

Milford Area Public Schools

District No. 124

Milford, Illinois

Financial Statements

June 30, 2022

Russell Leigh & Associates LLC

Certified Public Accountants

228 East Main Street

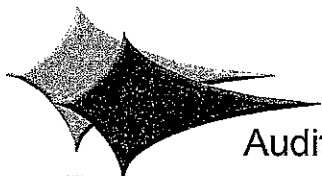
Hoopeston, Illinois 60942

Milford Area Public Schools District No. 124
Table of Contents

<u>Item</u>	<u>Page No.</u>
Independent Auditors' Report	1, 1a
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in accordance with Government Auditing Standards	2, 2a
Statement of Assets, Liabilities and Fund Balances Arising from Cash Transactions as of June 30, 2022 (All Funds)	3
Statement of Revenue Received, Expenditures Disbursed, Other Financing Sources (Uses) & Changes in Fund Balance for Year Ended June 30, 2022 (All Funds)	4
Budget - Basis Statement of Revenue Received, Expenditures Disbursed, Other Financing Sources (Uses) & Changes in Fund Balance-Budget & Actual for Year Ended June 30, 2022	5, 6
Statement of Revenue Received as of June 30, 2022	7, 8
Comparative Statement of Expenditures Disbursed as of June 30, 2022 and June 30, 2021:	
Education Fund	9 - 13
Operations and Maintenance Fund	14
Debt Service Fund	15
Transportation Fund	16
Municipal Retirement/Social Security Fund	17, 18
Capital Projects Fund	19
Tort Immunity Fund	20
Fire Prevention and Safety Fund	21
Notes to the Financial Statements	22 - 42
SUPPLEMENTAL INFORMATION	
Independent Auditor's Report on Supplemental Information	43
Summary of Balances for Activity Fund for Year Ended June 30, 2022	44

Milford Area Public Schools District No. 124
Table of Contents

<u>Item</u>	<u>Page No.</u>
Schedule of Employer's Proportionate Share of the Net Pension Liability - TRS	45
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios	46
Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2021 Contribution Rate	47
FEDERAL COMPLIANCE INFORMATION	
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	48, 48a
Schedule of Expenditures of Federal Awards	49, 50, 51
Notes to the Schedule of Expenditures of Federal Awards	52
Schedule of Findings and Questioned Costs	53
Summary of Schedule of Prior Audit Findings	54



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Independent Auditor's Report

Board of Education
Milford Area Public Schools District No. 124
Milford, Illinois

We have audited the accompanying financial statements of the Milford Area Public Schools District No. 124 as of and for the years ended June 30, 2022 and June 30, 2021, as listed in the Table of Contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's 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 of America 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 judgement, 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 entity'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 entity's internal control. Accordingly, we express no such opinion. An audit includes evaluating the appropriateness or 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 opinion.

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

As described in Note 1C, these financial statements are prepared by Milford Area Public Schools District No. 124 on the basis of the financial reporting provisions of the Illinois State Board of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Illinois State Board of Education. They are intended to assure effective legislative and public oversight of school district financing and spending activities of accountable Illinois Public School Districts. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Milford Area Public Schools District No. 124, as of June 30, 2022 and June 30, 2021, or the changes in its financial position for the fiscal years then ended.

-1-

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Basis for Qualified Opinion on Regulatory Basis of Accounting

Management has omitted disclosures required by Governmental Accounting Standards Board Statement 45 *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. The amount by which this disclosure would affect the financial statements is not reasonably determinable.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on Regulatory Basis of Accounting” paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets and liabilities arising from cash transactions of the funds and account groups of Milford Area Public Schools District No. 124 as of June 30, 2022 and June 30, 2021, and its revenues received and expenditures disbursed during the years then ended on the basis of the accounting described in Note 1 to these financial statements.

Basis of Accounting

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

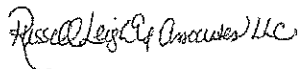
Other Matters - Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Milford Area Public Schools District No. 124's individual fund and account group financial statements. The accompanying Schedule of Expenditures of Federal Awards and the statement and schedules listed as Supplemental Information in the Table of Contents and the Illinois State Board of Education Schedule of Expenditures of Federal Awards are presented for purposes of additional analysis as required by the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the financial statements and in our opinion, is fairly stated in all material respects to the financial statements taken as a whole.

The Schedule of Expenditures of Federal Awards is the responsibility of the administration and was derived from and related 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

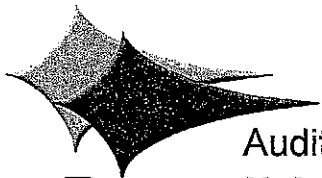
Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated October 19, 2022 on our consideration of Milford Area Public Schools District No. 124 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 to described the scope of testing or internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Russell Leigh & Associates LLC

Hoopeston, Illinois
October 19, 2022



Audit / Tax / Consult

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Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters based on an
Audit of Financial Statements Performed in Accordance
with Government Auditing Standards

Board of Education
Milford Area Public Schools District No. 124
Milford, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying financial statements of Milford Area Public Schools District No. 124 as of and for the fiscal years ended June 30, 2022 and 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 and have issued our report thereon dated October 19, 2022. Our opinion was adverse because the financial statements are not prepared in accordance with accounting principles generally accepted in the United States of America. However, the financial statements were found to be fairly stated, except for the effects of the omitted disclosures required by Governmental Accounting Standards Board Statement 45, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, on the regulatory basis of accounting, in accordance with regulatory reporting requirements established by the Illinois State Board of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Milford Area Public Schools District No. 124's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements and not for the purpose of expressing an opinion on the effectiveness of Milford Area Public Schools District No. 124's internal control. Accordingly, we do not express an opinion on the effectiveness of Milford Area Public Schools District No. 124's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or combination of significant deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

-2-

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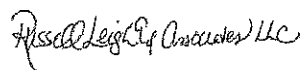
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses, as defined above. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Milford Area Public Schools District No. 124's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Russell Leigh & Associates LLC

Hoopeston, Illinois
October 19, 2022

Milford Area Public Schools District No. 124
Statement of Assets, Liabilities & Fund Balance
Arising from Cash Transactions (Regulatory Basis)
As of June 30, 2022

