



**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2021**

**New Lenox School District 122
102 South Cedar Road
New Lenox, IL 60451
Will County**

**New Lenox School District 122
New Lenox, Illinois**

Comprehensive Annual Financial Report

For the fiscal year ended
June 30, 2021

Officials Issuing Report

**Mr. Robert Groos
Chief School Business Official**

**Department Issuing Report
Business Office**

New Lenox School District No. 122

Year Ended June 30, 2021

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New Lenox School District No. 122

102 S. Cedar Road
New Lenox, Illinois 60451

Comprehensive Annual Financial Report

Officers and Officials

Fiscal Year Ended June 30, 2021

Board of Education

		<u>Term Expires</u>
Rhonda Starklauf	President	2025
Nicole Swallow	Vice President	2023
Cindy Dykas	Secretary	2023
Al Haring	Member	2025
David Rush	Member	2025
Kris O'Connor	Member	2025
William Pender	Member	2023

District Administration

Dr. Lori Motsch	Superintendent
Dr. Liza Bruni	Assistant Superintendent
Mr. Robert Groos	Chief School Business Official
Dr. Marianne Cucci	Director of Curriculum
Mr. Jason Sterritt	Director of Organizational Planning and Facilities
Mrs. Mandy Novotny	Director of Special Education
Mr. Andy White	Director of Technology

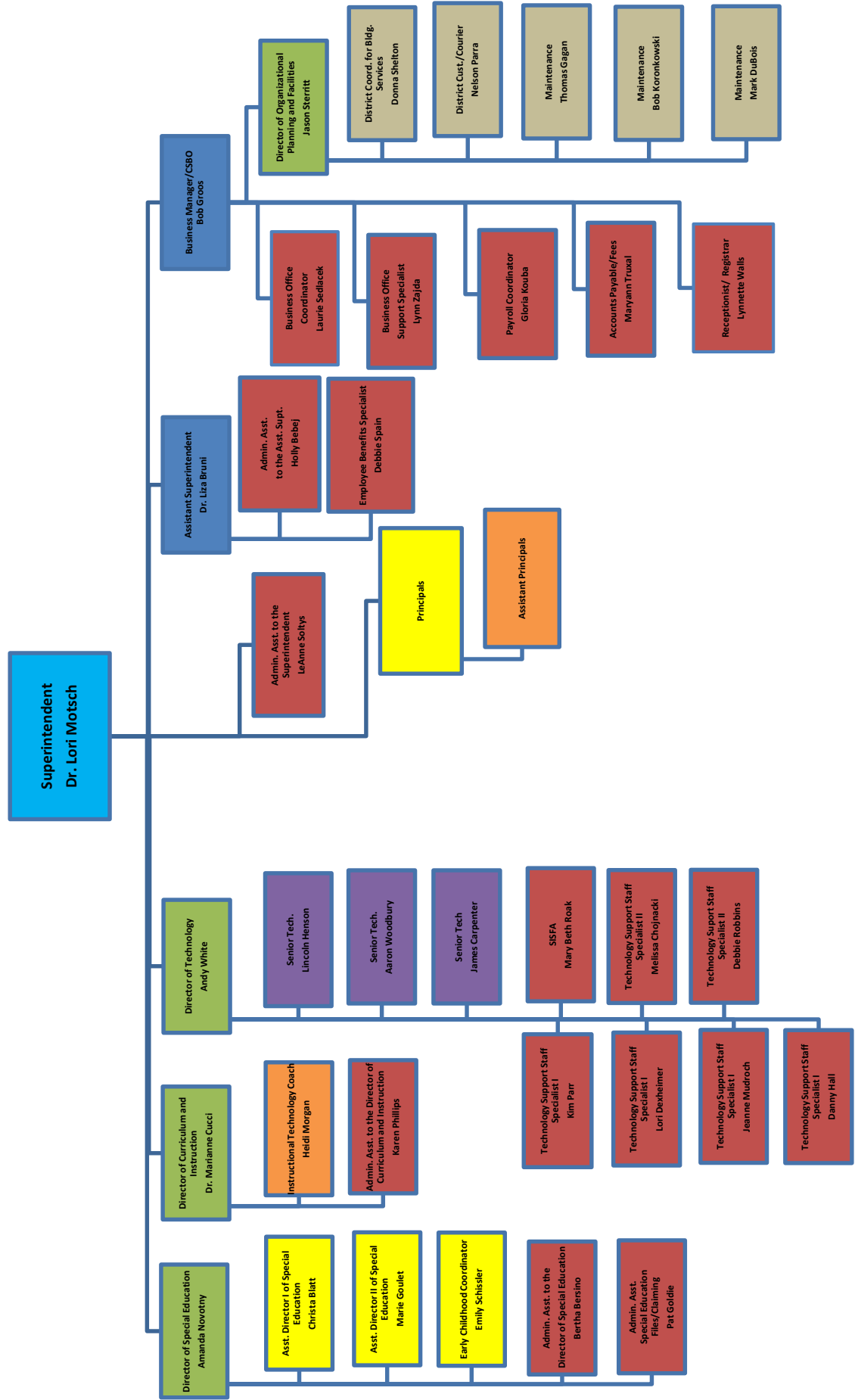
Officials Issuing Report

Dr. Lori Motsch	Superintendent
Mr. Robert Groos	Chief School Business Official

Department Issuing Report

Business Office

2021– 2022
New Lenox School District 122
District Office Staff
7/2021





New Lenox School District 122

102 South Cedar Road, New Lenox, Illinois 60451

Phone 815-485-2169 Fax 815-485-2236

Lori R. Motsch, Ed.D., Superintendent

OCTOBER 19, 2021

Members of the Board of Education New Lenox
School District 122

New Lenox, Illinois 60451

Dear Members of the Board:

The Illinois State Board of Education requires that every school district issue a complete set of audited financial statements. This report is published to fulfill that requirement for fiscal year end June 30, 2021.

The Comprehensive Annual Financial Report of New Lenox School District 122, for the fiscal year ended June 30, 2021 is submitted herewith. The audit was issued on October 19, 2021.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Wipfli, LLP, Certified Public Accountants, have issued an unmodified ("Clean") opinion on the New Lenox School District 122 financial statements for the year ended June 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

This report has been divided into three major areas; the Introductory, Financial, and Statistical. The introductory section includes the table of contents, transmittal letter, the District's organization chart and the list of principal officials. The financial section begins with the Independent Auditor's Report and includes management's discussion and analysis (MD&A), the Basic Financial Statements and Notes that provide an overview of the District's financial position and operating results, the Combining and Individual Fund Statements for non-major funds and other schedules that provide detailed information relative to the Basic Financial Statements.

MD&A complements this letter of transmittal and should be read in conjunction with it. The last area of this report is the Statistical section. The Statistical Section includes a number of tables of unaudited data depicting the financial history of the District, demographics and the fiscal capacity of the District. When applicable, some data schedules will provide a ten-year history.

Profile of the District

The mission of New Lenox Schools, in partnership with the community, will be to promote academic excellence which focuses on the growth of the whole child. We will stimulate children to develop pride in themselves, community, and country, which will be reflected in their present and future decisions.

The District is an elementary (PreK-8) school district in New Lenox, Illinois, which operates as a single district, with an enrollment of approximately 5,000 students. The governing body consists of a seven-member Board of Education elected from within the District's boundaries. According to the Illinois School Code, the Board of Education:

- a. has the corporate power to sue and be sued in all courts,
- b. has the power to levy and collect taxes and to issue bonds,
- c. can contract for appointed administrators, teachers, and other personnel, as well as for goods and services.
- d. holds title to all District property, and
- e. appoints the Treasurer who serves as legal custodian of all the District's funds.

The Board of Education appoints a superintendent who, in turn, recommends to the Board of Education the appointment of the remaining administrative team. An organizational chart is provided at the front of this report.

The District is required to adopt an annual budget for all its funds by September 30 of each year. The annual budget serves as a foundation for financial planning and control. The budget is prepared by fund, function (e.g., instruction, support services), location, program, and object (e.g., salaries, employee benefits). Additional information of the District's budgetary accounting can also be found in the notes to required supplementary information and later in this letter. The Board of Education approves the hiring of employees, awarding of bids, and payments to vendors at its regular meetings throughout the year.

Our PreK-8 curriculum offers each student a strong foundation in reading, language arts, mathematics, science and social studies. We also provide music, art and physical education in all grades, with numerous extra-curricular opportunities at all grade levels.

In closing, the Board of Education of New Lenox 122 offers one of the most comprehensive educational programs in the Will County area. Consistently, the Board of Education has allocated timely and accurate resources for the programming needs of the educational community.

Accounting Systems and Budgetary Controls

In developing and evaluating the District's accounting system, consideration is given to the adequacy of internal accounting controls. Such controls are designed to provide reasonable, but not absolute, assurance for the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. We believe that our internal accounting controls adequately safeguard District assets and provide reasonable assurance of the proper recording of financial data.

Budgetary control is maintained at line item levels and built up into location, department, and program totals before being combined to create fund totals. All actual activity compared to budget is reported to the District's Administrative team and to the Board of Education monthly. The reports compare year to date activity versus budget and prior year actual. Full disclosures are made if extraordinary variances appear during the year.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

Local Economy

The District covers an estimated thirty-two square mile area. The District serves most of the Village of New Lenox, portions of the Villages of Mokena, Joliet, Homer Glenn and a portion of unincorporated Will County. The District operates one kindergarten center, eight elementary schools, two junior high schools, and a special education center serving the needs of 5,000+ students in grades PreK-8. Classrooms studies are enhanced by Instructional Media Centers and state-of-the-art technology. The combined assessed valuation of industrial and commercial property averaged approximately 12% percent of the total property valuation within the School District which places the majority of the property tax burden on residential homeowners.

The equalized assessed valuation (EAV) for tax year 2020 increased 4% to \$1.5 billion over the 2019 EAV of \$1.4 billion. The increase in the EAV resulted in a slightly lower tax rate, due to limitations of the tax cap formula.

Illinois property tax legislation, known as the Property Tax Extension Limitation Law Act, limits the District's ability to generate property tax revenues. In addition to P.L. 89-1, the Illinois General Assembly amended Article 20, which limits the amount of debt service taxes a district can generate through the sale of non-referendum bonds to the district's 1994 aggregate non-referendum debt service amount.

In order for a District to increase its property tax rates, a referendum question would need to be put to the voters.

For information regarding the District's financial position and respective changes in financial position, please read the Management's Discussion and Analysis included later in this report.

Long-Term Financial Planning

The District needs to be fiscally prudent. Key areas of concern are property tax freeze, low inflation, unfunded mandates, growing special education student needs, increasing health care costs, and pension cost shift. The District will continue to explore reducing expenditures where possible. The District's enrollment has been remained relatively stable over the past 5 years. This trend is expected to continue for some time before gradual increases are expected to be seen. As a result of this trend, the District is exploring options to more closely track and monitor future enrollment forecasts, in order to better plan for potential future this growth. Even though there is a large disparity in the age of the District's buildings, all of them have been very well maintained and the district consistently updates and communicates a long-range capital improvement plan with the Board and community.

District finances are monitored through such means as monthly finance reports to the Board of Education, the annual budget process, and long-term financial projections. The President of the Board of Education sets an agenda for the meetings. Agenda items include discussions on all major District revenues, expenses, investment practices and policies, and practices related to the management of District finances. The Board of Education through discussions shapes strategic directions for finance and monitors all policies related to the financial administration of District 122. The Board of Education provides guidance to management on the financing of strategic initiatives and District goals.

In August of 2021 the District moved forward with Phase 3 of its debt restructuring plan refunding the Series 2011A and 2011C for savings and restructuring purposes. The all-in true interest cost on the Series 2021 refunding bonds was 1.31% and present value interest savings was \$2,870,643, despite extending the debt service payment three years. The chart below shows refunding savings from the Series 2021 refunding and the proposed Series 2023 restructuring which will complete the debt restructuring plan. The restructuring plan will lower the average annual estimated payment for debt service for a \$300,000 market value home from \$900 to \$750 and in total, extending existing debt service by one year.

Relevant Financial Policies

Budget planning begins no later than March by adopting a proposed budget calendar. The proposed budget shall be available for public inspection and comment at least 30 days before the budget hearing. The adopted budget shall be posted on the District's website and filed with the Will County Clerk's office within 30 days of adoption. The Board of Education may amend the budget by following the same procedure as provided for in the original adoption.

The Board of Education shall act on all expenditures, interfund loans and transfers, transfers within funds in excess of 10 percent of the total fund, and all contingency fund expenditures.

The Chief School Business Official acts as the Chief Investment Officer and Treasurer. The Treasurer invests money in accordance with Board policy and state law. See the Notes to the Basic Financial Statements for additional information on cash and investments.

The certificate of property tax levy is to be filed with the Will County Clerk's office by the last Tuesday in December. The District annually publishes a statement of affairs regarding its financial position by December 1.

Awards

The Association of School Business Officials International (IASBOI) awards a Certificate of Excellence in Financial Reporting to school districts for their Comprehensive Annual Financial Reports. This certificate is a prestigious national award recognizing standards for preparation of school district financial reports.

In order to be awarded this Certificate, the District must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to the program standards. Such reports must satisfy generally accepting accounting principles to determine its eligibility for the Certificate.

We believe that our current report conforms to the Certificate requirements and this will be the first year submitting it to ASBOI to determine its eligibility for the Certificate.

Acknowledgements and Closing Statements

The purpose of the Comprehensive Annual Financial Report is to provide the Board of Education, District Administration, and staff and community members, and other interested parties a meaningful report of the District's financial condition as of June 30, 2021.

The preparation of this report on a timely basis could not have been accomplished without the dedicated and able services of all the members of the Business Department, who assisted in the closing of the District's financial records for the preparation of the report, along with the Administration and Support Staff.

We would like to express a special thanks to the members of the Board of Education for their support and interest in the financial affairs of the District for the 2021 fiscal year.

Respectfully submitted,

Dr. Lori Motsch
Superintendent

Mr. Robert Groos
Business Manager/CSBO

Independent Auditor's Report

**To the Board of Education
New Lenox School District No. 122
New Lenox, Illinois**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the New Lenox School District No. 122 (the "District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes 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 Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the New Lenox School District No. 122 as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance accounting principles generally accepted in the United States.

Other Matters

Required Supplementary Information

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

Other Information

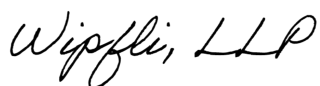
Our audit was conducted for the purposes of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical sections are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such 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 financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of New Lenox School District No. 122's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



**Aurora, Illinois
October 19, 2021**

New Lenox School District No. 122

Management Discussion and Analysis

For the Year Ended June 30, 2021

As management of the New Lenox School District No. 122 (the District), we offer readers of the District's Annual Financial Report this narrative and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- The District had a total net deficit of \$59 million at the close of the most recent fiscal year. This total net deficit includes all long-term debt due to be paid over the next several years.
- The District's net deficit was \$4,376,145 less on June 30, 2021 than it was the year before.
- The District had total revenues of \$85.0 million and total expenses of \$80.6 million. These amounts both include State of Illinois on behalf contributions of \$12.1 million.
- The Educational Account had revenues of \$61.7 million (including about \$12.1 million of State Teacher Retirement System on behalf revenues) and expenditures of \$58.1 million (including about \$12.1 million of State Teacher Retirement System on behalf expenditures). The Educational Fund's fund balance at the end of the fiscal year decreased \$656 thousand from \$20.6 million to \$20.0 million.
- The Operations and Maintenance Account had \$5.0 million in revenues and \$4.4 million in expenditures. The Operations and Maintenance Fund had a fund balance at year-end of \$3.2 million.
- The District's governmental funds reported combined fund balances of \$40.2 million, an increase of \$3.7 million vs prior year. Approximately 63% of this amount (\$25 million) is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$25.2 million, or approximately 40% of total General Fund expenditures.
- The District's long-term liabilities increased by \$29.3 million to \$163 million. This is due to the District changing their accounting principles from modified cash basis of accounting to full accrual.

Overview of the Financial Statements

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

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

New Lenox School District No. 122

Management Discussion and Analysis

For the Year Ended June 30, 2021

This report also contains combining and individual fund financial statements and schedules and other supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide financial statements

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

The statement of net position presents information about all of the District's assets, liabilities and deferred inflows/outflows of resources as reported using the modified accrual basis of accounting, with the difference reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the net position of the District changed during the current fiscal year. Changes in net position are recorded in the statement of activities using the modified accrual basis of accounting.

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. The District's governmental activities include instructional services (regular education, special education and other), supporting services, transportation services, and administration.

The government-wide financial statements can be found on pages 14-15 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds (the District maintains no proprietary funds).

Governmental funds

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

New Lenox School District No. 122

Management Discussion and Analysis

For the Year Ended June 30, 2021

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

The District maintains six individual governmental funds. The General, Debt Services and Capital Projects Funds are considered to be major funds. They are presented separately in the fund financial statements with the remaining nonmajor governmental funds labeled as "Other Governmental Funds." Fund information for the nonmajor funds is presented in the combining and individual fund financial statements and schedules section of this report.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison statement/schedule has been provided for each fund in the combining and individual fund financial statements and schedules section of this report to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 14-20 of this report.

Notes to the financial statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 21-51 of this report.

New Lenox School District No. 122

Management Discussion and Analysis

For the Year Ended June 30, 2021

Government-wide Overall Financial Analysis

Net Position: As noted earlier, net position over time may serve as a useful indicator of a government's financial position. The District's combined net deficit was \$0.7 million lower on June 30, 2021 than it was the year before (See Table 1).

