution requirement.

Further information on the THIS Fund. The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General (<http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>). The current reports are listed under "Central Management Services" (<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>).

The District is also required by the Illinois Insurance Code to offer the same health insurance that is provided to active employees to IMRF disabled members, IMRF retirees, and IMRF surviving spouses at the same premium rate as active employees. Therefore, the District provides post-retirement health care benefits for the District's retirees and their dependents. Retirees are eligible to continue their health coverage under the District's self-funded health insurance plan. The District finances the plan on a pay-as-you go basis. The District may have a future liability for these benefits due to an implicit rate subsidy for future retirees and other recipients. The District has not determined this liability.

Plan Description

The District administers a single-employer defined benefit healthcare plan. As noted above, employees who contribute to IMRF are eligible for post-retirement medical coverage. The plan does not issue a separate publicly available financial report. Currently 1 retiree participate and receive benefits under this plan. 116 active employees participate in the District's health plan with 31 of these being employees contributing to IMRF. There are no inactive members eligible for future benefits.

Funding Policy

The Board of Education of the District sets and can amend the contribution requirements. The current policy of the District is to pay for post-retirement medical and insurance benefits or premiums as they occur. The District requires retirees to contribute 100% of the premium for their desired coverage. The premiums are established for the employee/retiree group. During the year ended June 30, 2022 the premiums ranged from \$865 per month for individual coverage to \$1,900 per month for family coverage. These rates are a blended premium covering all current employees and retirees; therefore, with regard to retirees, this rate may contain an implied rate subsidy by the District. Since it reports on the cash basis, the District has not performed an actuarial valuation to determine the amount of this subsidy or the potential total OPEB liability.

Contributions Made

Because the entire retiree insurance premium is paid by retiree contributions, there is no net cash outflow by the District for these benefits when paid. Therefore, there are no cash-basis expenditures reported by the District in regard to the plan benefits for retirees.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
 COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES ARISING FROM
 CASH TRANSACTIONS - AGENCY FUND - REGULATORY BASIS
 JUNE 30, 2022

	Melvin White Scholarship Fund	Total
ASSETS		
Cash and cash equivalents	<u>\$ 41,339</u>	<u>\$ 41,339</u>
Total assets	<u><u>\$ 41,339</u></u>	<u><u>\$ 41,339</u></u>
LIABILITIES AND FUND BALANCES		
Due to other organizations	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>
Fund balances - reserved	<u>41,339</u>	<u>41,339</u>
Total liabilities and fund balances	<u><u>\$ 41,339</u></u>	<u><u>\$ 41,339</u></u>

See accompanying notes and independent auditor's report.

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
SCHEDULE OF RECEIPTS AND DISBURSEMENTS - ACTIVITY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Balance at July 1, 2021	Receipts	Disbursements	Balance at June 30, 2022
Advocate for Awareness	\$ 341	\$ 158	\$ 95	\$ 404
After Prom	6,060	-	75	5,985
Applied Tech Lab	130	-	-	130
Art Club	2,843	411	763	2,491
Athletics General	9,472	33,713	35,408	7,777
Auto	242	-	-	242
Band	-	-	-	-
Baseball Fund	1,289	26,641	19,344	8,586
Basketball - Boys	7,570	14,856	12,575	9,851
Bass Fishing	2,152	550	-	2,702
Block PE	351	235	586	-
Bloom	2,430	2,754	1,701	3,483
Book Club	3,660	1,795	2,126	3,329
Basketball Camp	1,127	4,341	5,468	-
Boys BKB Tournament	-	-	130	(130)
Boys Track	2,546	3,200	612	5,134
Broadway Musical	2,383	10,011	12,469	(75)
Chaps	721	-	212	509
Cheerleaders	6,576	33,533	34,722	5,387
Chess	902	15	84	833
Chorus	3,542	14,168	12,738	4,972
Concession Upkeep	200	-	200	-
Counseling	1,772	-	123	1,649
CPR Health Fund	1,522	345	190	1,677
Cross Country	1,649	-	438	1,211
Drama	4,670	6,448	5,017	6,101
Driving Skills for Life	989	646	-	1,635
Fellowship of Christian Athletes	40	158	137	61
Fitness Club	9,298	1,824	3,936	7,186

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
SCHEDULE OF RECEIPTS AND DISBURSEMENTS - ACTIVITY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

(Continued)

	Balance at July 1, 2021	Receipts	Disbursements	Balance at June 30, 2022
Former Class Funds	\$ 17,465	\$ -	\$ 10,300	\$ 7,165
French Club	1,718	325	351	1,692
Freshmen Class	-	1,260	262	998
Game Club	732	701	345	1,088
Gay Straight Alliance	266	40	110	196
General Account	2,041	41,679	43,364	356
Girl's Basketball	860	8,885	7,294	2,451
Girls Track	37	-	95	(58)
Global Affairs	267	-	-	267
Golf	3,288	14,456	8,149	9,595
GRANT - Science Symposium	110	-	110	-
Impact	5,433	-	253	5,180
Inter Rel Coop	6,103	-	590	5,513
Interest - ISDLAF	23,465	97	26	23,536
Interest - NOW Account	16,203	120	-	16,323
International Club	1,141	295	239	1,197
Intramural Account	691	1,045	765	971
JFL Football	3,783	-	-	3,783
Journalism	114	490	535	69
Junior Class	3,785	71,305	69,520	5,570
Lacrosse-Boys	5,382	16,617	12,776	9,223
Lacrosse-Girls	1,682	9,502	4,729	6,455
Leadership and Community	924	1,132	195	1,861
Leadership Challenge	218	-	-	218
Life Skills Class	(43)	500	363	94
Lift A Thon	4,271	-	162	4,109
Manufacturing	3,142	712	350	3,504
Mathletes	311	348	346	313