	Opera- tion	Educa- tion	Oper. Maint.	Debt Service	Transpor- tation	Municipal Retire.	Capital Projects	Working Cash	Tort	Fire Prev & Safety	Trust Agency	General Fixed Assets	General Long-Term Debt	Total Memorandum Only
ASSETS														
Cash in Bank	2912265		215930	48724	360926	29738	-0-	259208	83530	182435	-0-	-0-	-0-	4092756
Investments	2520927		130000	-0-	135140	277626	-0-	1444912	300000	33000	-0-	-0-	-0-	4841605
Student Activity Fund														
Cash and Investment	92030		-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	92030
Prepaid Items	84039		-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	84039
Fixed Assets	-0-		-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	30395290	-0-	30395290
Amount to be Provided for Retirement of General Long-Term Debt	-0-		-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	
TOTAL ASSETS	5609261		345930	48724	496066	307364	-0-	1704120	383530	215435	-0-	30395290	16245000	16245000
LIABILITIES & FUND BALANCE														
Current Liabilities:														
Payroll Deduction	-0-		-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Due to Student Groups	-0-		-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Current Liabilities	-0-		-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Long-Term Liabilities:														
Bonds Payable	-0-		-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	16245000	16245000
Total Long-Term Liabilities	-0-		-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	16245000	16245000
Total Liabilities	-0-		-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	16245000	16245000
Fund Balance:														
Investment in General			-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	30395290	-0-	30395290
Fixed Assets														
Reserved for Student			-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	92030
Activity Fund			-0-	-0-	-0-	307364	-0-	-0-	-0-	-0-	-0-	-0-	-0-	307364
Reserved			5517231	48724	496066	-0-	-0-	1704120	383530	215435	-0-	-0-	-0-	8711036
Unreserved														
Total Fund Balance	5609261		345930	48724	496066	307364	-0-	1704120	383530	215435	-0-	30395290	-0-	39505720
TOTAL LIABILITIES & FUND BALANCE	5609261		345930	48724	496066	307364	-0-	1704120	383530	215435	-0-	30395290	16245000	55750720

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124

Statement of Revenue Received, Expenditures Disbursed,

Other Financing Sources (Uses) & Changes in Fund Balance from Cash Transactions

For Years Ended June 30, 2022

	Education	Oper. & Maint.	Debt Service	Transportation	Municipal Retirement	Capital Projects	Working Cash	Tort	Fire Prev & Safety	Total Memo Only
<u>REVENUE RECEIVED</u>										
Local Revenue	4134943	764574	1117582	239029	88209	-0-	59324	470025	49405	6923091
State Revenue	1604979	50000	-0-	314126	-0-	-0-	-0-	-0-	-0-	2169105
Federal Revenue	1423552	295152	-0-	62512	-0-	-0-	-0-	-0-	-0-	1781216
Flow-Through	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Direct Revenue	7363474	1109726	1117582	615667	88209	-0-	59324	470025	49405	10873412
Revenue for On-Behalf Payments	1890506	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1890506
Total Revenue Received	9253980	1109726	1117582	615667	88209	-0-	59324	470025	49405	12763918
<u>EXPENDITURES DISBURSED</u>										
Instruction	4361000	-0-	-0-	-0-	61894	-0-	-0-	-0-	-0-	4422894
Support Services	1591287	1090297	-0-	481878	125177	-0-	-0-	444365	-0-	3733004
Community Services	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Payments to Other Districts & Governmental Units	517719	-0-	-0-	90079	-0-	-0-	-0-	-0-	-0-	607798
Debt Service	-0-	-0-	1108525	-0-	-0-	-0-	-0-	-0-	-0-	1108525
Total Direct Expenditures	6470006	1090297	1108525	571957	187071	-0-	-0-	444365	-0-	9872221
Expenditures for On-Behalf Payments	1890506	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1890506
Total Expenditures Disbursed	8360512	1090297	1108525	571957	187071	-0-	-0-	444365	-0-	11762727
Excess (Deficiency) of Revenue Received over Expenditures Disbursed	893468	19429	9057	43710	988621	-0-	59324	25660	49405	1001191
<u>OTHER FINANCING SOURCES (USES)</u>										
Other Financing Sources	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Other Financing (Uses)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Other Financing Sources (Uses)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Excess (Deficiency) of Revenue Received & Other Financing Sources over Expenditures Disbursed & Other Financing Sources (Uses)	893468	19429	9057	43710	988621	-0-	59324	25660	49405	1001191
Beginning Fund Balance	4715793	326501	39667	452356	406226	-0-	1644796	357870	166030	8109239
Ending Fund Balance	5609261	345930	48724	496060	307364	-0-	1704120	383530	215435	9110430

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124

Statement of Revenue Received, Expenditures Disbursed

Other Financing Sources (Uses) & Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2022

	<u>Education</u>		<u>Oper. & Maint.</u>		<u>Debt Service</u>		<u>Transportation</u>		<u>Municipal Retire.</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
<u>REVENUE RECEIVED</u>										
Local Revenue	3699300	4134943	757820	764574	1118612	1117582	238945	239029	74198	88209
State Revenue	1815096	1804979	50000	50000	-0-	-0-	375000	314126	-0-	-0-
Federal Revenue	1454928	1423552	-0-	-0-	-0-	-0-	-0-	62512	-0-	-0-
On Behalf Revenue	385000	1890506	375000	295152	-0-	-0-	-0-	-0-	-0-	-0-
Flow-Through	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Revenue Received	7354324	9253980	1182820	1109726	1118612	1117582	613945	615667	74198	88209
<u>EXPENDITURES DISBURSED</u>										
Instruction	4615080	4361000	-0-	-0-	-0-	-0-	-0-	-0-	78575	61894
Support Services	1552200	1591287	1134725	1090297	-0-	-0-	496650	481878	156000	125177
Community Services	45700	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Payments to Other Districts & Governmental Units	625000	517719	-0-	-0-	-0-	-0-	115000	90079	-0-	-0-
On Behalf Payments	385000	1890506	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Debt Service	-0-	-0-	-0-	-0-	1118000	1108525	-0-	-0-	-0-	-0-
Provisions for Contingencies	100000	-0-	45000	-0-	-0-	-0-	-0-	-0-	20000	-0-
Total Expenditures Disbursed	7322980	8360512	1179725	1090297	1118000	1108525	611650	571957	254575	187071
Excess (Deficiency) of Revenue Received over Expenditures Disbursed	31344	893468	3095	19429	612	9057	2295	43710	(180377)	(98862)
<u>OTHER FINANCING SOURCES (USES)</u>										
Other Financing Sources	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Other Financing Uses	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Other Financing Sources (Uses)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Excess (Deficiency) of Revenue Received & Other Financing Sources over Expenditures Disbursed & Other Financing Sources (Uses)	31344	893468	3095	19429	612	9057	2295	43710	(180377)	(98862)
Beginning Fund Balance	4715793	4715793	326501	326501	39667	39667	452356	452356	406226	406226
Ending Fund Balance	4747137	5609261	329596	345930	40279	48724	454651	496066	225849	307364