Table 1		
Condensed Statement of Net Position	<u>2021</u>	<u>2020</u>
(in millions of dollars)		
Current and other assets	73.9	72.0
Capital assets	<u>73.6</u>	<u>74.6</u>
Total assets	<u>147.5</u>	<u>146.6</u>
Deferred outflows of resources	<u>21.3</u>	<u>23.3</u>
Long-term debt outstanding	178.5	182.9
Current liabilities	<u>4.7</u>	<u>4.0</u>
Total liabilities	<u>183.2</u>	<u>186.9</u>
Deferred inflows of resources	44.6	42.7
Net position (deficit):		
Invested in capital assets, net of debt	(53.0)	(57.9)
Restricted	13.8	11.4
Unrestricted	<u>(19.8)</u>	<u>(13.2)</u>
Total net position (deficit)	<u>(59.0)</u>	<u>(59.7)</u>

A portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings, and equipment), less any related outstanding debt that was used to acquire those assets. The District uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

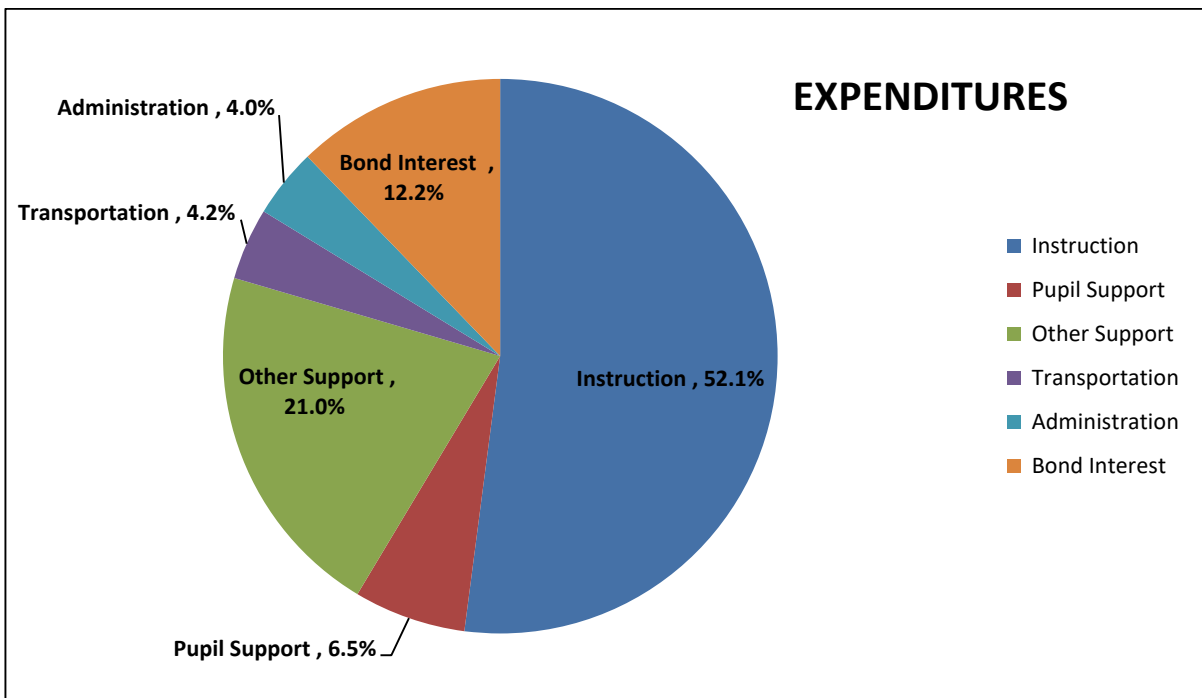
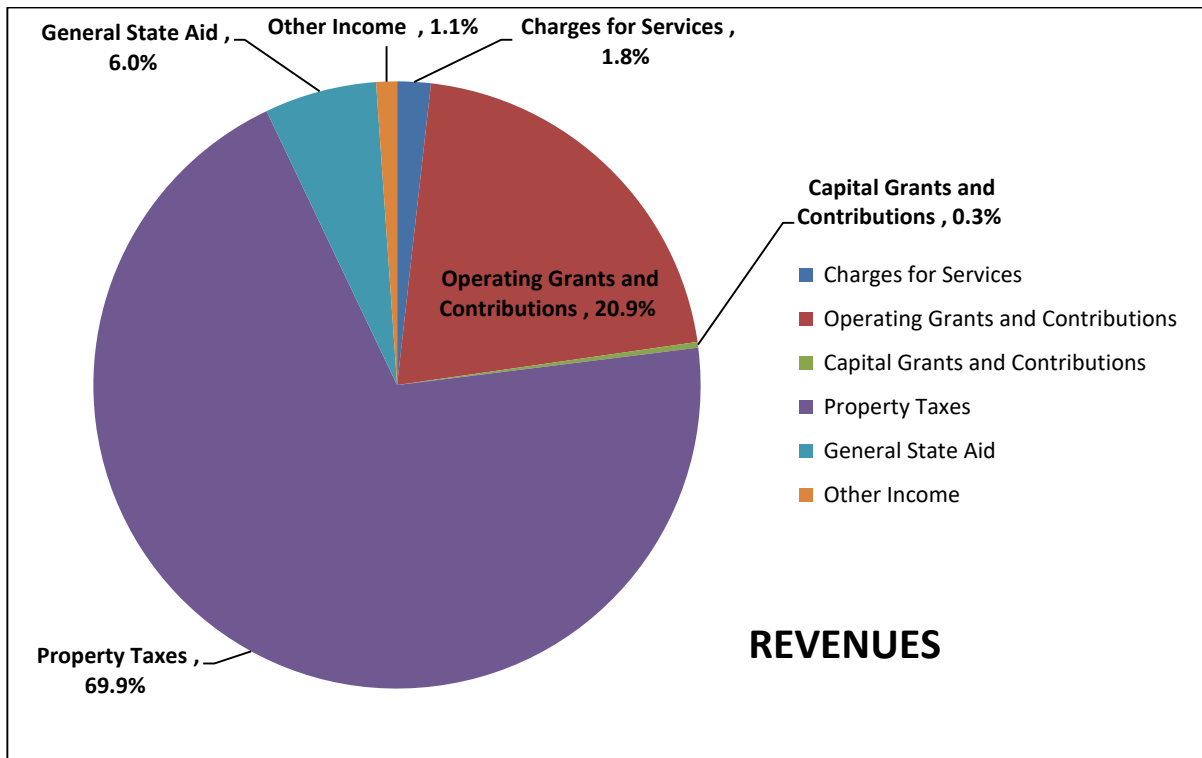
An additional portion of the District's net position represents resources that are subject to external restrictions on how they may be used. At the end of the current fiscal year, the District is able to report positive balances in restricted net position. The District has a deficit relating to its investment in capital assets and unrestricted net deficit. The same situation held true for the prior fiscal year.

New Lenox School District No. 122
Management Discussion and Analysis
For the Year Ended June 30, 2021

Changes in net position: The District's net position increased by \$4.4 million in the current year. (See Table 2)

Table 2				
Changes in Net Position				
<i>(in millions of dollars)</i>				
	<i><u>2021</u></i>	<i><u>Percentage of Total</u></i>	<i><u>2020</u></i>	<i><u>Percentage of Total</u></i>
Revenues:				
Program revenues:				
Charges for services	1.5	1.80%	1.6	1.90%
Operating grants & contributions	29.5	20.90%	22.3	25.90%
Capital grants and contributions	0.3	0.30%	0.3	0.30%
General revenues:				
Property taxes	59.4	69.90%	55.5	64.50%
Evidence based funding	5.1	6.00%	5.1	5.90%
Other	<u>0.9</u>	<u>1.10%</u>	<u>1.3</u>	<u>1.75</u>
Total revenues	<u>96.7</u>	<u>100%</u>	<u>86.2</u>	<u>100%</u>
Expenses:				
Instruction	53.6	56.90%	49.9	56.90%
Pupil support	5.3	5.60%	4.8	5.60%
Other support	16.9	17.80%	15.6	17.80%
Transportation	3.4	4.30%	3.8	4.30%
Administration	3.2	1.80%	1.6	1.80%
Interest	<u>9.9</u>	<u>13.60%</u>	<u>11.9</u>	<u>13.60%</u>
Total expenses	<u>92.3</u>	<u>100%</u>	<u>87.6</u>	<u>100%</u>
Change in net position	4.4		(1.4)	
Net deficit at beginning of year	<u>(63.4)</u>		<u>(62.0)</u>	
Net deficit at end of year	<u><u>(59.0)</u></u>		<u><u>(63.4)</u></u>	

New Lenox School District No. 122
Management Discussion and Analysis
For the Year Ended June 30, 2021



New Lenox School District No. 122

Management Discussion and Analysis

For the Year Ended June 30, 2021

Governmental Activities

Revenues for the District's governmental activities were \$85.1 million and expenses were \$80.6 million. Revenues exceeded expenditures by \$4.4 million during the year.

Table 3 presents the cost of six major District activities: instruction, pupil support, other support, transportation, administration and interest. The table shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of their functions.

Table 3 Net Cost of Governmental Activities (in millions of dollars)	<u>Total Cost</u> <u>of Services</u>	<u>Net Cost</u> <u>of Services</u>
Instruction	42.0	24.8
Pupil support	5.3	5.3
Other support	16.9	16.6
Transportation	3.4	1.3
Administration	3.2	3.2
Interest	<u>9.9</u>	<u>9.9</u>
Total	<u>80.7</u>	<u>61.1</u>

- The cost of all governmental activities this year was \$80.6 million. This includes on behalf expenses of \$12.1 million.
- Some of the cost was financed by the users of the District's programs (\$1.52 million).
- The federal and state governments subsidized certain programs with grants and contributions (\$18.1 million). The \$18.1 million amount includes on behalf revenue of \$12.1 million.
- Most of the District's costs (\$61 million) were financed by local fees and property taxes.

New Lenox School District No. 122

Management Discussion and Analysis

For the Year Ended June 30, 2021

Financial Analysis of the District's Funds

The financial performance of the District as a whole is reflected in its governmental funds as well. As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balances may serve as a useful measure of a school district's resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the District itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the District's Board.

As the District completed the year, its governmental funds reported a *combined* fund balance of \$40.2 million. However, it should be emphasized that \$15.1 million of this fund balance is earmarked: \$6.1 million is restricted for debt service (the bond payments), \$0.9 million is restricted for municipal retirement / social security, \$6.4 million is restricted for transportation purposes, \$1.4 is restricted for capital projects and fire prevention and safety purposes.

The unassigned fund balance for the District at the end of the fiscal year was comprised of \$25.2 million in the General Fund, which is the chief operating fund of the District. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 41% of total General Fund expenditures.

The total fund balance of the General Fund decreased by \$4,130,494. The current fiscal year reduction was \$979,322 and the prior period adjustment for the change in accounting principles was \$3,151,172.

The fund balance of the Debt Services Fund (a major fund) increased by \$293,058.

The fund balance of the Transportation Fund (a major fund) increased by \$1,801,017. The current fiscal year increase was \$1,370,477 and the prior period adjustment for the change in accounting principles was \$430,540.

General Fund Budgetary Highlights

Over the course of the year, the District did not revise the annual operating budget.

The District's final budget for the General Fund (Educational and Operations and Maintenance, Working Cash and Tort Immunity Accounts) anticipated that expenditures and other financing uses would be less than revenues and other financing sources by \$1.0 million. The actual results for the year showed revenues and other financing sources less than expenditures and other financing uses by \$4.3 million.

New Lenox School District No. 122

Management Discussion and Analysis

For the Year Ended June 30, 2021

Capital Asset and Debt Administration

Capital assets

By the end of fiscal year 2021, the District had \$73.6 million in a broad range of capital assets, including land, school buildings, improvements, and equipment (See Table 4). This amount represents a decrease of \$1.7 million from last year. (More detailed information about capital assets can be found in Note III to the financial statements.)

Table 4 Capital Assets (net of depreciation) (in millions of dollars)	Governmental Activities <u>2021</u>	Governmental Activities <u>2020</u>
Land	\$ 10.8	\$ 10.8
Construction in progress	0.2	2.7
Depreciable improvements, property and equipment, net	<u>62.6</u>	<u>61.1</u>
Total	<u><u>\$ 73.6</u></u>	<u><u>\$ 74.6</u></u>

The three schools (Spencer Trail, Spencer Pointe, and Spencer Crossing) which opened in the 2006-07 school year will provide enough enrollment capacity for the next several years.

Long-term debt

At year-end the District had \$133.3 million in general obligation bonds and other long-term debt outstanding as shown in Table 5. (More detailed information about the District's long-term liabilities is presented in Note III D. to the financial statements.)

Table 5 Long Term Debt	<u>2021</u>	<u>2020</u>
General obligation bonds	114.1	121.0
Capital appreciation bonds	27.5	24.9
Installment contract	<u>0.0</u>	<u>0.1</u>
Total	<u><u>141.6</u></u>	<u><u>146.0</u></u>

New Lenox School District No. 122

Management Discussion and Analysis

For the Year Ended June 30, 2021

Factors Bearing on the District's Future

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

- New property construction which helps support property tax revenue has been consistently strong the past few years. This trend is expected to continue into the future.
- The Village of New Lenox continues to work with developers to bring more retail and commercial properties into the community.
- Please note the TRS On Behalf Contributions amount of \$12.1M reported throughout the report. This value represents what the State of Illinois hypothetically paid to the TRS pension system for the year for the District's TRS eligible employees. The District never actually receives or spends any of these funds. It is important to note that these amounts are included in many of the total revenue and expenditure figures presented throughout the report.
- Illinois approved a new Evidence Based Model method of funding to replace the previous General State Aid formula. NLSD122 received \$5.1M of Evidence Based Funding for FY21. This amount is about the same as the old General State Aid funding.
- NLSD122 provides exceptional programs and services at an efficient cost structure. Strategic cost reductions have been consistently implemented over the years to help create excellent fund balance reserves while maintaining the integrity of the high-quality programs. The District has kept operating expenditures less than operating revenues for several years to help fund annual capital infrastructure improvements without the need to issue any new additional debt. The District looks to consistently pay down the existing debt which was issued many years ago to build nearly half the District's buildings over the past 20 years. The District will continue to strategically plan for the future to ensure financial sustainability, excellent programs, efficient operations and safe, clean, modern facilities while balancing the interests of all constituents. Please note the District's most recent 5 Year Financial Forecast and 10 Year Capital Infrastructure Need plans which are publicly discussed and updated twice per year, every year.
- The District is fortunate to have strong community support as well as having valuable partnerships with the Village of New Lenox, The New Lenox Park District, Lincoln-Way High School District 210 and other neighboring school districts. Collaboration with these other organizations helps to bring better services to the community.

Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact:

Chief School Business Official
New Lenox School District 122
102 South Cedar Road
New Lenox, Illinois, 60451

Basic Financial Statements

New Lenox School District No. 122

Statement of Net Position

	Governmental Activities
<i>June 30, 2021</i>	
Assets	
Equity in pooled cash and investments	\$ 39,619,680
Receivables	
Taxes receivable	33,112,331
Grants receivable	1,151,315
Capital assets not being depreciated:	
Land	10,807,123
Construction in progress	241,081
Capital assets net of accumulated depreciation:	
Land improvements	219,570
Buildings	61,046,039
Equipment	<u>1,288,040</u>
Total assets	<u>147,485,179</u>
Deferred outflow of resources	
Deferred charge on refunding	15,613,730
Deferred outflows pension related	2,028,555
Deferred outflows OPEB related	<u>3,631,439</u>
Total deferred outflow of resources	<u>21,273,724</u>
Liabilities:	
Accounts payable	545,663
Accrued payroll expense	2,994,863
Accrued interest payable	1,152,633
Noncurrent liabilities:	
Due within one year	7,430,000
Due in more than one year	<u>171,023,472</u>
Total liabilities	<u>183,146,631</u>
Deferred inflow of resources	
Property taxes levied for subsequent year	30,124,422
Deferred inflows pension related	4,258,199
Deferred inflows OPEB related	<u>10,241,897</u>
Total deferred inflow of resources	<u>44,624,518</u>
Net position (deficit):	
Net investment in capital assets	(52,980,096)
Restricted for:	
Debt service	6,106,946
Fire prevention and safety	111,226
Municipal retirement/social security	856,516
Transportation	6,393,325
Other purposes	275,528
Unrestricted	<u>(19,775,691)</u>
Total net position (deficit)	<u>\$ (59,012,246)</u>

See accompanying notes to financial statements.

New Lenox School District No. 122

Statement of Activities

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<i>Year Ended June 30, 2021</i>	Expenses				Total Governmental Activities
Functions/programs:					
Governmental activities:					
Instructional	\$ 53,626,873	\$ 1,451,661	\$ 27,405,606	\$ -	\$ (24,769,606)
Support services					
Pupil	5,264,418	-	-	-	(5,264,418)
Other	16,896,148	56,600	-	261,900	(16,577,648)
Transportation	3,380,849	12,250	2,023,459	-	(1,345,140)
Administration	3,221,165	-	-	-	(3,221,165)
Community services	24,025	-	-	-	(24,025)
Interest on long-term debt	<u>9,858,825</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,858,825)</u>
Total governmental activities	\$ <u>92,272,303</u>	\$ <u>1,520,511</u>	\$ <u>29,429,065</u>	\$ <u>261,900</u>	<u>(61,060,827)</u>
General revenues:					
Taxes:					
Property					59,372,261
Personal property replacement					367,645
Evidence based funding					5,070,147
Earnings on investments					66,800
Other income					<u>560,119</u>
Total general revenues					<u>65,436,972</u>
Change in net position (deficit)					<u>4,376,145</u>
Net deficit at beginning of year					(1,898,059)
Prior period adjustments					<u>(61,490,332)</u>
Net deficit, beginning of year, restated					<u>(63,388,391)</u>
Net deficit at end of year					\$ <u>(59,012,246)</u>

See accompanying notes to financial statements.

New Lenox School District No. 122

Balance Sheet

Governmental Funds

<i>June 30, 2021</i>	General Fund	Debt Service Fund	Transportation Fund	Nonmajor Funds	Total
Assets					
Equity in pooled cash and investments	\$ 25,968,593	\$ 5,512,949	\$ 5,926,027	\$ 2,212,111	\$ 39,619,680
Receivables					
Taxes receivable	24,382,398	6,580,019	1,353,191	796,723	33,112,331
Grants receivable	<u>647,114</u>	<u>-</u>	<u>504,201</u>	<u>-</u>	<u>1,151,315</u>
Total assets	<u>\$ 50,998,105</u>	<u>\$ 12,092,968</u>	<u>\$ 7,783,419</u>	<u>\$ 3,008,834</u>	<u>\$ 73,883,326</u>
Liabilities, Deferred Inflows, and Fund Balances					
Liabilities					
Accounts payable	\$ 386,854	\$ -	\$ 158,809	-	\$ 545,663
Accrued payroll expenses	<u>2,994,863</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,994,863</u>
Total liabilities	<u>3,381,717</u>	<u>-</u>	<u>158,809</u>	<u>-</u>	<u>3,540,526</u>
Deferred inflow of resources					
Property taxes levied for subsequent year	<u>22,182,400</u>	<u>5,986,022</u>	<u>1,231,285</u>	<u>724,715</u>	<u>30,124,422</u>
Fund balances					
Restricted	275,528	6,106,946	6,393,325	2,284,119	15,059,918
Unassigned	<u>25,158,460</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,158,460</u>
Total fund balances	<u>25,433,988</u>	<u>6,106,946</u>	<u>6,393,325</u>	<u>2,284,119</u>	<u>40,218,378</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 50,998,105</u>	<u>\$ 12,092,968</u>	<u>\$ 7,783,419</u>	<u>\$ 3,008,834</u>	<u>\$ 73,883,326</u>

See accompanying notes to financial statements.

New Lenox School District No. 122

Reconciliation of the Balance Sheet of Governmental Funds To Statement of Net Position

June 30, 2021

Fund balances - total governmental funds \$ 40,218,378

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

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in funds. The cost of the assets is \$140,370,316 and the accumulated depreciation is \$66,768,463. 73,601,853

Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore, are not reported in the funds. Long-term liabilities and related accounts at year-end consist of:

Bonds payable	(141,565,168)	
Unamortized issuance premiums	(465,384)	
Deferred amount on refunding	15,613,730	
Net OPEB liabilities	(33,068,211)	
Net pension liabilities	(3,354,709)	
Accrued interest payable on long-term debt	<u>(1,152,633)</u>	
 Total		 (163,992,375)

Differences between expected and actual experiences, assumptions changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.

Deferred outflows - pension related	2,028,555	
Deferred outflows - OPEB related	3,631,439	
Deferred inflows - pension related	(4,258,199)	
Deferred inflows - OPEB related	<u>(10,241,897)</u>	
 Total		 <u>(8,840,102)</u>

Net deficit of governmental activities \$ (59,012,246)

See accompanying notes to financial statements.