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
SCHEDULE OF RECEIPTS AND DISBURSEMENTS - ACTIVITY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

(Continued)

	Balance at July 1, 2021	Receipts	Disbursements	Balance at June 30, 2022
Mini Bakery	\$ -	\$ 235	\$ -	\$ 235
National Honor Society	6,189	2,930	1,348	7,771
Operation Snowball	3,713	1,400	2,226	2,887
Panther Embroidery Shop	5	771	599	177
Panther Perk	1,409	4,792	4,145	2,056
Panther Professionals	136	-	136	-
Pantherettes	7,474	27,424	30,293	4,605
Pep Club	571	762	178	1,155
Pepsi & 7Up Marketing	1,275	23,877	19,288	5,864
PNC Bank Grant-Science	-	1,000	-	1,000
Preschool (FCS)	743	2,975	3,295	423
Readapalooza	573	330	463	440
Renaissance Fair	-	1,000	783	217
Robotics	23,362	14,978	27,234	11,106
Rotary Club Relief	829	-	-	829
Scholastic Bowl	430	300	-	730
Science Club	851	-	24	827
Senior Class	-	3,614	753	2,861
Soccer Boys	334	17,289	11,599	6,024
Soccer Girls	72	2,725	1,366	1,431
Softball Fund	7,018	17,146	13,812	10,352
Sophomores	715	3,151	3,157	709
Spanish Club	1,514	127	245	1,396
Special Ed Co-op	2,104	11,750	1,296	12,558
Special Events - Athletics	8,840	6,224	5,311	9,753
Speech	1,019	3,585	4,048	556
State Football playoff	1,407	8,985	5,963	4,429
Student Council	4,749	7,701	4,159	8,291
Swim Team	283	810	369	724
Tennis - Boys	4,484	3,966	1,628	6,822

WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
SCHEDULE OF RECEIPTS AND DISBURSEMENTS - ACTIVITY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

(Continued)

	Balance at July 1, 2021	Receipts	Disbursements	Balance at June 30, 2022
Tennis - Girls	\$ 5,317	\$ 6,223	\$ 2,229	\$ 9,311
Tourney of Champions	32,754	125	32,879	-
Trap Shooting Club	3,650	333	1,944	2,039
Volleyball	1,981	16,689	12,370	6,300
Washington Twp Special Ed	55	-	-	55
WCHS Hardship	11,850	2,914	3,111	11,653
Wrestling	3,206	25,028	20,292	7,942
Yearbook	7,922	53,420	54,187	7,155
Scholarships				
General	1,549	500	500	1,549
Cody Carlin Memorial	2,500	5,000	2,500	5,000
Dalfonso Family Scholarship	750	750	750	750
Erick Norlin Fund	5,707	4,000	5,707	4,000
Floyd O'Reed Memorial	2,243	757	1,000	2,000
Hunkler Stagen Scholarship	181,338	59,165	240,503	-
Impact Scholarship	1,000	-	-	1,000
James Ashbrook Memorial	15,827	1,000	14,827	2,000
Key Club Fund	210	10	-	220
Marilyn Drake Scholarship	3,750	-	3,000	750
M. Morris Memorial Scholarship	-	2,000	2,000	-
Mike Sluder Fund	143	-	-	143
Orange and Black	250	-	-	250
Scott Wehnes Memorial	12,539	-	12,539	-
Stephen F Mason Fund	3,991	-	3,291	700
Washington Twp United Fund	1,500	3,000	1,500	3,000
Whittaker Scholarship	46	-	46	-
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	\$ 558,043	\$ 676,072	\$ 869,271	\$ 364,844
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WASHINGTON COMMUNITY HIGH SCHOOL DISTRICT NO. 308
ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR-END FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022

CSFA Number	Program Name	State	Federal	Other	Total
478-00-0251	Medical Assistance Program	\$ -	\$ 15,468	\$ -	\$ 15,468
586-18-0406	School Breakfast Program	-	64,300	-	64,300
586-18-0407	National School Lunch Program	-	661,676	-	661,676
586-18-0410	Summer Food Service Program	-	4,285	-	4,285
586-18-0517	Career and Technical Ed Improvement	42,463	-	-	42,463
586-18-2330	Non-Cash Commodity Value	-	50,287	-	50,287
586-43-2483	Elementary and Secondary Relief- Digital Equity Formula	-	89,373	-	89,373
586-62-0414	Title I - Low Income: Improving the Academic Achievement of the Disadvantaged	-	71,977	-	71,977
586-62-0430	Title II - Teacher Quality: Preparing Training, and Recruiting High-Quality Teachers, Principal, and Other School Leaders	-	26,827	-	26,827
586-62-1588	Title IVA Student Support and Academic Enrichment	-	10,000	-	10,000
586-62-2402	Federal Programs - Elementary and Secondary School Emergency Relief Grant	-	204,906	-	204,906
586-62-2578	ARP-LEA and COOP American Rescue Plan (ESSER III)	-	874,339	-	874,339
586-64-0417	Fed - Sp Ed - IDEA - Flow Through	-	209,886	-	209,886
	Other grant programs and activities	-	139,622	12,415	152,037
	All other costs not allocated	-	-	23,681,901	23,681,901
Totals		\$ 42,463	\$ 2,422,946	\$ 23,694,316	\$ 26,159,725