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124

Statement of Revenue Received, Expenditures Disbursed

Other Financing Sources (Uses) & Changes in Fund Balance - Budget and Actual

Year Ended June 30, 2022

(Continued)

	Capital Projects		Working Cash		Tort		Fire Prevention & Safety	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
REVENUE RECEIVED								
Local Revenue	-0-	-0-	68000	59324	471000	470025	49500	49405
State Revenue	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Federal Revenue	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
On-Behalf Revenue	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Flow-Through	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Revenue Received	-0-	-0-	68000	59324	471000	470025	49500	49405
EXPENDITURES DISBURSED								
Instruction	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Support Service	-0-	-0-	-0-	-0-	455950	444365	49265	-0-
Community Service	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Payments to Other Districts & Governmental Units	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
On-Behalf Payments	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Debt Service	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Provision for Contingencies	-0-	-0-	-0-	-0-	15000	-0-	-0-	-0-
Total Expenditures Disbursed	-0-	-0-	-0-	-0-	470950	444365	49265	-0-
Excess (Deficiency) of Revenue Received over Expenditures Disbursed	-0-	-0-	68000	59324	50	25660	235	49405
OTHER FINANCING SOURCES (USES)								
Other Financing Sources	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Other Financing Uses	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Other Financing Sources (Uses)	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Excess (Deficiency) of Revenue Received & Other Financing Sources over Expenditures Disbursed & Other Financing Sources (Uses)	-0-	-0-	68000	59324	50	25660	235	49405
Beginning Fund Balance	-0-	-0-	1644796	1644796	357870	357870	166030	166030
Ending Fund Balance	-0-	-0-	1712796	1704120	357920	383530	166265	215435

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Statement of Revenue Received
For the Fiscal Year Ended June 30, 2022

	<u>Education</u>	<u>Oper. & Maint.</u>	<u>Debt Services</u>	<u>Transportation</u>	<u>Municipal Retirement</u>	<u>Capital Projects</u>	<u>Working Cash</u>	<u>Tort Immunity</u>	<u>Fire Prev & Safety</u>	<u>Total Memo Only</u>
REVENUE RECEIVED										
From Local Sources:										
Ad Valorem Taxes Levied										
General Levy	3123101	734272	1117582	234964	19720	-0-	48952	468287	48952	5795830
Leasing Purposes Levy	48952	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	48952
Special Education Levy	39161	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	39161
Social Security/Medicare Levy	-0-	-0-	-0-	-0-	39433	-0-	-0-	-0-	-0-	39433
Payments in Lieu of Taxes:										
Corporate Personal Property										
Replacement Taxes	558589	-0-	-0-	-0-	26321	-0-	-0-	-0-	-0-	584910
Tuition:										
Summer School Tuition:										
From Pupils or Parents	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
From Other Districts	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Interest on Investments	18904	812	-0-	971	2735	-0-	10372	1738	453	35985
Food Services:										
Sales to Pupils - Lunch	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Sales to Pupils - Breakfast	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Sales to Pupils - Ala Carte	840	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	840
Sales to Pupils - Adults	2349	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	2349
Pupil Activities:										
Admissions - Athletic	23859	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	23859
Other District/School Activity										
Revenue	2196	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	2196
Student Activity Funds Revenue	108910	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	108910
Textbooks:										
Rentals-Regular Textbooks	19857	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	19857
Sales - Regular Textbooks	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Rentals	-0-	11576	-0-	-0-	-0-	-0-	-0-	-0-	-0-	11576
Contributions/Donations from										
Private Sources	21640	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	21640
Services Provided Other Districts	102345	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	102345
Driver's Education Fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Other Local Revenue	64240	17914	-0-	3094	-0-	-0-	-0-	-0-	-0-	85248
Total Revenue from Local Sources	4134943	764574	1117582	239029	88209	-0-	59324	470025	49405	6923091
Flow-Through Revenues from one District to another District:										
Flow-Through Revenue from State Sources	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Flow-Through Revenue from Federal Sources	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Flow-Through Revenues from one District to another District	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Statement of Revenue Received
For the Fiscal Year Ended June 30, 2022

	<u>Education</u>	<u>Oper. & Maint.</u>	<u>Debt Services</u>	<u>Transportation</u>	<u>Municipal Retirement</u>	<u>Capital Projects</u>	<u>Working Cash</u>	<u>Tort Immunity</u>	<u>Fire Prev & Safety</u>	<u>Total Memo Only</u>
From State Sources:										
Unrestricted Grants-in-Aid:										
Evidence Based Funding Formula	1704627	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1704627
Restricted Grants-in-Aid:										
Special Education:										
Private Facility Tuition	73171	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	73171
Orphanage Individual	1209	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1209
Career and Technical Education:										
Secondary Program Improvement (CTEI)	11297	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	11297
Agriculture Education	1616	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1616
CTE Other	372	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	372
State Free Lunch/Breakfast	4135	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	4135
Driver Education	7602	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	7602
Transportation Aid:										
Regular	-0-	-0-	-0-	233789	-0-	-0-	-0-	-0-	-0-	233789
Special Education	-0-	-0-	-0-	80337	-0-	-0-	-0-	-0-	-0-	80337
School Infrastructure -	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	50000
Maintenance Projects		50000	-0-	-0-	-0-	-0-	-0-	-0-	-0-	
Other Restricted Revenue from State Sources	950	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	950
Total Revenue from State Sources	1804979	50000	-0-	314126	-0-	-0-	-0-	-0-	-0-	2169105
From Federal Sources:										
Other Unrestricted Grants-in-Aid										
Revenue Directly from the Federal Government	15974	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	15974
National School Lunch Program	204719	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	204719
School Breakfast Program	34213	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	34213
Summer Food Service Program	171472	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	171472
Title I:										
Low Income	206095	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	206095
Other	20000	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	20000
Title IV - Student Support and Academic Enrichment Grant	14247	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	14247
Federal - Special Education:										
Pre-School Flow-Through	3813	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	3813
IDEA Flow-Through	142540	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	142540
CTE - Perkins Tech Prep	6191	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	6191
Qualified Zone Academy Bond										
Tax Credit	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Title II:										
Teacher Quality	22488	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	22488
Other Federal	581800	295152	-0-	62512	-0-	-0-	-0-	-0-	-0-	939464
Total Revenue from Federal Sources	1423552	295152	-0-	62512	-0-	-0-	-0-	-0-	-0-	1781216
Total Direct Revenue Received	7363474	1109726	1117582	615667	88209	-0-	59324	470025	49405	10873412