New Lenox School District No. 122

Statement of Revenues, Expenditures and Changes In Fund Balances Governmental Funds

<i>Year Ended June 30, 2021</i>	General Fund	Debt Service Fund	Transportation Fund	Total Nonmajor Governmental Funds	Total
Revenues					
Local sources					
Property taxes	\$ 43,723,409	\$ 11,785,737	\$ 2,430,602	\$ 1,432,513	\$ 59,372,261
Investment income	42,807	12,915	7,117	3,961	66,800
Other	<u>2,063,147</u>	<u>-</u>	<u>290,148</u>	<u>286,900</u>	<u>2,640,195</u>
Total local sources	<u>45,829,363</u>	<u>11,798,652</u>	<u>2,727,867</u>	<u>1,723,374</u>	<u>62,079,256</u>
State sources					
Evidence Based Funding	5,070,147	-	-	-	5,070,147
Grants-in-aid	<u>164,396</u>	<u>-</u>	<u>2,023,459</u>	<u>-</u>	<u>2,187,855</u>
Total state sources	<u>5,234,543</u>	<u>-</u>	<u>2,023,459</u>	<u>-</u>	<u>7,258,002</u>
Federal sources					
Unrestricted	<u>3,532,446</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,532,446</u>
On behalf revenues - payments by state of Illinois	<u>12,136,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,136,800</u>
Total revenues	<u>66,733,152</u>	<u>11,798,652</u>	<u>4,751,326</u>	<u>1,723,374</u>	<u>85,006,504</u>
Expenditures:					
Current operating					
Instruction	41,296,486	-	-	566,528	41,863,014
Support Services	21,160,514	-	3,380,849	3,238,694	27,780,057
Community services	23,895	-	-	130	24,025
Debt service					
Principal	-	6,876,580	-	-	6,876,580
Interest	-	4,730,418	-	-	4,730,418
Service fees on bonds	<u>-</u>	<u>15,175</u>	<u>-</u>	<u>-</u>	<u>15,175</u>
Total expenditures	<u>62,480,895</u>	<u>11,622,173</u>	<u>3,380,849</u>	<u>3,805,352</u>	<u>81,289,269</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,252,257</u>	<u>176,479</u>	<u>1,370,477</u>	<u>(2,081,978)</u>	<u>3,717,235</u>

New Lenox School District No. 122

Statement of Revenues, Expenditures and Changes In Fund Balances Governmental Funds (Continued)

Year Ended June 30, 2021	General Fund	Debt Service Fund	Transportation Fund	Total Nonmajor Governmental Funds	Total
Other financing sources (uses)					
Transfers in	\$ -	\$ 116,579	\$ -	\$ 5,115,000	\$ 5,231,579
Transfers out	<u>(5,231,579)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,231,579)</u>
Total other financing sources (uses)	<u>(5,231,579)</u>	<u>116,579</u>	<u>-</u>	<u>5,115,000</u>	<u>-</u>
Net change in fund balance	<u>(979,322)</u>	<u>293,058</u>	<u>1,370,477</u>	<u>3,033,022</u>	<u>3,717,235</u>
Fund balances at beginning of year	29,564,482	5,813,888	4,592,308	2,279,870	42,250,548
Prior period adjustment	<u>(3,151,172)</u>	<u>-</u>	<u>430,540</u>	<u>(3,028,773)</u>	<u>(5,749,405)</u>
Fund balances, beginning of year, as restated	<u>26,413,310</u>	<u>5,813,888</u>	<u>5,022,848</u>	<u>(748,903)</u>	<u>36,501,143</u>
Fund balances at end of year	<u>\$ 25,433,988</u>	<u>\$ 6,106,946</u>	<u>\$ 6,393,325</u>	<u>\$ 2,284,119</u>	<u>\$ 40,218,378</u>

See accompanying notes to financial statements.

New Lenox School District No. 122

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2021

Net change in fund balances - total governmental funds \$ 3,717,235

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities - modified cash basis, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation (\$2,974,788) exceeded capitalized expenditures (\$1,930,745) in the current period.

(1,044,043)

The governmental funds record bond and loan proceeds as other financing sources, while repayment of bond and loan principal is reported as an expenditure. In the statement of activities, debt issuance and repayments of bond principal are not reported as they are an increase, or a reduction of long-term liabilities. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

Repayment of bond principal	6,760,000
Repayment of capital lease principal	116,580
Change in net pension liability - TRS	(331,021)
Change in net pension liability - IMRF	1,976,018
Change in net OPEB obligation - HIPRE	(849,213)
Change in net OPEB obligation - THIS	<u>(801,909)</u>

Total 6,870,455

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Accrued interest on long-term debt	102,280
Amortization of deferred amounts on refunding	(2,743,854)
Accretion on bonds	(2,471,658)
Changes in pension deferred outflows and inflows of resources	(1,123,891)
Changes in OPEB deferred outflows and inflows of resources	<u>1,069,621</u>

(5,167,502)

Change in net position (deficit) of governmental activities \$ 4,376,145

See accompanying notes to financial statements.

New Lenox School District No. 122

Notes to Financial Statements

1. Summary of Significant Accounting Policies

New Lenox School District No. 122 (the "District") operates as a public school system governed by a seven member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the significant accounting policies, consistently applied in the accompanying financial statements is described below.

A. Reporting Entity

The District is governed by the Board of Education and provides primary education, transportation, cafeteria, building maintenance and general administrative services.

These financial statements include the District and its component units, entities for which the District is considered financially accountable. At June 30, 2021, no entities were considered component units of the District. At June 30, 2021, the District was not considered a component unit of another entity.

B. Basis of Presentation

1. Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District's operating activities are all considered "governmental activities", that is, activities normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered "business activities"

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

2. Governmental Funds Financial Statements

The fund financial statements provide information about the District's funds, including its fiduciary fund. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

New Lenox School District No. 122

Notes to Financial Statements

B. Basis of Presentation (Continued)

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It is comprised of four subfunds: the Educational Fund, the Operations and Maintenance Fund, the Tort Fund, and the Working Cash Fund. The General Fund accounts for all financial resources of the District, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the accumulation of resources for and the payment of long-term debt principal, interest and related costs.

The Transportation Fund accounts for financial resources held by the District to be used for the transportation of students for school purposes. Revenues received and disbursements from this fund are legally restricted for this specific purpose.

The District has the following nonmajor governmental funds:

Special revenue fund type:

This fund type is used to account for the specific revenue sources that are restricted by law or administrative action to expenditure for specific purposes other than debt service or capital projects. The District's nonmajor special revenue funds is the Municipal Retirement/Social Security Fund.

Capital project fund type:

This fund type accounts for the receipt and disbursement of monies used for the acquisition, construction or improvement of the District's capital facilities. The District's nonmajor capital project funds are the Capital Projects Fund and the Fire Prevention and Safety Fund.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources or economic resources*. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transaction or events.

Basis of Accounting

In the government-wide statement of net position and statement of activities, governmental activities are presented using the economic resources of management focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

New Lenox School District No. 122

Notes to Financial Statements

C. Measurement Focus and Basis of Accounting (Continued)

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they have been earned and they both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after year-end. Revenues collected after 60 days are recorded as unavailable revenue. Expenditures are recorded when the related fund liability is incurred. However, unmatured principal and interest on long-term debt is recognized when due; and certain claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. Entitlements are recorded as revenues when all eligibility requirements are met, including any time the requirement, and the amount is received during the period or within the availability period for this revenue resource (within 60 days of year end). Expenditure -driven grants are recognized as revenue when the qualifying expenditure has been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the District.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Investments

The District's investments are carried at cost. The Illinois statutes authorize the District to invest in U.S. government, state of Illinois and municipal securities; certificates of deposit or time savings deposits insured by the FDIC; mortgage notes, bonds or debentures issued by the Federal Housing Administration; bonds and other obligations of the Federal Housing Finance Administration; certain short-term obligations of U.S. corporations; and external investment pools.

Illinois School District Liquid Asset Fund Plus (ISDALF+) is an investment trust formed pursuant to the Illinois Municipal Code and managed by a board of trustees elected from participating members. ISDLAF+ is not registered with the Securities and Exchange Commission as an investment company.

Cash and investment of the District are pooled into a common pooled account in order to maximize investment opportunities. Each fund whose monies are deposited into the pooled account has an equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month end. An individual fund's equity in the pooled account is available upon demand and is considered to be a cash equivalent when preparing these financial statements. Each fund's portion of the pool is displayed on its respective balance sheet as "equity if pooled cash and investments." In addition, non-pooled cash and investments are separately held and reflected in the respective funds as "cash" and "investments."

New Lenox School District No. 122

Notes to Financial Statements

2. Capital Assets

The District's capital assets are tangible and intangible assets, which include property, plant, equipment, and infrastructure assets (land, building, and equipment), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

As the District constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated acquisition value at the date of the donation. Acquisition value is the price that would be paid to acquire an asset worth equivalent service potential on the date of donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

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

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follow:

Assets	Years
Land improvements	20 years
Buildings	40-50 years
Equipment	3-10 years

In the fund financial statements, capital assets acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

3. Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. The separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow if resources (expense/expenditure) until then. The District has two types of items that qualifies for reporting in this category. Accordingly, the item, *deferred charge of refunding and deferred amounts related to pension and OPEB*. A deferred charge on a refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amount related to pension and OPEB relate differences between the estimated and actual investment earnings, changes in actuarial assumptions, and other pension and OPEB related charges.

New Lenox School District No. 122

Notes to Financial Statements

3. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenues) until that time. The District has two items that qualify for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide financial statements the District reports deferred amounts related to pensions and OPEB.

4. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts, as well as gains (losses) on refunding, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discounts. Gains (losses) on refunding are reported as deferred inflows (outflows) of resources. Bond issuance costs, whether or not withheld or not withheld from the actual debt proceeds received, are reported as expenses.

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

5. Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amount to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

6. Fund Balance Flow Assumptions

Sometimes the District fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

New Lenox School District No. 122

Notes to Financial Statements

7. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Education is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board of Education may, by resolution, authorize an individual to assign fund balance. The Board of Education has not adopted such a resolution. The Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

E. Revenue

1. Program Revenues

Amounts reported as program revenues include 1) charges to individuals or entities that purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Tax Revenue

The District's property tax is levied each year on all taxable real property located in the District on or before the last day in December. The lien date for the levy is January 1. The Board of Education approved the 2020 tax levy on November 17, 2020. Property taxes are payable in two installments on June 1 and September 1 of the following year. The District receives significant distributions of tax receipts approximately one month after these due dates.

F. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets, liabilities, and deferred outflows/inflows of resources; the disclosure of contingent assets and liabilities; and the reported revenues and expenses/expenditures. Actual results could differ from those estimates.

New Lenox School District No. 122

Notes to Financial Statements

2. Deposits and Investments

Deposits

Custodial credit risk for deposits is the risk that, in the event of bank failure, the District's deposits might not be covered. As of June 30, 2021, \$6,835,764 of the District's bank balances of \$7,124,785 was exposed to custodial credit risk and collateralized with letters of credit.

Investments

The District had the following investments as of June 30, 2021:

Investment Type	Cost	Average Credit Quality/ Ratings (1)	Weighted Average Years to Maturity (2)
Pooled investments (3):			
External investment pool:			
ISDLAF+	\$ 32,536,916	AAAm	< 1
Certificates of deposit	<u>247,000</u>	N/A	< 1
Total	<u>\$ 32,783,916</u>		

- (1) Standard & Poor's ratings are provided where applicable to indicate associated *Credit Risk*. N/A indicates not applicable.
- (2) *Interest Rate Risk* is estimated using weighted average years to maturity.
- (3) Pooled cash and investments are reported as *equity in pooled cash and investments*. Investments in the pool are not separately reported in the financial statements as ownership of investments cannot be assigned to individual funds including fiduciary funds. Therefore, total investments will not agree to the financial statements.

Investments Policies

The District's investments are subject to the following risks:

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's in a single issuer.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit investment in commercial paper, corporate bonds, and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations. As of June 30, 2021, the District's investments were rated as shown above by the applicable rating agency.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District's investment policy protects the District from custodial risk by requiring funds on deposit (checking accounts, certificates of deposit, etc.), in excess of FDIC limits, to be collateralized in accordance with Public Funds Investment Act, 30 ILCS 235. All investments are required to be registered and held by a third-party custodian.

New Lenox School District No. 122

Notes to Financial Statements

3. Capital Assets

Governmental activities capital asset balances and activity for the year ended June 30, 2021, were as follows:

Governmental Activities	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 10,807,123	\$ -	\$ -	\$ 10,807,123
Construction in progress	2,728,039	241,081	(2,728,039)	241,081
Total capital assets, not being depreciated	13,535,162	241,081	(2,728,039)	11,048,204
Capital assets, being depreciated:				
Land improvements	4,310,201	-	-	4,310,201
Buildings and improvements	109,560,239	4,346,078	-	113,906,317
Equipment	11,033,969	71,625	-	11,105,594
Total capital assets, being depreciated	124,904,409	4,417,703	-	129,322,112
Accumulated depreciation:				
Land improvements	(4,023,943)	(66,688)	-	(4,090,631)
Buildings and improvements	(50,278,439)	(2,581,839)	-	(52,860,278)
Equipment	(9,491,293)	(326,261)	-	(9,817,554)
Total accumulated depreciation	(63,793,675)	(2,974,788)	-	(66,768,463)
Total capital assets, being depreciated, net	61,110,734	1,442,915	-	62,553,649
Governmental activities capital assets, net	\$ 74,645,896	\$ 1,683,996	\$ (2,728,039)	\$ 73,601,853

Depreciation expense was charged to functions of the District as follows:

Instructional	\$ 61,520
Pupil support	276,852
Other support	789,789
Administration	<u>1,846,627</u>
Total depreciation expense	\$ <u>2,974,788</u>

New Lenox School District No. 122

Notes to Financial Statements

4. Interfund Transfers

Interfund transfers in the fund financial statements on June 30, 2021, are as follows:

Transfer From	Transfer To	Amount
Educational Account	Debt Service Fund	\$ 116,579
Working Cash	Capital Projects Fund	1,000,000
Educational Fund	Capital Projects Fund	<u>4,115,000</u>
Total		<u>\$ 5,231,579</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them or to transfer investment earnings from one fund to another. Transfers are also used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorization.

4. Long-Term Debt

Changes in General Long-term Liabilities. The following is the long-term liability activity for the District for the year ended June 30, 2021:

	Restated Balance June 30, 2020	Additions	Adjustments/ Reductions	Balance June 30, 2021	Amounts due Within One Year
Bonds payable	\$ 145,853,510	\$ 2,471,658	\$ 6,760,000	\$ 141,565,168	\$ 7,430,000
Installment contract payable	116,580	-	116,580	-	-
Deferred amount for issuance premium	507,692	-	42,308	465,384	-
Net Pension Liability - Illinois Municipal Retirement	2,604,592	-	1,975,998	628,594	-
Net Pension Liability - TRS	2,395,094	331,021	-	2,726,115	-
Net OPEB Liability - THIS	26,696,724	801,909	-	27,498,633	-
Net OPEB Liability - Health Insurance Plan for Retired Employees (HIPRE)	<u>4,720,365</u>	<u>849,213</u>	<u>-</u>	<u>5,569,578</u>	<u>-</u>
Total	<u>\$ 182,894,557</u>	<u>\$ 4,453,801</u>	<u>\$ 8,894,886</u>	<u>\$ 178,453,472</u>	<u>\$ 7,430,000</u>

At June 30, 2021, \$6,106,946 of restricted balance was available in the Debt Services Fund to service the above listed bonds payable. The installment contracts payable were liquidated by the Debt Services Fund with transfers in from the Educational Account, a subfund of the General Fund.

New Lenox School District No. 122

Notes to Financial Statements

4. Long-Term Debt (Continued)

General Obligation Bonds

Series 2011A dated December 21, 2011 were issued by the District in the amount of \$10,000,000. Principal payments are due beginning October 1, 2026 through October 1, 2028; interest payments at rate of 3.67% are due on April 1 and October 1. \$ 9,850,000

Series 2011C dated December 21, 2011 were issued by the District in the amount of \$10,000,000. Principal payments are due beginning October 1, 2026 through October 1, 2028; interest payments at rate of 3.52% are due on April 1 and October 1. 10,000,000

Series 2013A dated April 30, 2013 were issued by the District in the amount of \$5,960,000. Principal payments are due through October 1, 2032; interest payments at rate of 4.70% are due on April 1 and October 1. 3,775,000

Series 2013B dated April 30, 2013 were issued by the District in the amount of \$64,815,000. Principal payments are due through October 1, 2032; interest payments at rates from 0.90% and 4.80% are due on April 1 and October 1. 64,120,000

Series 2015 dated December 14, 2015 were issued by the District in the amount of \$2,020,000. Principal payments are due through October 1, 2021; interest payments at rate of 2.99% are due on April 1 and October 1. 695,000

Series 2018 dated July 10, 2018 were issued by the District in the amount of \$15,250,000. Principal payments are due through October 1, 2026; interest payments at rates from 2.350% and 3.632% are due on April 1 and October 1. 11,215,000

Series 2019A dated September 10, 2019 were issued by the District in the amount of 9,670,000. Principal payments are due beginning October 1, 2022 through October 1, 2027; interest payments at rates from 1.825% and 2.111% are due on April 1 and October 1. 9,670,000

Series 2019B dated September 10, 2019 were issued by the District in the amount of \$4,760,000. Principal payments are due beginning October 1, 2028 through October 1, 2032; interest payments at rates from 2.375% and 4.000% are due on April 1 and October 1. 4,760,000

Total general obligation bonds 114,085,000

New Lenox School District No. 122

Notes to Financial Statements

4. Long-Term Debt (Continued)

Capital Appreciation Bonds Payable

Series 2004B dated June 30, 2004 were issued by the District in the amount of \$8,912,291. Principal payments are due through November 1, 2023; interest payments at rates from 3.20% and 5.70% are due on November 1. \$ 13,749,245

Series 2004D dated November 23, 2004 were issued by the District in the amount of \$6,280,299. Principal payments are due through November 1, 2024; interest payments at rate of 5.47% are due on November 1. 7,116,568

Series 2007C dated March 15, 2008 were issued by the District in the amount of \$2,924,275. Principal payments are due beginning October 1, 2025 through October 1, 2026; interest payments at rates from 5.80% and 5.85% are due on October 1. 6,614,355

Total capital appreciation bonds 27,480,168

Total bonds payable \$ 141,565,168

Annual Debt Service Requirements

Annual debt service requirements to maturity for all general obligation bonds are as follows:

Fiscal Year	Principal	Interest	Total
2022	\$ 3,705,000	\$ 4,550,368	\$ 8,255,368
2023	1,720,000	4,463,712	6,183,712
2024	1,590,000	4,412,265	6,002,265
2025	850,000	4,368,956	5,218,956
2026	5,520,000	4,262,174	9,782,174
2027 - 2031	72,840,000	15,595,142	88,435,142
2032 - 2033	27,860,000	85,253	27,945,253
Total	\$ 114,085,000	\$ 37,737,870	\$ 151,822,870

Annual debt service requirements to maturity for capital appreciation bonds are as follows:

Fiscal Year	Principal	Interest	Total
2022	\$ 3,725,000	\$ (2,410,866)	\$ 1,314,134
2023	6,250,000	(1,930,204)	4,319,796
2024	6,745,000	(1,367,704)	5,377,296
2025	9,210,000	(912,673)	8,297,327
2026	3,845,000	(389,315)	3,455,685
2017	4,915,000	(199,070)	4,715,930
Total	\$ 34,690,000	\$ (7,209,832)	\$ 27,480,168

New Lenox School District No. 122

Notes to Financial Statements

4. Long-Term Debt (Continued)

Prior Year Defeasance of Debt

In prior years, the District defeased various bond issues by placing proceeds of the new bonds in irrevocable trust funds to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the District's financial statements. As of June 30, 2021, \$67,378,352 of the defeased bonds remain outstanding.