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Comparative Statement of Expenditures Disbursed
(And Comparison with Budget)
Education Fund
For the Fiscal Year Ended June 30, 2022 and 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>
Expenditures Disbursed:				
Instruction:				
Regular Programs:				
Salaries	2230400	2182204	48196	2181051
Employee Benefits	517775	532469	(14694)	480081
Purchased Services	83900	71942	11958	67820
Supplies and Materials	100700	46329	54371	62334
Capital Outlay	12500	2136	10364	6048
Other Objects	<u>1000</u>	<u>253</u>	<u>747</u>	<u>413</u>
Total Regular Programs	<u>2946275</u>	<u>2835333</u>	<u>110942</u>	<u>2797747</u>
Pre-K Programs:				
Salaries	120000	109614	10386	102397
Employee Benefits	20180	22386	(2206)	18613
Purchased Services	1200	-0-	1200	740
Supplies and Materials	1000	-0-	1000	-0-
Capital Outlay	-0-	-0-	-0-	-0-
Other Objects	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Pre-K Programs	<u>142380</u>	<u>132000</u>	<u>10380</u>	<u>121750</u>
Remedial and Supplemental Programs - K-12:				
Salaries	85000	106355	(21355)	104742
Employee Benefits	22050	20372	1678	20756
Purchased Services	35000	43582	(8582)	32900
Supplies and Materials	50000	55126	(5126)	43698
Capital Outlay	<u>2000</u>	<u>-0-</u>	<u>2000</u>	<u>1876</u>
Total Remedial and Supplemental Programs - K-12	<u>194050</u>	<u>225435</u>	<u>(31385)</u>	<u>203972</u>
Adult/Continuing Education Programs:				
Purchased Services	-0-	12103	(12103)	58576
Supplies and Materials	500000	167372	332628	141369
Capital Outlay	<u>140000</u>	<u>180631</u>	<u>(40631)</u>	<u>27698</u>
Total Adult-Continuing Education Programs:	<u>640000</u>	<u>360106</u>	<u>279894</u>	<u>227643</u>
CTE Programs:				
Salaries	201000	197192	3808	156457
Employee Benefits	38625	46117	(7492)	34360
Purchased Services	3350	-0-	3350	239
Supplies and Materials	24000	14648	9352	17206
Capital Outlay	<u>2500</u>	<u>-0-</u>	<u>2500</u>	<u>-0-</u>
Total CTE Programs	<u>269475</u>	<u>257957</u>	<u>11518</u>	<u>208262</u>

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Comparative Statement of Expenditures Disbursed
(And Comparison with Budget)
Education Fund
For the Fiscal Year Ended June 30, 2022 and 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>
Interscholastic Programs:				
Salaries	220000	231395	(11395)	217463
Employee Benefits	26700	25974	726	24417
Purchased Services	51500	52362	(862)	38929
Supplies and Materials	55000	97281	(42281)	48932
Capital Outlay	26000	1347	24653	17981
Other Objects	<u>10000</u>	<u>8891</u>	<u>1109</u>	<u>2613</u>
Total Interscholastic Programs	<u>389200</u>	<u>417250</u>	<u>(28050)</u>	<u>350335</u>
Driver's Education Programs:				
Salaries	28000	25686	2314	10036
Employee Benefits	3850	5318	(1468)	1069
Purchased Services	350	10	340	50
Supplies and Materials	<u>1500</u>	<u>1709</u>	<u>(209)</u>	<u>675</u>
Total Driver's Education Programs	<u>33700</u>	<u>32723</u>	<u>977</u>	<u>11830</u>
Student Activity Fund Expenditures:				
Other Objects	<u>-0-</u>	<u>100196</u>	<u>(100196)</u>	<u>44993</u>
Total Student Activity Fund Expenditures	<u>-0-</u>	<u>100196</u>	<u>(100196)</u>	<u>44993</u>
TOTAL INSTRUCTION	<u>4615080</u>	<u>4361000</u>	<u>254080</u>	<u>3966532</u>
Support Services - Pupils:				
Attendance and Social Work Services:				
Salaries	-0-	54731	(54731)	-0-
Employee Benefits	<u>-0-</u>	<u>14543</u>	<u>(14543)</u>	<u>-0-</u>
Total Attendance and Social Work Services	<u>-0-</u>	<u>69274</u>	<u>(69274)</u>	<u>-0-</u>
Guidance Services:				
Salaries	107000	109350	(2350)	104157
Employee Benefits	17600	18408	(808)	15838
Purchased Services	1900	13606	(11706)	109
Supplies and Materials	700	-0-	700	-0-
Capital Outlay	<u>500</u>	<u>-0-</u>	<u>500</u>	<u>-0-</u>
Total Guidance and Social Work Services	<u>127700</u>	<u>141364</u>	<u>(13664)</u>	<u>120104</u>
Health Services:				
Salaries	-0-	5065	(5065)	-0-
Purchased Services	43000	32851	10149	38055
Supplies and Materials	5000	-0-	5000	-0-
Capital Outlay	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Health Services	<u>48000</u>	<u>37916</u>	<u>10084</u>	<u>38055</u>