Legal Debt Margin

The District's statutory debt limit is 6.9% of the Equalized Assessed Valuation of all taxable property located within the boundaries of the District. However, pursuant to the Illinois School Code, certain of the District's bonds are subject to a debt limitation of 15% as a result of the District's successful bond referenda in 1996, 2000, and 2004. Such bonds are eligible for the "exploding enrollment exception" due to an unusually high increase in the District's student enrollment. Alternate Revenue Source Bonds do not constitute debt for the statutory debt limitation purposes. Shown below is the calculation of the District's debt limitation and debt margin as of June 30, 2021:

	15% of Assessed Valuation	6.9% of Assessed Valuation
Assessed valuation - 2020 tax year	\$ <u>1,500,220,164</u>	\$ <u>1,500,220,164</u>
Statutory debt limitation	\$ 225,033,025	\$ 103,515,191
Less debt subject to the limitation: Bonds payable	<u>(86,696,565)</u>	<u>(39,420,000)</u>
Total	\$ <u>138,336,460</u>	\$ <u>64,095,191</u>

5. Other Information

A. Risk Management

The District is exposed to various risks of loss related to tort's; thefts of, damage to and destruction of assets; errors and omissions; employee medical coverage; and workers' compensation for which the District carries commercial insurance. The amount of coverage has not decreased nor have the amount of settlements exceeded coverage in the current year or any of the past three years.

B. Employee 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 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. Each retirement system is discussed below.

New Lenox School District No. 122

Notes to Financial Statements

B. Employee Retirement Systems (Continued)

a. Teachers' Retirement System of the State of Illinois (TRS)

Plan Description

The District participates in the 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/cafrs/fy2020>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2024. One program allows retiring Tier 1 members to receive a partial lump-sum 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 will begin in 2019 and will be funded by bonds issued by the state of Illinois.

New Lenox School District No. 122

Notes to Financial Statements

B. Employee Retirement Systems (Continued)

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2020, was 9.0% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on-behalf of the District. For the year ended June 30, 2021, 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 expenses of \$23,442,997 in the governmental activities based on the economic resources measurement focus and revenues and expenditures of \$11,801,053 in the General Fund based on the current financial resources measurement focus.

2.2 formula contributions. The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2021 were \$157,043, and are deferred because they were paid after the June 30, 2020 measurement date.

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, 2021, the employer pension contribution was 10.41% of salaries paid from federal and special trust funds. For the year ended June 30, 2021, \$177,727 of salaries were paid from the federal and special trust funds and there \$18,501 was the required employer contributions. These contributions are deferred because they were paid after the June 30, 2020 measurement date.

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

New Lenox School District No. 122

Notes to Financial Statements

B. Employee Retirement Systems (Continued)

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2021, the District paid \$5,286 to TRS for contributions due on salary in excess of 6 percent and no payment for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2020, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the District. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net Pension liability	\$ 2,726,115
State's proportionate share of the net pension liability associated with the District	<u>213,523,494</u>
Total	<u>\$ 216,249,609</u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2020, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2020, the employer's proportion was 0.003162%, which was a decrease of 0.000212% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$22,740,391 and revenue of \$22,740,391 for support provided by the state. At June 30, 2021, the District had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources, which are not reported due to the regulatory basis of accounting:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 26,419	\$ 728
Changes in assumptions	11,170	28,603
Net difference between projected and actual earnings in OPEB plan investments	81,398	-
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>147,954</u>	<u>835,394</u>
Total deferred amounts to be recognized in pension expense in future periods	266,941	864,725
District's contributions subsequent to the measurement date	<u>157,043</u>	<u>-</u>
Total	<u>\$ 423,984</u>	<u>\$ 864,725</u>

New Lenox School District No. 122

Notes to Financial Statements

B. Employee Retirement Systems (Continued)

\$157,043 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2022	\$ (285,885)
2023	(235,767)
2024	(111,704)
2025	22,782
2026	<u>12,790</u>
Total	\$ <u>(597,784)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

In the June 30, 2020 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for the TRS experience. The rates are based on a fully-generational basis using projection table MP-2017. In the June 30, 2019 actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2014.

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

New Lenox School District No. 122

Notes to Financial Statements

B. Employee Retirement Systems (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	16.5 %	6.1 %
U.S. equities small/mid cap	2.3 %	7.2 %
International equities developed	12.2 %	7.0 %
Emerging market equities	3.0 %	9.4 %
U.S. bonds core	7.0 %	2.2 %
U.S. bonds high yield	2.5 %	4.1 %
International debt developed	3.1 %	1.5 %
Emerging international debt	3.2 %	4.5 %
Real estate	16.0 %	5.7 %
Private Debt	5.2 %	6.3 %
Hedge Funds	10.0 %	4.3 %
Private Equity	15.0 %	10.5 %
Infrastructure	4.0 %	6.2 %
Total	100.0 %	

Discount Rate

At June 30, 2020, the discount rate used to measure the total pension liability was 7.0%, which was the same as the June 30, 2019 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2020 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net Pension liability	\$ 3,309,007	\$ 2,726,115	\$ 2,246,226

New Lenox School District No. 122

Notes to Financial Statements

B. Employee Retirement Systems (Continued)

Detailed information about the TRS's fiduciary net position as of June 30, 2020 is available in the separately issued TRS Comprehensive Annual Financial Report.

b. Illinois Municipal Retirement Fund (IMRF)

Plan Description and Benefits

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

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

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
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

New Lenox School District No. 122

Notes to Financial Statements

B. Employee Retirement Systems (Continued)

Employees Covered by the Benefit Terms - At the December 31, 2020 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	196
Inactive employees entitled to but not yet receiving benefits	268
Active employees	<u>160</u>
Total	<u>624</u>

Contributions - As set by statute, the employer'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 employer's annual contribution rate for calendar year 2020 was 11.69%. For the fiscal year ended June 30, 2021, the employer contributed \$614,854 to the plan. The employer also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability - The employer's Net Pension Liability was measured as of December 31, 2020, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

Actuarial assumptions – The following are the methods and assumptions used to determine total pension liability at December 31, 2020:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Inflation	2.25
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, amount-weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, amount-weighted, below-median income, general, disabled retirees, male and female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, amount-weighted, below-median income, general, employee, male and female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
Other information: Notes	There were no benefit changes during the year.

New Lenox School District No. 122

Notes to Financial Statements

B. Employee Retirement Systems (Continued)

The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2020:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	37.0 %	5.75 %
International equities	18.0 %	6.50 %
Fixed income	28.0 %	3.25 %
Real estate	7.0 %	5.20 %
Alternatives	9.0 %	3.20-8.50 %
Cash	1.0 %	1.85 %
Total	100.0 %	

Single Discount Rate

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

The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 2.00%, and the resulting single discount rate is 7.25%.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate - The following presents the plan's net pension liability, calculated using the single discount rate of 7.25 percent, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 4,058,081	\$ 628,594	\$ (2,152,755)

New Lenox School District No. 122

Notes to Financial Statements

B. Employee Retirement Systems (Continued)

Due to the District preparing its financial statements on the basis of the financial reporting provisions of the Illinois State Board of Education, pension liabilities and deferred inflows and outflows referred to throughout the note disclosure are not recognized in the actual financial statements.

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2020	<u>\$ 27,573,525</u>	<u>\$ 24,968,933</u>	<u>\$ 2,604,592</u>
Changes for the year:			
Service cost	594,154	-	594,154
Interest on the total Pension liability	1,976,825	-	1,976,825
Changes of benefit terms	(1,208,093)	-	(1,208,093)
Differences between expected and actual experience	(12,662)	-	(12,662)
Changes of assumptions	(224,788)	-	(224,788)
Contributions - employer	-	649,748	(649,748)
Contributions - employees	-	250,117	(250,117)
Net investment income	-	3,542,451	(3,542,451)
Benefit payments, including refunds of employee contributions	-	(1,208,093)	1,208,093
Other (net transfer)	-	(132,789)	132,789
Net changes	<u>1,125,436</u>	<u>3,101,434</u>	<u>(1,975,998)</u>
Balances at December 31, 2020	<u>\$ 28,698,961</u>	<u>\$ 28,070,367</u>	<u>\$ 628,594</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions -

For year ended June 30, 2021, the District recognized pension expense of \$665,430. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources which are not reported due to the financial reporting provisions of the Illinois State Board of Education.

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 79,644	\$ 7,187
Changes in assumptions	-	127,582
Net difference between projected and actual earnings on pension plan investments	<u>1,144,378</u>	<u>3,258,705</u>
Total deferred amounts to be recognized in pension expense in future periods	1,224,022	3,393,474
District's contributions subsequent to the measurement date	<u>380,549</u>	\$ -
Total	<u>\$ 1,604,571</u>	<u>\$ 3,393,474</u>

New Lenox School District No. 122

Notes to Financial Statements

B. Employee Retirement Systems (Continued)

\$380,549 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2022	\$ (680,382)
2023	(299,665)
2024	(839,767)
2025	<u>(349,638)</u>
Total	\$ <u>(2,169,452)</u>

Aggregate Pension Amounts - At June 30, 2021, the District reported the following from all pension plans:

	TRS	IMRF	Total
Net pension liability/(asset)	\$ 2,726,115	\$ 628,594	\$ 3,354,709
Deferred outflows of resources	423,984	1,604,571	2,028,555
Deferred inflows of resources	864,725	3,393,474	4,258,199
Pension expense	22,740,391	665,430	23,405,821

C. Other Postemployment Benefits

a. Teacher Health Insurance Security (THIS)

Plan Description. The District participates in the THIS. The THIS is a cost-sharing, multiple-employer defined benefit post-employment healthcare plan (OPEB) that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. THIS members are retirees of public schools who were certified educators or administrators. Eligibility is currently limited to former full-time employees, and others who were not full-time employees that meet certain requirements, and their dependents. The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.5) (SEGIA) establishes the eligibility and benefit provisions of the plan.

The THIS issues a publicly available financial report that can be obtained at the website of the Illinois Auditor General: <https://www.auditor.illinois.gov/Audit-Report/ABC-List.asp>. The current reports are listed under "Central Management Services"; prior reports are available under "Healthcare and Family Services".

New Lenox School District No. 122

Notes to Financial Statements

C. Other Postemployment Benefits (Continued)

Benefits Provided

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

Amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS.

Contributions

The SEGIA requires that all active contributors to the TRS, who are not employees of a department, make contributions to the plan at a rate of 1.24% of salary and for every employer of a teacher to contribute an amount equal to 0.92% of each teacher's salary. Additionally, the SEGIA requires the State to match the employees' contribution on-behalf of the employer. The Department determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the THIS, an amount equal to the amount certified by the Board of Trustees of TRS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year.

The SEGIA requires that the Department's Director determine the rates and premiums of annuitants and dependent beneficiaries and establish the cost-sharing parameters, as well as funding. Member premiums are set by this statute, which provides for a subsidy of either 50% or 75%, depending upon member benefit choices. Dependents are eligible for coverage, at a rate of 100% of the cost of coverage.

On-behalf contributions to THIS. The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 1.24% of pay during the year ended June 30, 2021. State of Illinois contributions were \$335,747, and the District recognized revenue and expenditures of this amount during the year.

Employer contributions to THIS Fund. The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.92% during the year ended June 30, 2021. For the year ended June 30, 2021, the District paid \$249,102 to the THIS Fund, which was 100 percent of the required contribution.

New Lenox School District No. 122

Notes to Financial Statements

C. Other Postemployment Benefits (Continued)

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

At June 30, 2021, the District's reported a liability for its proportionate share of the net OPEB liability. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$ 27,498,633
State's proportionate share of the net OPEB liability associated with the District	<u>37,253,158</u>
Total	<u>\$ 64,751,791</u>

Plan fiduciary net position as a percentage of the total OPEB liability 0.70 %

The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020. The District's proportion of the net OPEB liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2020, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2020, the District's proportion was 0.102853%, which was a decrease of 0.006396% from its proportion measured as of June 30, 2019.

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 730,610
Changes in assumptions	9,312	4,535,865
Net difference between projected and actual earnings on OPEB plan investments	-	783
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>2,546,051</u>	<u>1,814,207</u>
Total deferred amounts to be recognized in OPEB expense in future periods	2,555,363	7,081,465
District's contributions subsequent to the measurement date	<u>249,102</u>	<u>-</u>
Total	<u>\$ 2,804,465</u>	<u>\$ 7,081,465</u>

\$249,102 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

New Lenox School District No. 122

Notes to Financial Statements

C. Other Postemployment Benefits (Continued)

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2022	\$ (903,734)
2023	(903,661)
2024	(903,508)
2025	(734,127)
2026	(478,103)
2027	(410,146)
2028	(169,380)
2029	<u>(23,443)</u>
Total	\$ <u>(4,526,102)</u>

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, using the following assumptions, applied to all periods including in the measurement date, unless otherwise specified:

Inflation	2.50%
Salary increases	Depends on service and ranges from 9.50% at 1 year of service to 4.00% at 20 or more years of service. Salary increases includes a 3.25% wage inflation assumption.
Investment rate of return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare cost trend rates	Trend for fiscal year 2020 based on expected increases used to develop average costs. For fiscal years after 2020, trend starts at 8.25% for non-Medicare costs and Medicare costs, and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate adjustment due to the repeal of the Excise Tax.

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

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

New Lenox School District No. 122

Notes to Financial Statements

C. Other Postemployment Benefits (Continued)

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since the THIS is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 3.13% as of June 30, 2020, and 2.45% as of June 30, 2019. The decrease in the single discount rate from 3.13% to 2.45% caused the total OPEB liability to increase by approximately \$3,012 million from 2019 to 2020.

The actuarial valuation was based on the Entry Age Normal cost method. Under this method, the normal cost and actuarial accrued liability are directly proportional to the employee's salary. The normal cost rate equals the present value of future benefits at entry age divided by the present value of future salary at entry age. The normal cost at the member's attained age equals the normal cost rate at entry age multiplied by the salary at attained age. The actuarial accrued liability equals the present value of benefits at attained age less present value of future salaries at attained age multiplied by normal cost rate at entry age.

During plan year ending June 30, 2020, the trust earned \$193,000 in interest, and the market value of assets at June 30, 2020 was a \$189 million. Given the low asset value and pay-as-you-go funding policy, the long-term rate of return assumption was zero.

Sensitivity of Net OPEB Liability to Changes in the Single Discount Rate

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 2.45%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.45%) or 1-percentage-point higher (3.45%) than the current rate:

	1% Decrease 1.45%	Current Discount Rate 2.45%	1% Increase 3.45%
District's proportionate share of the net OPEB liability	\$ 33,049,462	\$ 27,498,633	\$ 23,100,978

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

The following presents the District's net OPEB liability, calculated using the healthcare cost trend rate, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage higher or lower, than the current healthcare cost trend rates. They key trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037.

	1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
District's net OPEB liability	\$ 22,117,277	\$ 27,498,633	\$ 34,773,212

New Lenox School District No. 122

Notes to Financial Statements

C. Other Postemployment Benefits (Continued)

(a) One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate trend rate of 3.25% in 2037.

(b) One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.81% in 2027, for non-Medicare coverage, and 5.25% 2037.

b. Defined Post-Employment Benefit Plan

Plan Description:

The District administers a single-employer defined benefit healthcare plan (the "Health Insurance Plan for Retired Employees - HIPRE"). Eligible administrators and support staff that retire from the District may continue their health care coverage for up to the earlier of five years since the benefit commencement date or age 65. IMRF employees that retire from the District may elect to continue their health coverage by paying the monthly premium. HIPRE also provides Teachers Retirement Insurance Program (TRIP) for certified teachers with 15 full years of service with the District. Benefit provisions are established through contractual agreements and may only be amended through negotiations with the Board. All insurance benefits cease when the retired employee begins receiving Medicare coverage, or attains age 65, whichever comes first.

Eligibility

Employees are eligible upon retirement if enrolled in the active medical plan immediately prior to retiring.

The criteria for TRS retirement is as follows:

Tier 1 - Employees must be age 60 with at least 10 years of service, or age 62 with at least 5 years of service

The criteria for IMRF retirement is as follows:

Age 55 and 8 years of service for those hired before January 1, 2011

Age 62 and 10 years of service for those hired on or after January 1, 2011

Employees Covered by Benefit Terms

As of June 30, 2021, the following employees were covered by the benefit terms:

Active participants	521
Retired participants (including spouses)	<u>18</u>
Total	<u>539</u>

New Lenox School District No. 122

Notes to Financial Statements

C. Other Postemployment Benefits (Continued)

Contributions

Contribution requirements are established through contractual agreements and may only be amended through negotiations with the Board. The retiree is responsible for paying the full monthly premium. However, the District provides a monthly reimbursement toward the premium cost at established rates. Retired certified teachers and administrators are receiving an 85% reimbursement of the single TRIP premium from the District. Retired support staff are receiving a 50% reimbursement of the single premium for health benefits.

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to July 1, 2020.

Plan Fiduciary Net Position

The District currently pays for postemployment health care benefits on a pay-as-you-go basis. Therefore, no trust has been established for future costs, and no net position is held for postemployment health care obligations.

Actuarial Assumptions

The following are the methods and assumptions used to determine the total OPEB liability at June 30, 2021:

Actuarial cost method	Entry Age Cost
Asset valuation method	N/A
Payroll increases	3.00
Investment rate of return	N/A
Participation	100% of active employees are assumed to participate upon retirement.
Mortality	Pub-2010 Public Retirement Plans General mortality table projected generationally with scale MP-2020.
Other information: Notes	The medical trend rate table was reset in fiscal 2020. The dental trend rate is 4.00% per year.

Discount Rate

The District does not have a dedicated Trust to pay the benefits of the Plan. Per GASB 75, this discount rate is a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The discount rate used is 2.21%.

New Lenox School District No. 122

Notes to Financial Statements

C. Other Postemployment Benefits (Continued)

Changes in Net OPEB Liability

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A) - (B)
Balances at June 30, 2020	\$ 4,720,365	\$ -	\$ 4,720,365
Changes for the year:			
Service cost	251,879	-	251,879
Interest on the total OPEB liability	171,239	-	171,239
Changes of assumptions	585,505	-	585,505
Contributions - employees	-	159,410	159,410
Benefit payments, including refunds of employee contributions	(159,410)	(159,410)	-
Net changes	849,213	\$ -	\$ 849,213
Balances at June 30, 2021	\$ 5,569,578	\$ -	\$ 5,569,578

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 2.21%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current rate:

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	\$ 5,975,974	\$ 5,569,578	\$ 5,178,582

Sensitivity of the Net OPEB Liability to Changes in the Trend Rate

The actuarial valuation did not include a health care trend rate, yet assumed there would be no increase in benefit level. Therefore, an estimation of what the net OPEB liability would be if it were calculated using a trend rate that is 1% higher and lower is not applicable.

	1% Decrease	Healthcare Cost Trend Rate Assumptions	1% Increase
Total OPEB liability	\$ 4,903,240	\$ 5,569,578	\$ 6,351,769

New Lenox School District No. 122

Notes to Financial Statements

C. Other Postemployment Benefits (Continued)

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

For the year ended June 30, 2021, the District recognized OPEB expense of \$139,666. At June 30, 2021, the District reported \$390,135 deferred outflows of resources and \$3,708,898 deferred inflows of resources related to OPEB. The following represents the deferred outflows of resources related to OPEB:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 2,527,861
Changes in assumptions	<u>826,974</u>	<u>632,571</u>
Total	<u>\$ 826,974</u>	<u>\$ 3,160,432</u>

The total deferred outflows related to OPEB will be recognized in future years as follows:

Year ended June 30:	Net Deferred Outflows (Inflows) of Resources
2022	\$ (399,800)
2023	(399,800)
2024	(399,800)
2025	(399,801)
2026	(371,032)
Thereafter	<u>(363,225)</u>
Total	<u>\$ (2,333,458)</u>

Aggregate OPEB Amounts - At June 30, 2021, the District reported the following from all pension plans:

	THIS	HIPRE	Total
Net OPEB liability/(asset)	\$ 27,498,633	\$ 5,569,578	\$ 33,068,211
Deferred outflows of resources	2,804,465	826,974	3,631,439
Deferred inflows of resources	7,081,465	3,160,432	10,241,897
OPEB expense	803,122	23,318	826,440

6. Jointly Governed Organization

The District has an intergovernmental agreement with the Lincoln-Way Area Special Education Cooperative 843. The Cooperative charged the District \$1,306,879 for special education, transportation, and related expenditures during the year ended June 30, 2021.

New Lenox School District No. 122

Notes to Financial Statements

7. Change in Accounting Principles

During the year, the District changed its accounting method from the modified cash basis to the modified accrual basis. The District believes that the new method more closely reflects its financial position and results of operations. As a result of the change, the District reported the following changes to fund balances of the fund financial statements:

<i>Year Ended June 30, 2021</i>	Beginning Fund Balance, as Previously Reported	Prior Period Adjustment	Beginning Fund Balance, as Restated
General Fund:			
Educational Account	\$ 23,647,657	\$ (3,007,142)	\$ 20,640,515
Operations and Maintenance Account	2,668,496	(144,030)	2,524,466
Transportation Fund	4,592,308	430,540	5,022,848
Capital Projects Fund	<u>1,342,576</u>	<u>(3,028,773)</u>	<u>(1,686,197)</u>
Total	<u>\$ 32,251,037</u>	<u>\$ (5,749,405)</u>	<u>\$ 26,501,632</u>

The District also reported changes to its government-wide net position to recognize pension liabilities of \$4,999,706; deferred items related to pensions, \$1,105,753; net OPEB liabilities, \$31,417,089; deferred items related to OPEB, \$7,680,079; capital appreciation bonds, \$13,150,360 and accrued interest payable \$1,212,605.

The District restated the cost and accumulated depreciation related to its capital assets due to accounts payable adjustments. The restatement increased the carrying value of capital assets by \$3,824,665.

In total, the District's governmental activities recognized a prior period adjustment of \$61,490,332.

8. Subsequent Events

On September 14, 2021, the District issued \$15,145,000 of General Obligation Refunding School Bonds, Series 2021. The interest rate on the bonds is 5.00% and the maturity date is October 1, 2031.

Management has evaluated subsequent events through October 19, 2021, which is the date of the financial statements were available to be issued.

New Lenox School District No. 122

Schedule of Changes in the Employer's Net Pension Liability and Related Ratios

Illinois Municipal Retirement Fund

Last Seven Calendar Years

<i>Calendar year ending December 31,</i>	2020	2019	2018	2017
Total Pension Liability				
Service cost	\$ 594,154	\$ 567,058	\$ 517,729	\$ 539,117
Interest	1,976,825	1,853,963	1,766,374	1,728,579
Differences between expected and actual experience	(12,662)	431,662	76,474	(63,893)
Changes of assumption	(224,788)	-	722,810	(699,634)
Benefit payments, including refunds of member contributions	<u>(1,208,093)</u>	<u>(1,135,075)</u>	<u>(1,040,512)</u>	<u>(938,582)</u>
Net change in total pension liability	1,125,436	1,717,608	2,042,875	565,587
Total pension liability, beginning	<u>27,573,545</u>	<u>25,855,937</u>	<u>23,813,062</u>	<u>23,247,475</u>
Total pension liability, ending	<u>\$ 28,698,981</u>	<u>\$ 27,573,545</u>	<u>\$ 25,855,937</u>	<u>\$ 23,813,062</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 649,748	\$ 554,139	\$ 641,433	\$ 619,438
Contributions - employees	250,117	252,621	232,218	221,934
Net investment income	3,542,451	3,982,848	(1,181,384)	3,382,957
Benefit payments, including refunds of member contributions	(1,208,093)	(1,135,075)	(1,040,512)	(938,582)
Administrative expense	<u>(132,789)</u>	<u>32,704</u>	<u>304,720</u>	<u>(261,476)</u>
Net change in plan fiduciary net position	3,101,434	3,687,237	(1,043,525)	3,024,271
Plan net position, beginning	<u>24,968,933</u>	<u>21,281,696</u>	<u>22,325,221</u>	<u>19,300,950</u>
Plan net position, ending	<u>\$ 28,070,367</u>	<u>\$ 24,968,933</u>	<u>\$ 21,281,696</u>	<u>\$ 22,325,221</u>
Net pension liability (asset)	<u>\$ 628,614</u>	<u>\$ 2,604,612</u>	<u>\$ 4,574,241</u>	<u>\$ 1,487,841</u>
Plan fiduciary net position as a percentage of the total pension liability	97.81 %	90.55 %	82.31 %	93.75 %
Covered valuation payroll	5,558,155	5,432,731	5,160,369	4,931,840
Net pension liability as a percentage of covered payroll	11.31 %	47.94 %	88.64 %	30.17 %

2016	2015	2014
\$ 514,489	\$ 511,852	\$ 477,671
1,630,248	1,542,037	1,384,694
83,686	8,873	147,571
(112,200)	54,090	868,321
<u>(929,392)</u>	<u>(831,502)</u>	<u>(702,723)</u>
1,186,831	1,285,350	2,175,534
<u>22,060,644</u>	<u>20,775,294</u>	<u>18,599,760</u>
<u>\$ 23,247,475</u>	<u>\$ 22,060,644</u>	<u>\$ 20,775,294</u>
\$ 575,500	\$ 562,038	\$ 517,712
207,181	202,326	189,353
1,246,961	91,398	1,053,637
(929,392)	(831,502)	(702,723)
<u>122,542</u>	<u>(259,338)</u>	<u>(15,303)</u>
1,222,792	(235,078)	1,042,676
<u>18,078,158</u>	<u>18,313,236</u>	<u>17,270,560</u>
<u>\$ 19,300,950</u>	<u>\$ 18,078,158</u>	<u>\$ 18,313,236</u>
<u>\$ 3,946,525</u>	<u>\$ 3,982,486</u>	<u>\$ 2,462,058</u>
83.02 %	81.95 %	88.15 %
4,603,996	4,495,881	4,338,184
85.72 %	88.58 %	56.75 %

New Lenox School District No. 122

Schedule of Employer Contributions

Illinois Municipal Retirement Fund

Last Eight Fiscal Years

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contributions as a Percentage of Covered Valuation Payroll
2021	\$ 665,117	\$ 665,117	\$ -	\$ 5,648,345	11.78 %
2020	649,748	649,748	-	5,558,155	11.69 %
2019	554,139	554,139	-	5,432,731	10.20 %
2018	641,434	641,433	1	5,160,369	12.43 %
2017	619,439	619,438	1	4,931,840	12.56 %
2016	575,500	575,500	-	4,603,996	12.50 %
2015	561,985	562,038	(53)	4,495,881	12.50 %
2014	542,273	517,712	24,561	4,338,184	11.93 %

Notes to Schedule

Valuation date:

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 23-year closed. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 18 years for most employers (three employers were financed over 27 years and four others were financed over 28 years).
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.25%
Inflation	2.50%
Salary increases	3.35% to 14.25%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014 - 2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes: There were no benefit changes during the year.

New Lenox School District No. 122

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

Last Seven Fiscal Years

	2020*	2019*	2018*	2017*
District's proportion of the net pension liability	0.003162 %	0.002950 %	0.003450 %	0.005140 %
District's proportion share of the net pension liability	\$ 2,726,115	\$ 2,395,094	\$ 2,694,171	\$ 3,930,005
State's proportionate share of the net pension liability associated with the District	<u>213,523,494</u>	<u>170,456,203</u>	<u>184,562,023</u>	<u>175,003,435</u>
Total	<u>\$ 216,249,609</u>	<u>\$ 172,851,297</u>	<u>\$ 187,256,194</u>	<u>\$ 178,933,440</u>
District's covered payroll	\$ 26,616,256	\$ 26,665,704	\$ 24,729,039	\$ 20,507,714
District's proportionate share of the net pension liability as a percentage of covered payroll	10.24 %	8.98 %	10.89 %	19.16 %
Plan fiduciary net position as a percentage of the total pension liability	37.80 %	39.60 %	40.00 %	39.30 %

Notes to Schedule

Changes of assumptions

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

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

* The amounts presented were determined as of the prior fiscal-year end. The District implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

See Independent Audit Report on Required Supplementary Information.

2016*	2015*	2014*
0.005060 %	0.006690 %	0.005980 %
\$ 3,995,794	\$ 4,383,488	\$ 3,642,230
<u>182,421,377</u>	<u>156,688,550</u>	<u>143,578,207</u>
<u>\$ 186,417,171</u>	<u>\$ 161,072,038</u>	<u>\$ 147,220,437</u>
\$ 22,937,723	\$ 24,235,074	\$ 23,254,021
17.42 %	18.09 %	15.66 %
36.40 %	41.50 %	43.00 %

New Lenox School District No. 122

Schedule of Employer Contributions

Teachers' Retirement System

Last Seven Fiscal Years

Fiscal Year Ended June 30,	Contractually Required Contributions	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 157,043	\$ 156,942	\$ 101	\$ 27,076,347	0.58 %
2020	154,374	140,908	13,466	26,616,256	0.53
2019	134,093	134,093	-	23,119,431	0.58
2018	143,615	143,615	-	24,761,207	0.58
2017	118,945	118,945	-	20,507,714	0.58
2016	133,039	133,039	-	22,937,723	0.58
2015	140,563	140,563	-	24,235,074	0.58

Note: Schedule is intended to show information for ten years, additional years' information will be displayed as it becomes available.

See Independent Audit Report on Required Supplementary Information.

New Lenox School District No. 122

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

Last Four Fiscal Years

	2021*	2020	2019	2018
District's proportion of the net OPEB liability	0.102853 %	0.096457 %	0.104315 %	0.102781 %
District's proportion share of the net OPEB liability	\$ 27,498,633	\$ 26,696,724	\$ 27,482,727	\$ 26,671,150
State's proportionate share of the net OPEB liability associated with the District	<u>37,253,158</u>	<u>36,150,770</u>	<u>36,903,376</u>	<u>35,025,847</u>
	<u>\$ 64,751,791</u>	<u>\$ 62,847,494</u>	<u>\$ 64,386,103</u>	<u>\$ 61,696,997</u>
District's covered payroll	\$ 27,076,347	\$ 26,616,256	\$ 24,729,039	\$ 20,507,714
District's proportionate share of the net OPEB liability as a percentage of covered payroll	101.56 %	100.30 %	111.14 %	130.05 %
Plan fiduciary net position as a percentage of the total OPEB liability	(0.24)%	(0.22)%	(0.07)%	(0.17)%

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

New Lenox School District No. 122

Schedule of Employer Contributions Teachers' Health Insurance Security Fund

Last Four Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 249,102	\$ 249,102	\$ -	\$ 27,076,347	0.92 %
2020	244,870	195,590	49,280	26,616,256	0.73 %
2019	218,188	218,188	-	23,716,087	0.92 %
2018	194,751	194,751	-	22,130,795	0.88 %

The District implemented GASB 75 beginning with the fiscal year ended June 30, 2018. Therefore 10 years of information are not available.

New Lenox School District No. 122

Schedule of the District's Proportionate Share of the Net OPEB Liability and Related Ratios

Health Insurance Plan for Retired Employees (HIPRE)

Last Four Fiscal Years

	2021	2020	2019	2018
Total OPEB Liability				
Service cost	\$ 251,879	\$ 382,616	\$ 378,686	\$ 456,033
Interest	171,239	278,955	222,867	213,931
Differences between expected and actual experience	-	(3,055,384)	-	(445,379)
Changes of assumption	585,505	455,157	(201,377)	(667,207)
Benefit payments, including refunds of member contributions	(159,410)	(332,994)	(299,743)	(207,806)
Net change in total OPEB liability	849,213	(2,271,650)	100,433	(650,428)
Total OPEB liability, beginning	4,720,365	6,992,015	6,891,582	7,542,010
Total OPEB liability - ending	<u>\$ 5,569,578</u>	<u>\$ 4,720,365</u>	<u>\$ 6,992,015</u>	<u>\$ 6,891,582</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 159,410	\$ 332,994	\$ 299,743	\$ 207,806
Benefit payments, including refunds of member contributions	(159,410)	(332,994)	(299,743)	(207,806)
Net change in plan fiduciary net position	-	-	-	-
Employer's net pension liability (asset)	<u>\$ 5,569,578</u>	<u>\$ 4,720,365</u>	<u>\$ 6,992,015</u>	<u>\$ 6,891,582</u>
Covered payroll	\$ 28,770,878	\$ 28,491,443	\$ 26,515,035	\$ 19,802,924
Employer's net OPEB liability as a percentage of covered payroll	19.36 %	16.57 %	26.37 %	34.80 %

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

New Lenox School District No. 122
Schedule of Employer Contributions
Health Insurance Plan for Retired Employees (HIPRE)
Last Four Calendar Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 23,318	\$ 159,410	\$ (136,092)	\$ 28,770,878	0.55 %
2020	178,127	332,994	(154,867)	28,491,443	1.17 %
2019	489,570	299,743	189,827	26,515,035	1.13 %
2018	669,964	207,806	462,158	19,802,924	1.05 %

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

New Lenox School District No. 122

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual General Fund and Major Special Revenue Fund

Year Ended June 30, 2021	General Fund			Transportation Fund		
	Original and Final Budget	Actual	Variance with Final Budget	Original and Final Budget	Actual	Variance with Final Budget
Revenues						
Local sources	\$ 45,439,616	\$ 45,829,363	\$ 389,747	\$ 2,533,736	\$ 2,727,867	\$ 194,131
State sources	25,207,117	17,371,343	(7,835,774)	1,803,436	2,023,459	220,023
Federal sources	<u>1,776,137</u>	<u>3,532,446</u>	<u>1,756,309</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>72,422,870</u>	<u>66,733,152</u>	<u>(5,689,718)</u>	<u>4,337,172</u>	<u>4,751,326</u>	<u>414,154</u>
Expenditures						
Instruction	\$ 51,514,151	\$ 41,296,486	\$ 10,217,665	\$ -	\$ -	\$ -
Support services	21,904,660	21,160,514	744,146	3,814,000	3,380,849	433,151
Community services	<u>27,770</u>	<u>23,895</u>	<u>3,875</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>73,446,581</u>	<u>62,480,895</u>	<u>10,965,686</u>	<u>3,814,000</u>	<u>3,380,849</u>	<u>433,151</u>
Excess of revenue over (under) expenditures	<u>(1,023,711)</u>	<u>4,252,257</u>	<u>5,275,968</u>	<u>523,172</u>	<u>1,370,477</u>	<u>847,305</u>
Other financing uses						
Transfers out	<u>(5,231,579)</u>	<u>(5,231,579)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (6,255,290)</u>	<u>(979,322)</u>	<u>\$ 5,275,968</u>	<u>\$ 523,172</u>	<u>1,370,477</u>	<u>\$ 847,305</u>
Fund balance at beginning of year		29,564,482			4,592,308	
Prior period adjustment		<u>(3,151,172)</u>			<u>430,540</u>	
Fund balance, beginning of year, as restated		<u>26,413,310</u>			<u>5,022,848</u>	
Fund balance end of year		<u>\$ 25,433,988</u>			<u>\$ 6,393,325</u>	

New Lenox School District No. 122

Notes to Required Supplementary Information

Budgetary Data

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments.

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

1. The Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to October 1 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
4. The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The budget, which was not amended, was adopted on September 15, 2020.
5. Formal budgetary integration is employed as a management control device during the year for all Governmental Funds.
6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.
7. The budget lapses at the end of each fiscal year.

New Lenox School District No. 122

Combining Balance Sheet by Account General Fund

<i>June 30, 2021</i>	Educational	Operations and Maintenance	Working Cash	Tort	Total
Assets					
Equity in pooled cash and investments	\$ 20,360,521	\$ 3,352,583	\$ 2,231,854	\$ 23,635	\$ 25,968,593
Receivables					
Taxes receivable	21,577,111	2,802,287	1,500	1,500	24,382,398
Grants receivables	<u>647,114</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>647,114</u>
Total assets	<u>\$ 42,584,746</u>	<u>\$ 6,154,870</u>	<u>\$ 2,233,354</u>	<u>\$ 25,135</u>	<u>\$ 50,998,105</u>
Liabilities					
Accounts payables	\$ 199,289	\$ 187,565	\$ -	\$ -	\$ 386,854
Accrued payroll expenses	<u>2,771,085</u>	<u>223,778</u>	<u>-</u>	<u>-</u>	<u>2,994,863</u>
Total liabilities	<u>2,970,374</u>	<u>411,343</u>	<u>-</u>	<u>-</u>	<u>3,381,717</u>
Deferred inflow of resources					
Property taxes levied for subsequent year	<u>19,630,189</u>	<u>2,549,211</u>	<u>1,500</u>	<u>1,500</u>	<u>22,182,400</u>
Fund balances					
Restricted	251,893	-	-	23,635	275,528
Unassigned	<u>19,732,290</u>	<u>3,194,316</u>	<u>2,231,854</u>	<u>-</u>	<u>25,158,460</u>
Total fund balances	<u>19,984,183</u>	<u>3,194,316</u>	<u>2,231,854</u>	<u>23,635</u>	<u>25,433,988</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 42,584,746</u>	<u>\$ 6,154,870</u>	<u>\$ 2,233,354</u>	<u>\$ 25,135</u>	<u>\$ 50,998,105</u>

New Lenox School District No. 122

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances by Account General Fund

<i>Year Ended June 30, 2021</i>	Educational	Operations and Maintenance	Working Cash	Tort	Total
Revenue					
Local sources					
Property taxes	\$ 38,692,019	\$ 5,028,586	\$ 1,402	\$ 1,402	\$ 43,723,409
Investment income	33,883	4,568	4,322	34	42,807
Other	<u>2,056,581</u>	<u>6,566</u>	<u>-</u>	<u>-</u>	<u>2,063,147</u>
Total local sources	<u>40,782,483</u>	<u>5,039,720</u>	<u>5,724</u>	<u>1,436</u>	<u>45,829,363</u>
State sources					
Evidence based funding	5,070,147	-	-	-	5,070,147
Grants-in-aid	<u>164,396</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>164,396</u>
Total state sources	<u>5,234,543</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,234,543</u>
Federal sources					
Unrestricted	<u>3,532,446</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,532,446</u>
On behalf revenues	<u>12,136,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,136,800</u>
Total revenues	<u>61,686,272</u>	<u>5,039,720</u>	<u>5,724</u>	<u>1,436</u>	<u>66,733,152</u>
Expenditures					
Instruction	<u>41,296,486</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,296,486</u>
Support services					
Pupils	4,789,296	-	-	-	4,789,296
Instructional staff	3,255,272	-	-	-	3,255,272
General administration	1,319,055	-	-	-	1,319,055
School administration	3,876,232	-	-	-	3,876,232
Business	2,614,579	4,369,870	-	-	6,984,449
Central	898,151	-	-	-	898,151
Other	<u>38,059</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,059</u>
Total support services	<u>16,790,644</u>	<u>4,369,870</u>	<u>-</u>	<u>-</u>	<u>21,160,514</u>
Community services	<u>23,895</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,895</u>
Total expenditures	<u>58,111,025</u>	<u>4,369,870</u>	<u>-</u>	<u>-</u>	<u>62,480,895</u>

New Lenox School District No. 122
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances by Account
General Fund (Continued)