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Comparative Statement of Expenditures Disbursed
(And Comparison with Budget)
Education Fund
For the Fiscal Year Ended June 30, 2022 and 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>
Psychological Services:				
Purchased Services	<u>-0-</u>	<u>26363</u>	<u>(26363)</u>	<u>-0-</u>
Total Psychological Services	<u>-0-</u>	<u>26363</u>	<u>(26363)</u>	<u>-0-</u>
Speech Pathology and Audiology Services:				
Salaries	<u>50000</u>	<u>37255</u>	<u>12745</u>	<u>-0-</u>
Employee Benefits	<u>-0-</u>	<u>8874</u>	<u>(8874)</u>	<u>-0-</u>
Total Speech Pathology and Audiology Services	<u>50000</u>	<u>46129</u>	<u>3871</u>	<u>-0-</u>
TOTAL SUPPORT SERVICES - PUPILS	<u>225700</u>	<u>321046</u>	<u>(95346)</u>	<u>158159</u>
Support Services - Instructional Staff:				
Improvement of Instruction Services:				
Salaries	<u>7500</u>	<u>4690</u>	<u>2810</u>	<u>1876</u>
Employee Benefits	<u>600</u>	<u>211</u>	<u>389</u>	<u>214</u>
Purchased Services	<u>500</u>	<u>12954</u>	<u>(12454)</u>	<u>-0-</u>
Supplies and Materials	<u>500</u>	<u>-0-</u>	<u>500</u>	<u>-0-</u>
Total Improvement of Instruction Services	<u>9100</u>	<u>17855</u>	<u>(8755)</u>	<u>2090</u>
Educational Media Services:				
Salaries	<u>20000</u>	<u>19335</u>	<u>665</u>	<u>18409</u>
Employee Benefits	<u>6650</u>	<u>6269</u>	<u>381</u>	<u>6276</u>
Purchased Services	<u>5300</u>	<u>1634</u>	<u>3666</u>	<u>2606</u>
Supplies and Materials	<u>4450</u>	<u>202</u>	<u>4248</u>	<u>1019</u>
Capital Outlay	<u>500</u>	<u>2170</u>	<u>(1670)</u>	<u>-0-</u>
Total Educational Media Services	<u>36900</u>	<u>29610</u>	<u>7290</u>	<u>28310</u>
TOTAL SUPPORT SERVICES - INSTRUCTIONAL STAFF	<u>46000</u>	<u>47465</u>	<u>(1465)</u>	<u>30400</u>
Support Services - General Administration:				
Board of Education Services:				
Purchased Services	<u>69000</u>	<u>63260</u>	<u>5740</u>	<u>32816</u>
Supplies and Materials	<u>5000</u>	<u>1550</u>	<u>3450</u>	<u>-0-</u>
Capital Outlay	<u>500</u>	<u>-0-</u>	<u>500</u>	<u>-0-</u>
Other Objects	<u>6000</u>	<u>-0-</u>	<u>6000</u>	<u>4688</u>
Total Board of Education Services	<u>80500</u>	<u>64810</u>	<u>15690</u>	<u>37504</u>

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Milford Area Public Schools District No. 124
Comparative Statement of Expenditures Disbursed
(And Comparison with Budget)
Education Fund
For the Fiscal Year Ended June 30, 2022 and 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>
Executive Administration Services:				
Salaries	135000	134907	93	141904
Employees Benefits	26200	21273	4927	23398
Purchased Services	8000	4228	3772	960
Supplies and Materials	6000	5482	518	5769
Capital Outlay	1000	-0-	1000	-0-
Other Objects	<u>3000</u>	<u>1080</u>	<u>1920</u>	<u>-0-</u>
Total Executive Administration	<u>179200</u>	<u>166970</u>	<u>12230</u>	<u>172031</u>
TOTAL SUPPORT SERVICES - GENERAL ADMINISTRATION	<u>259700</u>	<u>231780</u>	<u>27920</u>	<u>209535</u>
Support Services - School Administration:				
Office of the Principal Services:				
Salaries	340000	337579	2421	332803
Employee Benefits	64300	59787	4513	59729
Purchased Services	18000	8149	9851	7969
Supplies and Materials	8000	3899	4101	4185
Capital Outlay	2000	1143	857	-0-
Other Objects	<u>2500</u>	<u>934</u>	<u>1566</u>	<u>1048</u>
Total Office of the Principal Services	<u>434800</u>	<u>411491</u>	<u>23309</u>	<u>405734</u>
TOTAL SUPPORT SERVICES - SCHOOL ADMINISTRATION	<u>434800</u>	<u>411491</u>	<u>23309</u>	<u>405734</u>
Support Services - Business				
Fiscal Services:				
Salaries	60000	55053	4947	39181
Employee Benefits	8050	9322	(1272)	6353
Purchased Services	7700	3507	4193	4010
Supplies and Materials	1500	102	1398	616
Capital Outlay	<u>500</u>	<u>-0-</u>	<u>500</u>	<u>-0-</u>
Total Fiscal Services	<u>77750</u>	<u>67984</u>	<u>9766</u>	<u>50160</u>
Food Services:				
Salaries	79000	80205	(1205)	77567
Employee Benefits	21200	21555	(355)	19330
Purchased Services	3900	16612	(12712)	1493
Supplies and Materials	160500	177237	(16737)	125481
Capital Outlay	<u>1000</u>	<u>-0-</u>	<u>1000</u>	<u>-0-</u>
Total Food Services	<u>265600</u>	<u>295609</u>	<u>(30009)</u>	<u>223871</u>
TOTAL SUPPORT SERVICES - BUSINESS	<u>343350</u>	<u>363593</u>	<u>(20243)</u>	<u>274031</u>
Support Services - Central				
Information Services:				
Purchased Services	<u>6000</u>	<u>4316</u>	<u>1684</u>	<u>3256</u>
Total Information Services	<u>6000</u>	<u>4316</u>	<u>1684</u>	<u>3256</u>

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Comparative Statement of Expenditures Disbursed
(And Comparison with Budget)
Education Fund
For the Fiscal Year Ended June 30, 2022 and 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>
Data Processing Services:				
Salaries	63000	61833	1167	58880
Employee Benefits	6650	6298	352	6098
Purchased Services	107000	45915	61085	71651
Supplies and Materials	50000	35561	14439	301
Capital Outlay	<u>10000</u>	<u>61989</u>	<u>(51989)</u>	<u>1430</u>
Total Data Processing Services	<u>236650</u>	<u>211596</u>	<u>25054</u>	<u>138360</u>
TOTAL SUPPORT SERVICES - CENTRAL	<u>242650</u>	<u>215912</u>	<u>26738</u>	<u>141616</u>
TOTAL SUPPORT SERVICES	<u>1552200</u>	<u>1591287</u>	<u>(39087)</u>	<u>1219475</u>
Community Services:				
Purchased Services	20700	-0-	20700	18689
Supplies and Materials	<u>25000</u>	<u>-0-</u>	<u>25000</u>	<u>16142</u>
TOTAL COMMUNITY SERVICES	<u>45700</u>	<u>-0-</u>	<u>45700</u>	<u>34831</u>
Payments to Other Districts and Governmental Units:				
Payments to Other Governmental Units (In-State):				
Payments for Regular Programs:				
Other Objects	15000	2498	12502	2302
Payments for Special Education Programs:				
Other Objects	580000	507412	72588	481382
Payments for CTE Programs:				
Other Objects	30000	7809	22191	23912
Other Payments to In-State Government Units				
Other Objects	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Payments to Other Governmental Units (In-State)	<u>625000</u>	<u>517719</u>	<u>107281</u>	<u>507596</u>
Total Payments to Other Districts and Governmental Units	<u>625000</u>	<u>517719</u>	<u>107281</u>	<u>507596</u>
Provision for Contingencies	<u>100000</u>	<u>-0-</u>	<u>100000</u>	<u>-0-</u>
Total Direct Expenditures Disbursed	<u>6937980</u>	<u>6470006</u>	<u>467974</u>	<u>5728434</u>