Year Ended June 30, 2021	Educational	Operations and Maintenance	Working Cash	Tort	Total
Excess of revenues over (under) expenditures	<u>3,575,247</u>	<u>669,850</u>	<u>5,724</u>	<u>1,436</u>	<u>4,252,257</u>
Other financing sources (uses)					
Transfers out	<u>(4,231,579)</u>	<u>-</u>	<u>(1,000,000)</u>	<u>-</u>	<u>(5,231,579)</u>
Total other financing uses	<u>(4,231,579)</u>	<u>-</u>	<u>(1,000,000)</u>	<u>-</u>	<u>(5,231,579)</u>
Net change in fund balance	<u>(656,332)</u>	<u>669,850</u>	<u>(994,276)</u>	<u>1,436</u>	<u>(979,322)</u>
Fund balances at beginning of year	23,647,657	2,668,496	3,226,130	22,199	29,564,482
Prior period adjustment	<u>(3,007,142)</u>	<u>(144,030)</u>	<u>-</u>	<u>-</u>	<u>(3,151,172)</u>
Fund balance, beginning of year, as restated	<u>20,640,515</u>	<u>2,524,466</u>	<u>3,226,130</u>	<u>22,199</u>	<u>26,413,310</u>
Fund balances at end of year	<u>\$ 19,984,183</u>	<u>\$ 3,194,316</u>	<u>\$ 2,231,854</u>	<u>\$ 23,635</u>	<u>\$ 25,433,988</u>

New Lenox School District No. 122

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

<i>Year Ended June 30, 2021</i>	Educational Account		
	2021		
	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 38,428,571	\$ 38,692,019	\$ 263,448
Investment income	78,603	33,883	(44,720)
Other	<u>1,911,464</u>	<u>2,056,581</u>	<u>145,117</u>
Total local sources	<u>40,418,638</u>	<u>40,782,483</u>	<u>363,845</u>
State sources			
Evidence based funding	5,066,069	5,070,147	4,078
Grants-in-aid	<u>141,048</u>	<u>164,396</u>	<u>23,348</u>
Total state sources	<u>5,207,117</u>	<u>5,234,543</u>	<u>27,426</u>
Federal sources			
Unrestricted	<u>1,776,137</u>	<u>3,532,446</u>	<u>1,756,309</u>
On behalf revenues	<u>20,000,000</u>	<u>12,136,800</u>	<u>(7,863,200)</u>
Total revenues	<u>67,401,892</u>	<u>61,686,272</u>	<u>(5,715,620)</u>
Expenditures			
Instruction	<u>51,514,151</u>	<u>41,296,486</u>	<u>10,217,665</u>
Support services			
Pupils	5,189,763	4,789,296	400,467
Instructional staff	3,712,024	3,255,272	456,752
General administration	1,298,790	1,319,055	(20,265)
School administration	3,791,918	3,876,232	(84,314)
Business	1,979,732	2,614,579	(634,847)
Central	1,215,548	898,151	317,397
Other	<u>-</u>	<u>38,059</u>	<u>(38,059)</u>
Total support services	<u>17,187,775</u>	<u>16,790,644</u>	<u>397,131</u>
Community services	<u>22,770</u>	<u>23,895</u>	<u>(1,125)</u>
Payments to other districts and government units	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>68,729,696</u>	<u>58,111,025</u>	<u>10,618,671</u>

New Lenox School District No. 122

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

<i>Year Ended June 30, 2021</i>	Educational Account		
	2021		
	Original and Final Budget	Actual	Variance with Final Budget
Excess of revenues over expenditures	<u>(1,327,804)</u>	<u>3,575,247</u>	<u>4,903,051</u>
Other Financing Uses			
Transfers out	<u>(4,231,579)</u>	<u>(4,231,579)</u>	<u>-</u>
Net change in fund balance	<u>(5,559,383)</u>	<u>(656,332)</u>	<u>4,903,051</u>
Fund balance at beginning of year	23,647,657	23,647,657	-
Prior period adjustment	<u>-</u>	<u>(3,007,142)</u>	<u>3,007,142</u>
Fund balance, beginning of year, as restated	<u>23,647,657</u>	<u>20,640,515</u>	<u>3,007,142</u>
Fund balance at end of year	<u>\$ 18,088,274</u>	<u>\$ 19,984,183</u>	<u>\$ 7,910,193</u>

New Lenox School District No. 122

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

<i>Year Ended June 30, 2021</i>	Operations and Maintenance Account		
	2021		
	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 4,995,670	\$ 5,028,586	\$ 32,916
Investment income	7,084	4,568	(2,516)
Other	<u>500</u>	<u>6,566</u>	<u>6,066</u>
Total revenues	<u>5,003,254</u>	<u>5,039,720</u>	<u>36,466</u>
Expenditures			
Current			
Support services			
Business	<u>4,716,885</u>	<u>4,369,870</u>	<u>347,015</u>
Excess of revenue over (under) expenditures	<u>286,369</u>	<u>669,850</u>	<u>(310,549)</u>
Other Financing Sources			
Net change in fund balance	<u>286,369</u>	<u>669,850</u>	<u>(310,549)</u>
Fund balance at beginning of year	2,668,496	2,668,496	-
Prior period adjustment	<u>-</u>	<u>(144,030)</u>	<u>144,030</u>
Fund balance, beginning of year, as restated	<u>2,668,496</u>	<u>2,524,466</u>	<u>144,030</u>
Fund balance at end of year	<u>\$ 2,954,865</u>	<u>\$ 3,194,316</u>	<u>\$ (166,519)</u>

New Lenox School District No. 122

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

	Working Cash Account		
	2021		
<i>Year Ended June 30, 2021</i>	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 1,465	\$ 1,402	\$ (63)
Investment income	<u>11,292</u>	<u>4,322</u>	<u>(6,970)</u>
 Total revenues	<u>12,757</u>	<u>5,724</u>	<u>(7,033)</u>
 Excess of revenue over (under) expenditures	<u>12,757</u>	<u>5,724</u>	<u>(7,033)</u>
 Other Financing Uses			
Transfers out	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>-</u>
 Net change in fund balance	(987,243)	(994,276)	(7,033)
 Fund balance at beginning of year	<u>3,226,130</u>	<u>3,226,130</u>	<u>-</u>
 Fund balance at end of year	<u>\$ 2,238,887</u>	<u>\$ 2,231,854</u>	<u>\$ (7,033)</u>

New Lenox School District No. 122

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

	Tort Immunity Account		
	2021		
<i>Year Ended June 30, 2021</i>	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 1,465	\$ 1,402	\$ (63)
Investment income	<u>3,502</u>	<u>34</u>	<u>(3,468)</u>
Total revenues	<u>4,967</u>	<u>1,436</u>	<u>(3,531)</u>
Net change in fund balance	4,967	1,436	(3,531)
Fund balance at beginning of year	<u>22,199</u>	<u>22,199</u>	<u>-</u>
Fund balance at end of year	<u>\$ 27,166</u>	<u>\$ 23,635</u>	<u>\$ (3,531)</u>

New Lenox School District No. 122

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

<i>Year Ended June 30, 2021</i>	Debt Service Fund		
	2021		
	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 11,733,889	\$ 11,785,737	\$ 51,848
Investment income	<u>14,655</u>	<u>12,915</u>	<u>(1,740)</u>
Total revenues	<u>11,748,544</u>	<u>11,798,652</u>	<u>50,108</u>
Expenditures			
Debt service			
Principal	6,703,163	6,876,580	(173,417)
Interest	4,903,878	4,730,418	173,460
Service fees on bonds	<u>116,579</u>	<u>15,175</u>	<u>101,404</u>
Total expenditures	<u>11,723,620</u>	<u>11,622,173</u>	<u>101,447</u>
Excess of revenue over expenditures	<u>24,924</u>	<u>176,479</u>	<u>151,555</u>
Other financing sources			
Transfers in	<u>116,579</u>	<u>116,579</u>	<u>-</u>
Total other financing sources	<u>116,579</u>	<u>116,579</u>	<u>-</u>
Net change in fund balance	141,503	293,058	151,555
Fund balance at beginning of year	<u>5,813,888</u>	<u>5,813,888</u>	<u>-</u>
Fund balance at end of year	<u>\$ 5,955,391</u>	<u>\$ 6,106,946</u>	<u>\$ 151,555</u>

New Lenox School District No. 122

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

	Transportation Fund		
	2021		
<i>Year Ended June 30, 2021</i>	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 2,420,190	\$ 2,430,602	\$ 10,412
Earnings on investments	16,161	7,117	(9,044)
Other	<u>20,000</u>	<u>290,148</u>	<u>270,148</u>
Total local sources	<u>2,456,351</u>	<u>2,727,867</u>	<u>271,516</u>
State sources			
Grants-in-aid	<u>1,803,436</u>	<u>2,023,459</u>	<u>220,023</u>
Total revenues	<u>4,259,787</u>	<u>4,751,326</u>	<u>491,539</u>
Expenditures			
Current			
Supporting services			
Business	<u>3,814,000</u>	<u>3,380,849</u>	<u>433,151</u>
Net change in fund balance	<u>445,787</u>	<u>1,370,477</u>	<u>924,690</u>
Fund balance at beginning of year	4,592,308	4,592,308	-
Prior period adjustment	<u>-</u>	<u>430,540</u>	<u>(430,540)</u>
Fund balance, beginning of year, as restated	<u>4,592,308</u>	<u>5,022,848</u>	<u>(430,540)</u>
Fund balance at end of year	<u>\$ 5,038,095</u>	<u>\$ 6,393,325</u>	<u>\$ 494,150</u>

New Lenox School District No. 122

Combining Balance Sheet Nonmajor Governmental Funds

<i>Year Ended June 30, 2021</i>	IMRF/Social Security Fund	Capital Projects Funds	Fire Prevention & Safety Fund	Total
Assets				
Cash and cash equivalents	\$ 784,508	\$ 1,316,377	\$ 111,226	\$ 2,212,111
Receivables				
Taxes receivable	<u>796,723</u>	<u>-</u>	<u>-</u>	<u>796,723</u>
Total assets	<u>\$ 1,581,231</u>	<u>\$ 1,316,377</u>	<u>\$ 111,226</u>	<u>\$ 3,008,834</u>
Deferred inflow of resources				
Property taxes levied for subsequent year	<u>\$ 724,715</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 724,715</u>
Fund balances				
Restricted	856,516	-	111,226	967,742
Assigned	<u>-</u>	<u>1,316,377</u>	<u>-</u>	<u>1,316,377</u>
Total fund balances	<u>856,516</u>	<u>1,316,377</u>	<u>111,226</u>	<u>2,284,119</u>
Total deferred inflows and fund balances	<u>\$ 1,581,231</u>	<u>\$ 1,316,377</u>	<u>\$ 111,226</u>	<u>\$ 3,008,834</u>

New Lenox School District No. 122

Combining Schedule of Revenues, Expenditures and Changes in Fund Nonmajor Governmental Funds

<i>Year Ended June 30, 2021</i>	IMRF/Social Security Fund	Capital Projects Funds	Fire Prevention & Safety Fund	Total
Revenues				
Local Sources				
Property taxes	\$ 1,432,513	\$ -	\$ -	\$ 1,432,513
Investment income	1,383	2,413	165	3,961
Other	<u>25,000</u>	<u>261,900</u>	<u>-</u>	<u>286,900</u>
Total revenues	<u>1,458,896</u>	<u>264,313</u>	<u>165</u>	<u>1,723,374</u>
Expenditures				
Instruction	<u>566,528</u>	<u>-</u>	<u>-</u>	<u>566,528</u>
Support Services				
Pupil	198,270	-	-	198,270
Instructional Staff	150,499	-	-	150,499
General Administration	55,483	-	-	55,483
School Administration	200,987	-	-	200,987
Business	228,928	2,376,739	-	2,605,667
Central	<u>27,788</u>	<u>-</u>	<u>-</u>	<u>27,788</u>
Total support services	<u>861,955</u>	<u>2,376,739</u>	<u>-</u>	<u>3,238,694</u>
Community services				
Employee benefits	<u>130</u>	<u>-</u>	<u>-</u>	<u>130</u>
Total expenditures	<u>1,428,613</u>	<u>2,376,739</u>	<u>-</u>	<u>3,805,352</u>
Excess of revenues over (under) expenditures	<u>30,283</u>	<u>(2,112,426)</u>	<u>165</u>	<u>(2,081,978)</u>
Other financing sources				
Transfer in	<u>-</u>	<u>5,115,000</u>	<u>-</u>	<u>5,115,000</u>
Net change in fund balance	<u>30,283</u>	<u>3,002,574</u>	<u>165</u>	<u>3,033,022</u>
Fund balances at beginning of year	826,233	1,342,576	111,061	2,279,870
Prior period adjustment	<u>-</u>	<u>(3,028,773)</u>	<u>-</u>	<u>(3,028,773)</u>
Fund balances, beginning of year, as restated	<u>826,233</u>	<u>(1,686,197)</u>	<u>111,061</u>	<u>(748,903)</u>
Fund balances at end of year	<u>\$ 856,516</u>	<u>\$ 1,316,377</u>	<u>\$ 111,226</u>	<u>\$ 2,284,119</u>

New Lenox School District No. 122

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

<i>Year Ended June 30, 2021</i>	Municipal Retirement/Social Security Fund		
	2021		
	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 1,425,451	\$ 1,432,513	\$ 7,062
Investment income	2,937	1,383	(1,554)
Other	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total revenues	<u>1,453,388</u>	<u>1,458,896</u>	<u>5,508</u>
Expenditures			
Instruction	<u>588,575</u>	<u>566,528</u>	<u>22,047</u>
Support Services			
Pupils	215,479	198,270	17,209
Instructional Staff	155,829	150,499	5,330
General Administration	49,367	55,483	(6,116)
School Administration	175,047	200,987	(25,940)
Business	222,098	228,928	(6,830)
Central	<u>25,985</u>	<u>27,788</u>	<u>(1,803)</u>
Total support services	<u>843,805</u>	<u>861,955</u>	<u>(18,150)</u>
Community services			
Employee benefits	<u>-</u>	<u>130</u>	<u>(130)</u>
Total expenditures	<u>1,432,380</u>	<u>1,428,613</u>	<u>3,767</u>
Net change in fund balance	21,008	30,283	9,275
Fund balance at beginning of year	<u>826,233</u>	<u>826,233</u>	<u>-</u>
Fund balance at end of year	<u>\$ 847,241</u>	<u>\$ 856,516</u>	<u>\$ 9,275</u>

New Lenox School District No. 122

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual

	Capital Projects Funds		
	2021		
<i>Year Ended June 30, 2021</i>	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Investment income	\$ 6,129	\$ 2,413	\$ (3,716)
Other	<u>124,370</u>	<u>261,900</u>	<u>137,530</u>
Total revenues	<u>130,499</u>	<u>264,313</u>	<u>133,814</u>
Expenditures			
Current operating			
Support services			
Business	<u>5,716,492</u>	<u>2,376,739</u>	<u>3,339,753</u>
Deficiency of revenue under expenditures	(5,585,993)	(2,112,426)	(3,205,939)
Other Financing Sources			
Transfers in	<u>5,115,000</u>	<u>5,115,000</u>	<u>-</u>
Net change in fund balance	<u>(470,993)</u>	<u>3,002,574</u>	<u>(3,205,939)</u>
Fund balance at beginning of year	1,342,576	1,342,576	-
Prior period adjustment	<u>-</u>	<u>(3,028,773)</u>	<u>3,028,773</u>
Fund balance, beginning of year, as restated	<u>1,342,576</u>	<u>(1,686,197)</u>	<u>3,028,773</u>
Fund balance at end of year	<u>\$ 871,583</u>	<u>\$ 1,316,377</u>	<u>\$ (177,166)</u>

New Lenox School District No. 122

Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual

	Fire Prevention & Safety Fund		
	2021		
<i>Year Ended June 30, 2021</i>	Original and Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Investment income	\$ 497	\$ 165	\$ (332)
Fund balance at beginning of year	<u>111,061</u>	<u>111,061</u>	<u>-</u>
Fund balance at end of year	<u>\$ 111,558</u>	<u>\$ 111,226</u>	<u>(332)</u>

New Lenox School District No. 122

Net Position By Component

Last Ten Fiscal Years

	2021	2020	2019 *	2018 *
Governmental activities				
Net investment in capital assets	\$ (52,980,096)	\$ (53,474,302)	\$ (36,895,263)	\$ (37,707,997)
Restricted	13,743,541	6,773,381	6,703,251	5,754,694
Unrestricted	(19,775,691)	(16,637,470)	29,793,157	28,956,052
Total governmental activities net position (deficit)	\$ (59,012,246)	\$ (63,338,391)	\$ (398,855)	\$ (2,997,251)

Source of Information: Annual Financial Statements

* Note: Years prior to 2020 are reported on the modified cash basis.

2017 *	2016 *	2015 *	2014 *	2013 *	2012 *
\$ (38,592,791)	\$ (38,007,662)	\$ (39,555,335)	\$ (31,623,290)	\$ (29,916,754)	\$ (44,949,386)
7,193,725	7,286,060	7,448,677	5,969,112	6,191,395	2,126,791
23,587,947	22,425,228	19,599,786	17,366,646	20,149,582	38,189,083
\$ (7,811,119)	\$ (8,296,374)	\$ (12,506,872)	\$ (8,287,532)	\$ (3,575,777)	\$ (4,633,512)

New Lenox School District No. 122

Changes in Net Position

Last Ten Fiscal Years

	2021	2020 *	2019 *	2018 *
Expenses				
Governmental activities				
Instruction				
Regular programs	22,400,915	23,629,078	20,240,236	\$ 20,617,528
Special programs	6,841,851	6,617,822	6,657,338	6,475,345
Other instructional programs	605,383	885,702	676,508	812,521
State retirement contributions	12,136,800	18,809,044	17,627,495	11,305,673
Support services				
Pupils	5,264,418	4,745,006	4,641,878	4,533,690
Instructional staff	3,405,771	3,346,261	3,152,900	2,758,517
General administration	1,374,538	1,496,671	1,334,296	1,311,766
School administration	4,077,219	4,104,985	3,606,807	3,530,661
Business	4,485,388	3,342,372	5,462,340	4,819,671
Operations and maintenance	6,746,609	3,996,453	4,245,248	4,404,199
Transportation	3,380,849	3,774,919	3,563,755	3,715,788
Central	27,788	972,193	970,188	627,903
Other supporting services	-	-	-	-
Community services	24,025	-	-	-
Interest and fees	9,858,824	11,900,680	9,156,206	7,888,939
Total governmental activities expenses	80,630,378	87,621,186	81,335,195	72,802,201
Program revenues				
Governmental activities				
Charges for services				
Instruction				
Regular programs	1,278,648	1,084,827	1,381,442	1,290,807
Special programs	173,013	109,832	158,318	302,018
State retirement contributions	12,136,800	18,809,044	17,627,495	11,305,673
Support services				
Transportation	12,250	41,911	81,145	69,898
Business	-	-	-	-
Other support programs	56,600	327,739	348,549	214,102
Operating grants and contributions	5,650,321	3,579,097	3,560,721	4,981,050
Capital grants and contributions	261,900	298,740	199,140	312,650
Total governmental activities program revenues	19,569,532	24,251,190	23,356,810	18,476,198
Net expense	(61,060,846)	(63,369,996)	(57,978,385)	(54,326,003)
Governmental activities				
General revenues				
Taxes				
Real estate taxes, levied for general purposes	43,722,007	40,700,962	39,606,072	39,717,674
Real estate taxes, levied for specific purposes	3,864,517	3,848,215	4,413,190	4,196,627
Real estate taxes, levied for debt service	11,785,737	10,936,379	10,274,023	9,439,197
Personal property replacement taxes	367,645	289,850	264,791	244,765
Federal and state aid	5,070,147	5,070,258	4,894,589	4,758,038
Investment earnings	66,800	563,440	513,633	375,820
Miscellaneous	560,119	461,688	610,483	407,750
Total governmental activities general revenues and extraordinary item	65,436,972	61,870,792	60,576,781	59,139,871
Change in net position	\$ 4,376,126	\$ (1,499,204)	\$ 2,598,396	\$ 4,813,868

Source of Information: Annual Financial Statements

* Note: Years prior to 2021 are reported on the modified cash basis.

	2017 *	2016 *	2015 *	2014 *	2013 *	2012 *
\$	19,935,319	\$ 18,703,407	\$ 22,989,302	\$ 23,743,469	\$ 24,166,915	\$ 20,822,264
	5,579,513	5,047,654	4,798,628	4,185,338	4,041,811	4,209,867
	1,293,200	1,695,141	426,844	425,389	453,414	3,567,742
	8,058,412	13,082,823	8,244,772	8,459,966	6,616,489	5,603,856
	4,429,339	4,381,277	4,030,123	3,648,853	3,430,500	3,234,374
	2,751,623	2,193,163	2,454,416	2,444,788	2,391,973	2,450,844
	1,305,750	1,278,654	1,200,723	993,208	981,469	1,050,040
	3,404,084	3,316,229	3,010,444	3,144,080	3,088,748	3,591,530
	4,063,712	4,327,621	4,117,113	3,411,871	4,686,664	3,625,861
	3,657,431	4,033,024	4,252,206	4,049,748	3,659,957	4,195,039
	3,697,332	4,014,939	4,017,226	4,089,341	3,831,906	3,749,800
	776,763	972,193	1,398,746	954,407	817,815	845,571
	-	154,617	506	32,238	61,901	72,958
	-	-	-	-	-	-
	8,326,082	8,606,012	8,429,556	8,084,188	7,808,473	6,301,735
	67,278,560	71,806,754	69,370,605	67,666,884	66,038,035	63,321,481
	1,258,937	1,131,359	1,080,009	1,045,601	901,468	258,931
	250,540	172,371	100,047	12,463	-	3,109,769
	8,058,412	8,606,012	8,244,772	8,459,966	6,616,489	5,603,856
	71,840	64,856	54,453	49,995	54,681	2,040,000
	-	-	-	-	-	309,450
	162,281	167,118	180,546	238,308	768,831	78,617
	4,508,521	9,748,491	4,977,346	6,359,684	6,305,111	2,577,079
	451,657	369,728	433,357	316,176	207,709	143,627
	14,762,188	20,259,935	15,070,530	16,482,193	14,854,289	14,121,329
	(52,516,372)	(51,546,819)	(54,300,075)	(51,184,691)	(51,183,746)	(49,200,152)
	37,406,500	37,169,289	36,303,582	34,666,068	35,310,831	31,213,404
	3,162,987	3,048,370	2,961,993	2,940,658	2,828,494	2,144,124
	8,379,862	8,222,032	8,126,454	8,086,855	8,606,362	7,883,198
	292,519	263,332	286,037	273,279	260,755	221,369
	2,916,269	2,870,461	2,159,621	2,179,176	2,211,001	3,289,237
	171,780	62,390	34,080	22,786	31,529	34,553
	671,710	4,121,443	208,968	791,385	861,035	244,128
	53,001,627	55,757,317	50,080,735	48,960,207	50,110,007	45,030,013
\$	485,255	\$ 4,210,498	\$ (4,219,340)	\$ (2,224,484)	\$ (1,073,739)	\$ (4,170,139)

New Lenox School District No. 122

Fund Balances, Governmental Funds

Last Ten Fiscal Years

	2021	2020 *	2019 *	2018 *	2017 *
General Fund					
Restricted	\$ 275,528	\$ 22,199	\$ 6,820	\$ -	\$ -
Assigned		2,492,537	2,754,068	2,376,857	2,235,995
Unassigned	25,158,460	27,049,746	28,152,376	29,057,196	28,232,570
Total general fund	<u>\$ 25,433,988</u>	<u>\$ 29,564,482</u>	<u>\$ 30,913,264</u>	<u>\$ 31,434,053</u>	<u>\$ 30,468,565</u>
All Other Governmental Funds					
Restricted, reported in					
Capital projects funds	\$ 1,427,603	\$ 1,453,637	\$ 629,688	\$ 939,713	\$ 479,109
Debt service funds	6,106,946	5,813,888	5,794,500	5,069,254	4,320,019
Special revenue funds	7,249,841	5,418,541	4,614,237	2,748,494	1,018,939
Total all other governmental funds	<u>\$ 14,784,390</u>	<u>\$ 12,686,066</u>	<u>\$ 11,038,425</u>	<u>\$ 8,757,461</u>	<u>\$ 5,818,067</u>

Source of Information: Annual Financial Statements

* Note: Years prior to 2021 are reported on the modified cash basis.

2016 *	2015 *	2014 *	2013 *	2012 *
\$ -	\$ -	\$ -	\$ -	\$ -
2,102,603	-	-	-	-
27,104,110	21,522,776	22,324,594	23,090,308	15,941,317
\$ 29,206,713	\$ 21,522,776	\$ 22,324,594	\$ 23,090,308	\$ 15,941,317

\$ 677,365	\$ 309,142	\$ 645,738	\$ 300,769	\$ 533,636
4,317,795	4,220,425	4,192,790	4,296,243	4,894,294
1,037,271	1,078,457	1,743,692	1,766,386	1,593,146
\$ 6,032,431	\$ 5,608,024	\$ 6,582,220	\$ 6,363,398	\$ 7,021,076

New Lenox School District No. 122

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

	2021	2020 *	2019 *	2018 *	2017 *
Revenues					
Local sources					
Taxes	\$ 59,372,261	\$ 55,485,556	\$ 54,293,285	\$ 53,353,498	\$ 48,949,349
Earnings on investments	66,800	563,440	513,633	375,820	171,780
Other local sources	2,640,195	2,426,112	2,885,649	2,673,778	3,027,936
Total local sources	62,079,256	58,475,108	57,692,567	56,403,096	52,149,065
State sources	19,394,802	25,832,463	24,623,757	19,669,259	13,941,270
Federal sources	3,532,446	1,817,583	1,617,706	1,543,714	1,673,480
Total revenues	85,006,504	86,125,154	83,934,030	77,616,069	67,763,815
Expenditures					
Current					
Instruction	41,802,414	47,765,760	45,075,211	37,889,576	32,878,978
Supporting services	25,706,840	24,594,412	23,275,566	23,073,394	22,006,812
Non-programmed charges	24,025	131,641	96,936	92,202	464,335
Debt service					
Principal	6,703,163	4,005,396	3,233,177	3,505,797	2,599,181
Interest and other	4,919,010	7,448,231	7,197,094	5,796,119	6,258,381
Capital outlay	2,133,817	1,775,620	3,526,167	3,820,417	4,375,356
Total expenditures	81,289,269	85,721,060	82,404,151	74,177,505	68,583,043
Excess (deficiency) of revenue over expenditures	3,717,235	404,094	1,529,879	3,438,564	(819,228)
Other Financing Sources (Uses)					
Proceeds from borrowing	-	14,430,000	15,250,000	-	-
Payments to escrow agent	-	(15,042,927)	(15,019,704)	-	-
Sale of capital assets	-	-	-	-	-
Transfers in	5,231,579	4,483,253	3,583,253	4,464,016	2,266,679
Transfers out	(5,231,579)	(4,483,253)	(3,583,253)	(4,464,016)	(2,266,679)
Other	-	507,692	-	466,318	1,866,716
Total other financing sources (uses)	-	(105,235)	230,296	466,318	1,866,716
Net change in fund balances	\$ 3,717,235	\$ 298,859	\$ 1,760,175	\$ 3,904,882	\$ 1,047,488
Debt service as a percentage of noncapital expenditures	14.30%	14.16%	13.01%	13.22%	13.80%

Source of information: Annual Financial Statements

* Note: Years prior to 2021 are reported on the modified cash basis.

2016 *	2015 *	2014 *	2013 *	2012 *
\$ 48,703,023	\$ 47,678,066	\$ 45,966,860	\$ 47,006,442	\$ 41,487,095
62,390	34,080	22,786	31,529	34,553
2,126,875	2,197,010	2,454,709	2,793,724	2,740,124
50,892,288	49,909,156	48,444,355	49,831,695	44,261,772
19,812,019	13,587,144	15,439,231	13,584,975	13,542,993
1,658,420	1,794,595	1,559,595	1,547,626	1,346,577
72,362,727	65,290,895	65,443,181	64,964,296	59,151,342
37,559,269	33,477,718	31,997,494	29,909,129	28,637,461
21,622,146	22,296,447	21,286,397	21,486,214	20,891,339
732,260	1,154,566	3,043,684	3,613,169	3,570,912
1,561,544	1,669,686	2,115,898	3,156,550	3,114,966
6,576,128	6,432,259	6,088,292	6,881,204	5,612,081
2,207,679	2,483,782	1,458,308	1,988,169	1,314,111
70,259,026	67,514,458	65,990,073	67,034,435	63,140,870
2,103,701	(2,223,563)	(546,892)	(2,070,139)	(3,989,528)
2,020,000	-	-	70,775,000	51,500,000
(2,015,357)	-	-	(64,345,022)	(50,355,005)
6,000,000	447,549	-	-	-
1,800,000	1,500,000	1,250,000	2,100,000	124,323
(1,800,000)	(1,500,000)	(1,250,000)	(2,100,000)	(124,323)
-	-	-	-	3,920
6,004,643	447,549	-	6,429,978	1,148,915
\$ 8,108,344	\$ (1,776,014)	\$ (546,892)	\$ 4,359,839	\$ (2,840,613)
11.96%	12.46%	12.71%	15.43%	14.12%

New Lenox School District Number 122

Equalized Assessed Valuation and Estimated Actual Value of Taxable Property Last Ten Tax Levy Years

Tax Levy Year	Equalized Assessed Valuation	Amount of Increase/ (Decrease) Over Previous Year	Percentage Increase/ (Decrease) Over Previous Year	Actual Estimated Value*		
2020	\$ 1,500,220,164	58,285,884	4.04%	4,500,660,492		
2019	1,441,934,280	67,706,313	4.93%	4,325,802,840		
2018	1,374,227,967	55,344,991	4.20%	4,122,683,901		
2017	1,318,882,976	47,690,410	3.75%	3,956,648,928		
2016	1,271,192,566	54,828,829	4.51%	3,813,577,698		
2015	1,216,363,737	26,418,833	2.22%	3,649,091,211		
2014	1,189,944,904	4,491,680	0.38%	3,569,834,712		
2013	1,185,453,224	(55,079,666)	-4.44%	3,556,359,672		
2012	1,240,532,890	(49,791,053)	-3.86%	3,721,598,670		
2011	1,290,323,943	(60,877,024)	-4.51%	3,870,971,829		
Tax Levy Year	Residential	Farm	Commercial	Industrial	Railroad	Total
2020	\$ 1,314,476,236	\$ 6,426,946	\$ 123,367,919	\$ 54,677,571	\$ 1,271,492	1,500,220,164
2019	1,261,103,085	6,168,305	121,159,921	52,245,474	1,257,495	1,441,934,280
2018	1,203,936,012	5,696,408	112,800,134	50,509,160	1,286,253	1,374,227,967
2017	1,152,450,757	5,371,643	109,209,641	50,619,986	1,230,949	1,318,882,976
2016	1,104,002,491	5,080,702	110,231,299	50,486,512	1,391,562	1,271,192,566
2015	1,050,949,060	4,910,850	108,333,636	50,786,700	1,383,491	1,216,363,737
2014	1,023,779,898	4,689,563	109,110,920	51,126,235	1,238,288	1,189,944,904
2013	1,018,111,691	4,784,110	109,017,562	52,377,523	1,162,338	1,185,453,224
2012	1,070,187,419	4,936,027	108,909,983	55,539,992	959,469	1,240,532,890
2011	1,128,059,056	4,897,370	99,326,905	57,026,221	1,014,391	1,290,323,943

* Equalized Assessed Valuation is one-third of the Actual Estimated Value.

Source of information: Will County County Clerk, IL
Rate and Extension Reports for the years 2011 to 2020

New Lenox School District Number 122

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

	2020	2019	2018	2017
Overlapping Governments				
Will County	\$ 0.5788	\$ 0.5842	\$ 0.5927	\$ 0.5986
Will County Forest Preserve District	0.1443	0.1462	0.1504	0.1895
Will County Public Building Commission	0.0000	0.0000	0.0000	0.0000
New Lenox Township	0.0844	0.0861	0.0878	0.0892
New Lenox Township Road Fund	0.0997	0.1002	0.1045	0.1020
Village of New Lenox	0.3182	0.3201	0.3263	0.3291
Village of New Lenox Road & Bridge	0.0824	0.0833	0.0863	0.0899
New Lenox Community Park District	0.2368	0.2378	0.2391	0.2418
New Lenox Public Library District	0.2157	0.1497	0.2239	0.2321
New Lenox Fire Protection District	0.5923	0.5769	0.5771	0.3907
High School District #210	2.1911	2.1550	2.1292	2.1207
Community College District #525	<u>0.2891</u>	<u>0.2938</u>	<u>0.2924</u>	<u>0.2994</u>
Total Overlapping Governments	4.8328	4.7333	4.8097	4.6830
NEW LENOX SCHOOL DISTRICT 122	4.0160	4.0237	4.0701	4.0208
Total Tax Rate	<u>\$ 8.8488</u>	<u>\$ 8.7570</u>	<u>\$ 8.8798</u>	<u>\$ 8.7038</u>
NEW LENOX SCHOOL DISTRICT 122				
Percentage of Total Tax Rate	45%	46%	46%	46%

Source of information: Will County Clerk, IL

	2016		2015		2014		2013		2012		2011
\$	0.6121	\$	0.6140	\$	0.6210	\$	0.5994	\$	0.5696	\$	0.5351
	0.1944		0.1937		0.1977		0.1970		0.1859		0.1693
	0.0026		0.0218		0.0223		0.0222		0.0212		0.0200
	0.0903		0.0924		0.0924		0.0902		0.0833		0.0794
	0.1043		0.1080		0.1093		0.1054		0.1829		0.1766
	0.3297		0.3358		0.3338		0.3441		0.3173		0.2938
	0.0903		0.0943		0.0926		0.0904		---		---
	0.2414		0.2446		0.2452		0.3043		0.2862		0.2686
	0.2349		0.2415		0.2427		0.2344		0.2213		0.2054
	0.3904		0.3971		0.3954		0.3912		0.3600		0.3308
	2.1189		2.1594		2.1394		2.0605		1.9190		1.8306
	<u>0.3099</u>		<u>0.3065</u>		<u>0.3085</u>		<u>0.2955</u>		<u>0.2768</u>		<u>0.2463</u>
	4.7192		4.8091		4.8003		4.7346		4.4235		4.1559
	3.9779		4.0494		4.0293		3.9260		3.6505		3.3846
\$	8.6971	\$	8.8585	\$	8.8296	\$	8.6606	\$	8.0740	\$	7.5405
	46%		46%		46%		45%		45%		45%

New Lenox School District Number 122

Principal Taxpayers in the District Current Tax Year and Nine Years Ago

Rank	Name	Type of Business or Property	2020 Equalized Assessed Valuation*	Percent of District's Total EAV
1	Silver Cross Hospital & Med Center	Hospital and medical center	\$16,038,149	1.07%
2	2400 Haven LLC	Michael's distribution warehouse	7,000,000	0.47%
3	SPUS8 2105, 2200, 2201 W Haven LP	Industrial properties	4,820,000	0.32%
4	WAL-MART Stores Inc.	Discount department store	4,080,000	0.27%
5	Century Oaks LLC	Commercial properties	3,800,061	0.25%
6	Albertsons Co	Grocery stores	3,230,844	0.22%
7	TCH Cherry Hills LLC	Industrial property	3,057,586	0.20%
8	HCRI Illinois Properties LLC	Healthcare corporation	2,653,667	0.18%
9	Lowe's Home Centers	Home improvement center-lumber, hardware, garden center etc.	2,538,250	0.17%
10	Target Corp. T-2028	Discount department store	<u>2,455,275</u>	<u>0.16%</u>
			<u>\$49,673,832</u>	<u>3.31%</u>

*The figures above include only those parcels with EAVs of approximately \$100,000 and over as recorded in the County Assessor's Office. They were compiled from a meticulous page by page search of a listing of such records.

Source: Will County Clerk's Office

Rank	Name	Type of Business or Property	2011 Equalized Assessed Valuation	Percent of District's Total EAV
1	2400 Haven LLC	Michael's distribution warehouse	\$9,422,340	0.73%
2	WAL_MART Stores Inc.	Discount department store	7,324,777	0.57%
3	Cherry Hill LLC	Warehouses	6,470,830	0.50%
4	Metro Chicago Ind. Acqstion Corp.	Industrial property - Distribution warehouse	5,699,009	0.44%
5	Century Oaks LLC	Vacant land	4,464,700	0.35%
6	Lowe's Home Centers	Home improvement center-lumber, hardware, garden center etc.	3,367,888	0.26%
7	Target Corp. T-2028	Discount department store	3,301,922	0.26%
8	Albertson's - Eagle New Lenox Realty and Jewel Food Stores Inc.	Supermarkets	3,166,016	0.25%
9	Silver Cross Hospital & Med Center	Hospital's being built, med center is operational	2,465,000	0.19%
10	Atrium Point LLC	Commercial property	<u>1,978,752</u>	<u>0.15%</u>
			<u>\$47,661,234</u>	<u>3.69%</u>

*The figures above include only those parcels with EAVs of approximately \$300,00 and over as recorded in the County Assessor's Office. They were compiled from a meticulous page by page search of a listing of such records. It is possible, however, that certain smaller parcels have been overlooked.