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Comparative Statement of Expenditures Disbursed
(And Comparison with Budget)
Operations and Maintenance Fund
For the Fiscal Year Ended June 30, 2022 and 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>
Expenditures Disbursed:				
Support Services:				
Facilities Acquisition and				
Construction Services:				
Capital Outlay	<u>50000</u>	<u>18025</u>	<u>31975</u>	<u>193301</u>
TOTAL FACILITIES ACQUISITION AND				
CONSTRUCTION SERVICES	<u>50000</u>	<u>18025</u>	<u>31975</u>	<u>193301</u>
Operations and Maintenance of Plant				
Services:				
Salaries	259825	254691	5134	213848
Employee Benefits	45850	47410	(1560)	44627
Purchased Services	152550	402549	(249999)	140510
Supplies and Materials	210500	215185	(4685)	204311
Capital Outlay	415500	152437	263063	56803
Other Objects	<u>500</u>	<u>-0-</u>	<u>500</u>	<u>85</u>
TOTAL OPERATIONS AND MAINTENANCE OF				
PLANT SERVICES	<u>1084725</u>	<u>1072272</u>	<u>12453</u>	<u>660184</u>
TOTAL SUPPORT SERVICES	<u>1134725</u>	<u>1090297</u>	<u>44428</u>	<u>853485</u>
Provision for Contingencies	<u>45000</u>	<u>-0-</u>	<u>45000</u>	<u>-0-</u>
Total Expenditures Disbursed	<u>1179725</u>	<u>1090297</u>	<u>89428</u>	<u>853485</u>

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Comparative Statement of Expenditures Disbursed
(And Comparison with Budget)
Debt Services Fund
For the Fiscal Year Ended June 30, 2022 and 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	(Over) Under <u>Budget</u>	<u>2021</u> <u>Actual</u>
Expenditures Disbursed:				
Debt Service - Interest on Long-Term Debt:				
Debt Service - Interest on Long-Term Debt	710000	702525	7475	714238
Debt Service - Payments on Principal	408000	405000	3000	397525
Debt Service - Other	<u>-0-</u>	<u>1000</u>	<u>(1000)</u>	<u>1500</u>
TOTAL DEBT SERVICE	<u>1118000</u>	<u>1108525</u>	<u>9475</u>	<u>1113263</u>
Total Expenditures Disbursed	<u>1118000</u>	<u>1108525</u>	<u>9475</u>	<u>1113263</u>

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Comparative Statement of Expenditures Disbursed
(And Comparison with Budget)
Transportation Fund
For the Fiscal Year Ended June 30, 2022 and 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>
Expenditures Disbursed:				
Support Services:				
Pupil Transportation Services:				
Salaries	173000	158837	14163	155715
Employee Benefits	2600	2191	409	2223
Purchased Services	144550	131610	12940	128140
Supplies and Materials	81000	72342	8658	44568
Capital Outlay	95000	116579	(21579)	-0-
Other Objects	<u>500</u>	<u>319</u>	<u>181</u>	<u>50</u>
TOTAL PUPIL TRANSPORTATION SERVICES	<u>496650</u>	<u>481878</u>	<u>14772</u>	<u>330696</u>
TOTAL SUPPORT SERVICES	<u>496650</u>	<u>481878</u>	<u>14772</u>	<u>330696</u>
Payments to Other Districts and Governmental Units:				
Payments for Special Education Programs:				
Purchased Services	<u>115000</u>	<u>90079</u>	<u>24921</u>	<u>101276</u>
TOTAL PAYMENTS TO OTHER DISTRICTS AND GOVERNMENTAL UNITS	<u>115000</u>	<u>90079</u>	<u>24921</u>	<u>101276</u>
Provision for Contingencies	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Expenditures Disbursed	<u>611650</u>	<u>571957</u>	<u>39693</u>	<u>431972</u>

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Comparative Statement of Expenditures Disbursed
(And Comparison with Budget)
Municipal Retirement/Social Security Fund
For the Fiscal Year Ended June 30, 2022 and 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>
Expenditures Disbursed:				
Instruction:				
Regular Programs:				
Employee Benefits	35950	38932	(2982)	39855
Pre-K Programs:				
Employee Benefits	18200	3808	14392	2893
Remedial and Supplemental Programs - K-12:				
Employee Benefits	11250	8374	2876	8134
CTE Programs:				
Employee Benefits	2850	2633	217	1998
Interscholastic Programs:				
Employee Benefits	9525	7787	1738	7123
Driver's Education Programs:				
Employee Benefits	<u>800</u>	<u>360</u>	<u>440</u>	<u>142</u>
TOTAL INSTRUCTION	<u>78575</u>	<u>61894</u>	<u>16681</u>	<u>60145</u>
Support Services:				
Support Services - Pupils				
Attendance and Social Work Services:				
Employee Benefits	-0-	606	(606)	-0-
Guidance Services:				
Employee Benefits	1500	1546	(46)	1471
Health Services:				
Employee Benefits	<u>-0-</u>	<u>757</u>	<u>(757)</u>	<u>-0-</u>
TOTAL SUPPORT SERVICES - PUPILS	<u>1500</u>	<u>2909</u>	<u>(1409)</u>	<u>1471</u>
Support Services - Instructional Staff:				
Improvement of Instruction Services:				
Employee Benefits	150	27	123	27
Educational Media Services:				
Employee Benefits	<u>3650</u>	<u>2481</u>	<u>1169</u>	<u>2702</u>
TOTAL SUPPORT SERVICES - INSTRUCTIONAL STAFF	<u>3800</u>	<u>2508</u>	<u>1292</u>	<u>2729</u>
Support Services - General Administration:				
Board of Education Services:				
Employee Benefits	-0-	-0-	-0-	-0-
Executive Administration Services:				
Employee Benefits	9800	5314	4486	8637
Risk Management and Claims Services Payments:				
Employee Benefits	<u>22500</u>	<u>12873</u>	<u>9627</u>	<u>12083</u>
TOTAL SUPPORT SERVICES - GENERAL ADMINISTRATION	<u>32300</u>	<u>18187</u>	<u>14113</u>	<u>20720</u>

The accompanying notes are an integral part of this report.

Milford Area Public Schools No. 124
Comparative Statement of Expenditures Disbursed
(And Comparison with Budget)
Municipal Retirement/Social Security Fund
For the Fiscal Year Ended June 30, 2022 and 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>
Support Services - School Administration:				
Office of the Principal Services:				
Employee Benefits	<u>18700</u>	<u>15446</u>	<u>3254</u>	<u>16162</u>
TOTAL SUPPORT SERVICES - SCHOOL ADMINISTRATION	<u>18700</u>	<u>15446</u>	<u>3254</u>	<u>16162</u>
Support Services - Business:				
Direction of Business Support Services:				
Employee Benefits	-0-	-0-	-0-	-0-
Fiscal Services:				
Employee Benefits	7000	9140	(2140)	5744
Operations and Maintenance of Plant Services:				
Employee Benefits	48250	39970	8280	37097
Pupil Transportation Services:				
Employee Benefits	17450	14845	2605	14920
Food Services:				
Employee Benefits	<u>14200</u>	<u>12338</u>	<u>1862</u>	<u>12480</u>
TOTAL SUPPORT SERVICES - BUSINESS	<u>86900</u>	<u>76293</u>	<u>10607</u>	<u>70241</u>
Support Services - Central:				
Data Processing Services:				
Employee Benefits	<u>12800</u>	<u>9834</u>	<u>2966</u>	<u>10068</u>
TOTAL SUPPORT SERVICES - CENTRAL	<u>12800</u>	<u>9834</u>	<u>2966</u>	<u>10068</u>
TOTAL SUPPORT SERVICES	<u>156000</u>	<u>125177</u>	<u>30823</u>	<u>121391</u>
Community Services:				
Employee Benefits	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL COMMUNITY SERVICES	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Provision for Contingencies	<u>20000</u>	<u>-0-</u>	<u>20000</u>	<u>-0-</u>
Total Expenditures Disbursed	<u>254575</u>	<u>187071</u>	<u>67504</u>	<u>181536</u>

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Comparative Statement of Expenditures Disbursed
(And Comparison with Budget)
Capital Projects Fund
For the Fiscal Year Ended June 30, 2022 and 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>
Expenditures Disbursed:				
Support Services:				
Facilities Acquisition and				
Construction Services:				
Purchased Services	-0-	-0-	-0-	-0-
Capital Outlay	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL FACILITIES ACQUISITION AND				
CONSTRUCTION SERVICES	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL SUPPORT SERVICES	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total Expenditures Disbursed	<u><u>-0-</u></u>	<u><u>-0-</u></u>	<u><u>-0-</u></u>	<u><u>-0-</u></u>

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Comparative Statement of Expenditures Disbursed
(And Comparison with Budget)
Tort Immunity Fund
For the Fiscal Year Ended June 30, 2022 and 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	(Over) Under <u>Budget</u>	<u>2021</u> <u>Actual</u>
Expenditures Disbursed:				
Support Services:				
Instruction:				
Regular Programs:				
Salaries	250000	-0-	250000	-0-
Employee Benefits	57950	-0-	57950	-0-
Purchased Services	147000	-0-	147000	-0-
Supplies and Materials	<u>1000</u>	<u>-0-</u>	<u>1000</u>	<u>-0-</u>
TOTAL INSTRUCTION	<u>455950</u>	<u>-0-</u>	<u>455950</u>	<u>-0-</u>
Support Services:				
Risk Management and Claims Services				
Payments:				
Salaries	-0-	272366	(272366)	220981
Employee Benefits	-0-	50599	(50599)	43184
Purchased Services	-0-	121400	(121400)	105331
Supplies and Materials	-0-	-0-	-0-	-0-
Legal Services:				
Purchased Services	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL SUPPORT SERVICES	<u>-0-</u>	<u>444365</u>	<u>(444365)</u>	<u>369496</u>
Provision for Contingencies	<u>15000</u>	<u>-0-</u>	<u>15000</u>	<u>-0-</u>
Total Expenditures Disbursed	<u>470950</u>	<u>444365</u>	<u>26585</u>	<u>369496</u>

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Comparative Statement of Expenditures Disbursed
(And Comparison with Budget)
Fire Prevention and Safety Fund
For the Fiscal Year Ended June 30, 2022 and 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>(Over) Under</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>
Expenditures Disbursed:				
Support Services:				
Facilities Acquisition and				
Construction Services:				
Supplies and Materials	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL FACILITIES ACQUISITION AND				
CONSTRUCTION SERVICES	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Operations and Maintenance of				
Plant Services:				
Purchased Services	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Capital Outlay	<u>49265</u>	<u>-0-</u>	<u>49265</u>	<u>14265</u>
TOTAL OPERATIONS AND MAINTENANCE				
OF PLANT SERVICES	<u>49265</u>	<u>-0-</u>	<u>49265</u>	<u>14265</u>
TOTAL SUPPORT SERVICES	<u>49265</u>	<u>-0-</u>	<u>49265</u>	<u>14265</u>
Total Expenditures Disbursed	<u>49265</u>	<u>-0-</u>	<u>49265</u>	<u>14265</u>

The accompanying notes are an integral part of this report.

Milford Area Public Schools District No. 124
Notes to the Financial Statements
For the Year Ended June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The district's accounting policies conform to the cash basis of accounting as defined by the Illinois State Board of Education Audit Guide.

In June 1999, the Government Accounting Standards Board (GASB) issued *Statement 34 Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*. The Statement establishes new financial reporting requirements for state and local governments throughout the United States. Implementation was required for fiscal year ending June 30, 2004. The district elected not to implement GASB 34. Instead, the district adopted a regulatory basis of accounting as prescribed by the Illinois State Board of Education.

(A) Principles Used to Determine the Scope of the Reporting Entity

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

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

The joint agreements have been determined not to be part of the reporting entity after applying the manifesting of oversight, scope of public service and special financing relationships criteria and are therefore excluded from the accompanying financial statements because the district does not control the assets, operations or management of the joint agreements. In addition, the district is not aware of any entity which would exercise such oversight as to result in the district being considered a component unit of the entity.

(B) Basis of Presentation - Fund Accounting

The accounts of the district are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and liabilities (arising from cash transactions), fund balance, revenue received and expenditures disbursed.

The district maintains individual funds required by the State of Illinois. The various funds are summarized by type in the financial statements. These funds are grouped as required for reports filed with the Illinois State Board of Education. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types and account groups are used by the district:

GOVERNMENTAL FUND TYPES

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

The General Fund, which consists of the Education Fund and the Operations, Building and Maintenance Fund, is the general operating fund of the district. It is used to account for all financial resources except those required to be accounted for in another fund. Tort Immunity and Special Education are included in these funds.

Special Revenue Funds, which include both the Transportation Fund and the Illinois Municipal Retirement/Social Security Fund, are used to account for cash received from special sources (other than those accounted for in the Debt Service Fund, Capital Project Funds or Fiduciary Funds) that are legally restricted to cash disbursements for specified purposes.