Source: Will County Clerk and New Lenox Township Assessor's Offices

New Lenox School District Number 122

Schedule of Property Tax Rates, Extensions and Collections

Last Ten Tax Levy Years

	2020*	2019	2018	2017	2016
Rates extended					
Education	2.5968	2.6032	2.6338	2.5684	2.6791
Operations, building, maintenance	0.3400	0.3410	0.3178	0.3417	0.3306
Transportation	0.1640	0.1652	0.1962	0.2413	0.1653
Working Cash	0.0001	0.0001	0.0001	0.0001	0.0001
Illinois municipal retirement/ Social security	0.0437	0.0439	0.0519	0.0603	0.0471
Tort/Liability Insurance	0.0530	0.0534	0.0519	0.0603	0.0511
Special education	0.0001	0.0001	0.0001	0.0001	0.0001
Lease/Purchase	0.0200	0.0198	0.0201	0.0203	0.0195
Bond and interest	0.0001	0.0001	0.0001	0.0001	0.0001
	0.7982	0.7969	0.7981	0.7282	0.6849
Total rates extended	4.0160	4.0237	4.0701	4.0208	3.9779
Property tax extensions					
Education	\$ 38,957,717	\$ 37,536,433	\$ 36,194,416	\$ 33,874,190	\$ 34,056,520
Operations, building, maintenance	5,100,749	4,916,996	4,367,296	4,506,623	4,202,563
Transportation	2,460,361	2,382,075	2,696,235	3,182,465	2,101,281
Working Cash	1,500	1,442	1,374	1,319	1,271
Illinois municipal retirement/ Social security	655,596	633,009	713,224	795,286	598,731
Tort/Liability Insurance	795,117	769,993	713,224	795,286	649,579
Special education	1,500	1,442	1,374	1,319	1,271
Lease/Purchase	300,044	285,503	276,220	267,733	247,883
Bond and interest	1,500	1,442	1,374	1,319	1,271
	11,974,757	11,490,774	10,967,713	9,604,106	8,706,397
Total levies extended	\$ 60,248,842	\$ 58,019,109	\$ 55,932,450	\$ 53,029,646	\$ 50,566,767
Current year collections	32,035,547	57,919,325	55,911,633	53,014,632	50,516,045
Total collections	\$ 32,035,547	\$ 57,919,325	\$ 55,911,633	\$ 53,014,632	\$ 50,516,045
Percentage of current extensions collected	53.17%	99.83%	99.96%	99.97%	99.90%
Percentage of total extensions collected	53.17%	99.83%	99.96%	99.97%	99.90%

* 2020 Collections as of August 12, 2021

Source of information: Will County Clerk

2015	2014	2013	2012	2011
2.7481	2.7370	2.6591	2.4764	2.2854
0.3374	0.3361	0.3210	0.2916	0.2618
0.1686	0.1680	0.1597	0.1344	0.1164
0.0001	0.0001	0.0001	0.0001	0.0001
0.0430	0.0428	0.0404	0.0317	0.0301
0.0430	0.0428	0.0432	0.0378	0.0352
0.0001	0.0001	0.0001	0.0001	0.0001
0.0200	0.0200	0.0200	0.0200	0.0200
0.0001	0.0001	0.0001	0.0001	0.0001
0.6890	0.6823	0.6823	0.6583	0.6354
4.0494	4.0293	3.9260	3.6505	3.3846
\$ 33,426,892	\$ 32,568,792	\$ 31,522,387	\$ 30,720,556	\$ 29,489,063
4,104,011	3,999,404	3,805,305	3,617,394	3,378,068
2,050,789	1,999,107	1,893,169	1,667,276	1,501,937
1,216	1,190	1,185	1,241	1,290
523,036	509,296	478,923	393,249	388,387
523,036	509,296	512,116	468,921	454,194
1,216	1,190	1,185	1,241	1,290
243,273	237,988	237,091	248,107	258,065
1,216	1,190	1,185	1,241	1,290
8,380,746	8,118,994	8,088,347	8,166,428	8,198,718
\$ 49,255,431	\$ 47,946,447	\$ 46,540,893	\$ 45,285,654	\$ 43,672,302
49,192,930	47,841,917	46,443,173	45,076,847	43,590,087
\$ 49,192,930	\$ 47,841,917	\$ 46,443,173	\$ 45,076,847	\$ 43,590,087
99.87%	99.78%	99.79%	99.54%	99.81%
99.87%	99.78%	99.79%	99.54%	99.81%

New Lenox School District No. 122

Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Levy Year	General Obligation Bonds	Installment Contract	Totals	Percentage of Personal Income	Outstanding Debt Per Capita
2021	2020	\$ 141,565,168	\$ -	141,565,168	7.93%	3,448
2020	2019	132,703,150	116,580	132,819,730	7.44%	3,235
2019	2018	135,720,288	699,838	136,420,126	7.48%	3,322
2018	2017	137,450,204	1,282,802	138,733,006	7.96%	3,415
2017	2016	140,372,448	1,400,037	141,772,485	8.74%	3,514
2016	2015	142,504,950	-	142,504,950	9.36%	3,581
2015	2014	144,036,495	-	144,036,495	10.17%	3,660
2014	2013	145,706,181	-	145,706,181	10.48%	3,747
2013	2012	147,472,078	-	147,472,078	11.07%	3,807
2012	2011	130,070,579	-	130,070,579	10.17%	3,363

Source of information: Annual Financial Statements

New Lenox School District No. 122
Ratio of General Bonded Debt to Assessed Valuation and
Net General Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Levy Year	General Bonded Debt	Less Amount Available in Debt Service Fund	Net General Bonded Debt	Equalized Assessed Valuation	Percentage of Net General Bonded Debt to Assessed Valuation	Estimated population	Net Bonded Debt Per Capita	Percentage of Net General Bonded Debt to Personal Income
2021	2020	\$ 141,565,168	\$ 6,106,946	\$ 135,458,222	\$ 1,500,220,164	9.03%	41,061	\$ 3,299	7.59%
2020	2019	132,703,150	5,813,888	126,889,262	1,441,934,280	8.80	41,061	3,090	6.95%
2019	2018	135,720,288	5,794,500	129,925,788	1,374,227,967	9.45	40,620	3,199	7.46%
2018	2017	137,450,205	5,069,254	132,380,951	1,318,882,976	10.04	40,348	3,281	8.16%
2017	2016	140,372,449	4,320,019	136,052,430	1,271,192,566	10.70	39,791	3,419	8.94%
2016	2015	142,504,951	4,317,795	138,187,156	1,216,363,737	11.36	39,352	3,512	9.76%
2015	2014	144,036,495	4,220,425	139,816,070	1,189,944,904	11.75	38,889	3,595	10.06%
2014	2013	145,706,181	4,192,790	141,513,391	1,185,453,224	11.94	38,741	3,653	10.63%
2013	2012	147,822,079	4,296,243	143,525,836	1,240,532,890	11.57	38,681	3,710	11.22%
2012	2011	130,070,579	4,894,294	125,176,285	1,290,323,943	9.70	38,687	3,236	9.65%

Source of information: Annual financial statements 2011 to 2021.

New Lenox School District Number 122

Direct and Overlapping General Obligation Bonded Debt

June 30, 2021

<u>Overlapping Agencies</u>	<u>Outstanding Bonds</u>	<u>Estimated % Applicable</u>	<u>Amount Applicable (1)</u>
Will County	\$0 (1)(3)	6.495%	\$0
Will County Forest Preserve	73,005,000	6.495%	4,741,675
Homer Township	0 (3)	0.024%	0
New Lenox Township	0 (3)	93.867%	0
Library Districts:			
Homer Twp Public Library	0 (3)	0.024%	0
Fire Protection Districts:			
Homer Twp Fire	2,160,000 (3)	0.055%	1,188
Municipalities:			
Village of Homer Glen	3,305,000	0.724%	23,928
City of Joliet	11,735,000	2.824%	331,396
Village of Mokena	0 (3)	12.532%	0
Village of New Lenox	46,800,000 (4)	96.843%	45,322,524
Park Districts:			
Joliet Park District	27,580,000	0.027%	7,447
Mokena Community Park District	5,133,000	13.925%	714,770
New Lenox Community Park District	560,000	93.829%	525,442
School Districts:			
Joliet HSD #204	80,130,000	1.466%	1,174,706
Lockport HSD #205	8,405,000	0.014%	1,177
Lincoln-Way HSD #210	216,140,365 (2)	34.171%	73,857,324
Joliet Community College District #525	55,305,000 (3)	6.533%	3,613,076
Total Overlapping General Obligation Bonded Debt			130,314,653
NEW LENOX SCHOOL DISTRICT 122	141,565,168 (2)	100.000%	141,565,168
Total Direct and Overlapping General Obligation Bonded Debt			<u>\$ 271,879,821</u>

(1) Excludes outstanding debt certificates

(2) Includes outstanding general obligation bonds and original principal amounts of outstanding Capital Appreciation Bonds.

(3) Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation.

(4) Excludes installment purchase contracts and IEPA loans.

Source: Office of the Will County Clerk

New Lenox School District No. 122

Legal Debt Margin Information

Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Debt limit	\$ 103,515,191	\$ 99,493,465	\$ 94,821,730	\$ 91,002,925	\$ 87,712,287
Total net debt applicable to limit	33,313,054	126,889,262	129,925,788	132,380,951	136,052,430
Legal debt margin	70,202,137	(27,395,797)	(35,104,058)	(41,378,026)	(48,340,143)
Total net debt applicable to the limit as a percentage of debt limit	32.18%	127.54%	137.02%	145.47%	155.11%

Legal Debt Margin calculation for fiscal year June 30, 2021

Assessed valuation of taxable properties
for the tax year 2020

\$ 1,500,220,164 \$ 1,500,220,164

Rate

15.0%

6.9%

Bonded debt limit

225,033,025

103,515,191

Debt subject to limitation:

General obligation bonds payable

86,696,565

39,420,000

Total debt subject to limitation

86,696,565

39,420,000

Less Debt Service Fund balance

(6,106,946)

Net Debt outstanding

subject to limitation

86,696,565

33,313,054

Legal bonded debt margin

at June 30, 2021

\$ 138,336,460 \$ 70,202,137

Source of Information: Annual Financial Statements

2016	2015	2014	2013	2012
\$ 83,929,098	\$ 82,106,198	\$ 81,796,272	\$ 85,596,769	\$ 178,064,704
138,187,156	139,816,070	141,513,391	143,525,836	125,176,285
(54,258,058)	(57,709,872)	(59,717,119)	(57,929,067)	52,888,419
164.65%	170.29%	173.01%	167.68%	70.30%

New Lenox School District Number 122

Demographic and Miscellaneous Statistics

Last Ten Calendar Years

Calendar Year	Estimated Population	Estimated Personal Income	Estimated Per Capita Personal Income	Unemployment Rate
2020	41,061	\$ 1,785,291,219	\$ 43,479	7.6%
2019	41,061	1,824,915,084	44,444	3.2%
2018	40,620	1,742,354,280	42,894	3.5%
2017	40,348	1,622,554,472	40,214	4.0%
2016	39,791	1,522,562,824	38,264	4.9%
2015	39,352	1,415,963,664	35,982	5.3%
2014	38,889	1,390,242,861	35,749	6.6%
2013	38,741	1,331,644,393	34,373	8.6%
2012	38,681	1,279,412,756	33,076	8.7%
2011	38,687	1,296,594,805	33,515	9.7%

Source of Information: National Center for Education Statistics
EDGE - Education Demographic and Geographic Estimates
which uses the U.S. Census Bureau's American Community Survey's
5- year annual averages. (i.e. for 2019, 2015-2019)

New Lenox School District Number 122

Principal Employers Current Year and Nine Years Ago

Employer	2021		
	Employees	Rank	Percentage of Total Village Employment
Silver Cross Hospital	2,900	1	22.24%
New Lenox School District 122	600	2	4.60%
Lincoln Way High School District 210	550	3	4.22%
Jewel-Osco (2 locations)	300	4	2.30%
Silver Oaks Behavioral Hospital	286	5	2.19%
Trinity Services, Inc.	275	6	2.11%
ITW Deltar Fuel Systems	240	7	1.84%
Revere Electric Supply Co	234	8	1.79%
Michaels Distribution Center	232	9	1.78%
Provisur Technologies	220	10	1.69%
New Lenox Community Park District	184	11	1.41%
Walmart Supercenter	150	12	1.15%
Total	6,171		47.33%

* Includes companies and institutions located in the community in which the District is located but not necessarily within the boundaries of the District.

The Illinois Department of Employment Security reported that the number of persons employed in the Village of New Lenox in 2020 was 13,039.

Data Sources:

Village Records

Official Employer Website

DatabaseUSA.com

Employer	2012		
	Employees	Rank	Percentage of Total Village Employment
Silver Cross Hospital	1,800	1	16.48%
New Lenox School District No. 122	572	2	5.24%
Lincoln Way High School District No. 210	500	3	4.58%
Jewel-Osco (2 locations)	318	4	2.91%
Walmart	300	5	2.75%
Michaels Craft Store Distribution Center	287	6	2.63%
Rock Tenn (formerly Smurfit-Stone)	154	7	1.41%
Tri Star Cabinet & Top, Inc.	52	8	0.48%
Kmart	50	9	0.46%
Titan Steel	45	10	0.41%
Total	4,078		37.34%

The Illinois Department of Employment Security reported that the number of persons employed in the Village in 2012 was 10,920.

Source of Information: Village of New Lenox 2012 Official Statement

New Lenox School District No. 122

Number of Full-Time Employees

Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Administration					
Superintendent	1.0	1.0	1.0	1.0	1.0
Assistant Superintendent, Associate,	1.0	1.0	1.0	1.0	1.0
District Administration	6.0	6.0	7.0	6.0	5.0
Principals and Assistants	20.0	20.0	16.0	16.0	16.0
Total Administration	28.0	28.0	25.0	24.0	23.0
Teachers					
K - 5 and 6 - 8	244.0	237.0	237.0	231.0	252.0
Special Education (LD)	83.5	79.0	75.0	82.0	51.0
Nurse	12.0	12.0	12.0	14.0	14.0
Instructional Media Center Directors	4.0	4.0	4.0	4.0	4.0
Speech Pathologists	14.0	14.0	15.0	15.0	15.0
Counselors	0.0	0.0	0.0	0.0	0.0
Total Teachers	357.5	346.0	343.0	346.0	336.0
Other Supporting Staff					
Clerical	44.0	44.0	42.0	45.0	45.00
Custodial and Maintenance	19.0	19.0	17.0	17.0	17.00
Food Service Workers *	0.0	0.0	0.0	0.0	0.0
Lunchroom and Playground Aides *	33.0	33.0	33.0	33.0	33.00
Teachers Aides (Classroom)	78.0	93.0	85.0	87.0	80.00
Other Salaries	0.0	0.0	0.0	0.0	7.0
Total Other Supporting Staff	174.0	189.0	177.0	182.0	182.0
Total	559.5	563.0	545.0	552.0	541.0

* These positions require less than an 8 hour day.

Source: District personnel records

2016	2015	2014	2013	2012
1.0	1.0	1.0	1.0	1.0
1.0	2.0	2.0	2.0	2.0
5.0	5.0	5.0	4.0	4.0
16.0	16.0	16.0	16.0	17.0
23.0	24.0	24.0	23.0	24.0
251.0	261.0	256.0	264.0	270.0
50.0	46.0	39.0	35.0	30.5
14.0	13.0	12.0	12.0	12.0
4.0	6.0	7.0	7.0	7.0
15.0	16.0	15.0	15.0	14.0
0.0	0.0	0.0	0.0	0.0
334.0	342.0	329.0	333.0	333.5
45.00	36.00	35.50	36.00	36.00
17.00	17.00	17.00	17.00	17.00
0.0	10.0	10.0	20.0	20.0
32.00	32.00	32.00	32.00	32.00
74.00	66.00	62.00	63.00	65.00
7.0	23.0	23.0	27.5	27.0
175.0	184.0	179.5	195.5	197.0
532.0	550.0	532.5	551.5	554.5

New Lenox School District No. 122

School Building Information

Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Alex M. Martino Jr. High					
Grounds area (acres)	16	16	16	16	16
Buildings (square feet)	94,525	94,525	94,525	94,525	94,525
Available capacity (students)	850	850	850	850	850
Enrollment (students housed)	554	566	579	572	592
Arnold J. Tyler					
Grounds area (acres)	14	14	14	14	14
Buildings (square feet)	52,646	52,646	52,646	52,646	52,646
Available capacity (students)	494	494	494	494	494
Enrollment (students housed)	366	382	369	309	329
Caroline Bentley					
Grounds area (acres)	14	14	14	14	14
Buildings (square feet)	57,864	57,864	57,864	57,864	57,864
Available capacity (students)	588	588	588	588	588
Enrollment (students housed)	387	413	403	364	361
Cherry Hill Early Childhood Center					
Grounds area (acres)	10	10	10	10	10
Buildings (square feet)	45,843	45,843	45,843	45,843	45,843
Available capacity (students)	336	336	336	336	336
Enrollment (students housed)	124	138	165	131	135
Haines Elementary					
Grounds area (acres)	4	4	4	4	4
Buildings (square feet)	56,869	56,869	56,869	56,869	56,869
Available capacity (students)	572	572	572	572	572
Enrollment (students housed)	347	351	384	420	441
Liberty Jr. High					
Grounds area (acres)	15	15	15	15	15
Buildings (square feet)	112,895	112,895	112,895	112,895	112,895
Available capacity (students)	850	850	850	850	850
Enrollment (students housed)	639	637	639	666	680
Nelson Prairie					
Grounds area (acres)	12	12	12	12	12
Buildings (square feet)	60,600	60,600	60,600	60,600	60,600
Available capacity (students)	598	598	598	598	598
Enrollment (students housed)	418	438	444	410	427

Source of information: District records

2016	2015	2014	2013	2012
16	16	16	16	16
94,525	94,525	94,525	94,525	94,525
850	850	850	850	850
590	598	614	610	616
14	14	14	14	14
52,646	52,646	52,646	52,646	52,646
494	494	494	494	494
347	350	353	371	387
14	14	14	14	14
57,864	57,864	57,864	57,864	57,864
588	588	588	588	588
395	407	413	409	418
10	10	10	10	10
45,843	45,843	45,843	45,843	45,843
336	336	336	336	336
104	103	97	112	273
4	4	4	4	4
56,869	56,869	56,869	56,869	56,869
572	572	572	572	572
439	463	439	483	480
15	15	15	15	15
112,895	112,895	112,895	112,895	112,895
850	850	850	850	850
671	674	677	672	652
12	12	12	12	12
60,600	60,600	60,600	60,600	60,600
598	598	598	598	598
417	443	458	481	506

New Lenox School District No. 122

School Building Information

Last Ten Fiscal Years

	2021	2020	2019	2018	2017
Nelson Ridge					
Grounds area (acres)	15	15	15	15	15
Buildings (square feet)	60,600	60,600	60,600	60,600	60,600
Available capacity (students)	644	644	644	644	644
Enrollment (students housed)	441	472	462	471	467
Oster Oakview					
Grounds area (acres)	14	14	14	14	14
Buildings (square feet)	68,236	68,236	68,236	68,236	68,236
Available capacity (students)	532	532	532	532	532
Enrollment (students housed)	393	443	447	476	452
Spencer Crossing					
Grounds area (acres)	20	20	20	20	20
Buildings (square feet)	68,458	68,458	68,458	68,458	68,458
Available capacity (students)	672	672	672	672	672
Enrollment (students housed)	396	443	460	475	456
Spencer Pointe					
Grounds area (acres)	20	20	20	20	20
Buildings (square feet)	68,458	68,458	68,458	68,458	68,458
Available capacity (students)	624	624	624	624	624
Enrollment (students housed)	487	497	459	479	442
Spencer Trail					
Grounds area (acres)	20	20	20	20	20
Buildings (square feet)	46,708	46,708	46,708	46,708	46,708
Available capacity (students)	336	336	336	336	336
Enrollment (students housed)	405	569	455	476	414

Source of information: District records

2016	2015	2014	2013	2012
15	15	15	15	15
60,600	60,600	60,600	60,600	60,600
644	644	644	644	644
489	505	481	498	522
14	14	14	14	14
68,236	68,236	68,236	68,236	68,236
532	532	532	532	532
492	491	519	478	479
20	20	20	20	20
68,458	68,458	68,458	68,458	68,458
672	672	672	672	672
461	449	459	450	467
20	20	20	20	20
68,458	68,458	68,458	68,458	68,458
624	624	624	624	624
431	409	414	416	414
20	20	20	20	20
46,708	46,708	46,708	46,708	46,708
336	336	336	336	336
437	465	478	428	237

New Lenox School District No. 122

Operating Statistics

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Total Expenditures	Less Non- Operating Expenditures	Operating Expenditures	Average Daily Attendance	Operating Expenditures Per Pupil
2021	66,583,227	8,404,201	58,179,026	4,544	12,803
2020	64,510,724	5,817,422	58,693,302	5,099	11,511
2019	61,250,489	4,853,631	56,396,858	4,735	11,911
2018	59,123,294	5,264,573	53,858,721	4,992	10,789
2017	58,064,385	5,851,633	52,212,752	4,838	10,792
2016	55,365,262	4,119,818	51,245,444	4,841	10,586
2015	56,826,369	4,138,223	52,688,146	4,854	10,855
2014	56,220,507	5,870,841	50,349,666	4,909	10,257
2013	57,825,741	7,303,304	50,522,437	4,928	10,252
2012	56,310,056	7,384,830	48,925,226	4,979	9,826
2011	55,492,021	6,344,073	49,147,948	5,031	9,769

Source: Illinois State Board of Education Annual Financial Report