The Expendable Trust Fund (Working Cash Fund) accounts for financial resources held by the district to be used for temporary interfund loans to other funds.

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

The Capital Projects Fund, which includes the Fire Prevention and Safety Fund, is used to account for cash received from special sources for projects that are legally restricted.

FIDUCIARY FUND TYPES

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

The Agency Funds include the Student Activity Funds, which account for assets held by the district as an agent for the student, teachers and other entities. These funds are custodial in nature and do not involve the measurement of the results of operations. The amounts due to the activity fund organizations are equal to the assets.

GOVERNMENTAL AND EXPENDABLE TRUST FUNDS - MEASUREMENT FOCUS

The financial statements of all Governmental Funds and Expendable Trust Funds focus on the measurement of spending or "financial flow" and the determination of changes in financial position rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (cash receipts and other financing sources) and decreases (cash disbursements and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

GENERAL FIXED ASSETS AND GENERAL LONG-TERM DEBT ACCOUNT GROUP

No depreciation has been provided on fixed assets. Accumulated depreciation totaling \$11,320,153 has been reported on the Illinois Local Education Agency's annual financial report, based on straight-line method and useful lives established by Illinois State Board of Education as follows:

Land	N/A
Buildings & Improvements	50 years
Improvements other than Buildings	20 years
Equipment	3-10 years

Long-Term Liabilities expected to be financed from Debt Service Funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds. Proceeds from sales of bonds are included as Other Financing Sources in the appropriate fund on the date received. Related principal payable in the future is recorded at the same time in the General Long-Term Debt Account Group.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. The district capitalizes all assets over \$5000. The district uses the estimate useful lives that is set up by the Illinois State Board of Education in the annual report.

The district records purchases of property and equipment as expenditures of various funds when paid.

The two account groups are not “funds”. They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

(C) Basis of Accounting

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

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

(D) Budgets and Budgetary Accounting

The budget for all Governmental Fund Types and for the Expendable Trust Fund is prepared on the cash basis of accounting which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 105, Section 5, Paragraph 17.1 of the Illinois Revised Statutes. The budget was passed on September 22, 2021.

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

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

1. Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures disbursed and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year.
5. The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

(E) Investments

Investments are stated at the lower of cost or market. The district has adopted a formal written investment and cash management policy. The institutions in which investments are made must be approved by the Board of Education.

(F) Inventory
Inventory consists of expendable supplies held for consumption. The amount of inventory was not considered material and therefore, no value was placed on it.

(G) Total Memorandum Only
The "Total Memorandum Only" column represents the aggregation (by addition) of the line item amounts reported for each fund type and account group. No consolidating or other eliminations were made in arriving at the totals; thus they do not present consolidated information.

These totals are presented only to facilitate financial analysis and are not intended to reflect the financial position or results of operations of the district as a whole.

Prior year financial information is presented on the Combined and Combining Financial Statements for financial analysis only. Prior year statements were audited by our firm with the opinion dated September 20, 2021.

2. PROPERTY TAXES

The district's property tax is levied each year on all taxable real property located in the district on or before the last Tuesday in December. The levy was passed by the board on December 15, 2021. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on June 1 and September 1. The district receives significant distributions of tax receipts approximately one month after these due dates. Taxes recorded in these financial statements are from the 2020 and prior year levies.

The following are the tax rate limits permitted by the School Code and by local referendum and the actual rates levied per \$100.00 of assessed valuation:

	<u>Limit</u>	<u>2021 Levy</u>	<u>2020 Levy</u>
Education	3.19000	3.19000	3.19000
Tort Immunity	As Needed	.23736	.47832
Building	.75000	.75000	.75000
Special Education	.04000	.04000	.04000
Transportation	.24000	.24000	.24000
Municipal Retirement	As Needed	.02860	.02014
Working Cash	.05000	.05000	.05000
Safety Code	.05000	.05000	.05000
Bond & Interest	As Needed	1.07901	1.14171
Social Security	As Needed	.04767	.04028
Leasing	.05000	.05000	.05000
		<u>5.76264</u>	<u>6.05045</u>

3. SPECIAL TAX LEVIES AND RESTRICTED EQUITY

(A) Special Education
Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Education Fund. None of the fund's equity represents the excess of cumulative receipts over cumulative disbursements which is restricted for future special education disbursements in accordance with Chapter 122, Paragraph 17-2.2A of the Illinois Revised Statutes.

(B) Technology Lease Levy
Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Education Fund. None of this fund's equity represents the excess of cumulative receipts over cumulative disbursements which is restricted for future technology disbursements in accordance with Chapter 122, Paragraph 17-2.2A of the Illinois Revised Statutes.

4. CASH AND INVESTMENTS

As of June 30, 2022, the district had the following cash deposits and investments:

Cash deposits with local financial institutions	\$ 4,184,786
Certificate of Deposits with financial institutions	4,341,605
Investment in Municipal Bonds	<u>500,000</u>
Total Cash and Investments	<u>\$ 9,026,391</u>

Investments Authorized by *Illinois Compiled Statutes* and the District's Investment Policy:

The district is allowed to invest in securities as authorized by Chapter 30 Section ILCS 235/2, 235/5 and 105 ILCS 5/8-7 of the *Illinois Compiled Statutes*. The district's investment policy is consistent with the *Illinois Compiled Statutes*.

Disclosures Relating to Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the investment maturity, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways the district manages its exposure to interest rate risk is by limiting its purchases of long term investments. At June 30, 2022, the district's investments were deposits and certificates of deposits in financial institutions. All deposits are demand or term deposits or government security investments with maturities less than thirteen months.

Disclosures Relating to Credit Risk:

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The district's deposits with financial institutions are not subject to credit risk rating.

Concentration of Credit Risk:

The investment policy of the district contains no limitations on the amount that can be invested in any one issuer. Deposits with financial institutions are exempt from the 5% investment in any one issuer disclosure.

Custodial Credit Risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. *Illinois Compiled Statutes* do not contain requirements that would limit the exposure to custodial credit risk for deposits. However, the district's investment policy requires that all amounts deposited or invested with financial institutions in excess of any insurance limit be collateralized by securities held by the district in the district's name.

The district's deposits with financial institutions were fully collateralized at June 30, 2022.

Foreign Currency Risk:

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair values of an investment or deposit. None of the district's investments are directly subject to foreign currency risk.

5. CHANGES IN GENERAL FIXED ASSETS

	Balance <u>7/01/21</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6/30/22</u>	Accum. <u>Depr.</u>	Book <u>Value</u>
Land	47,992	-0-	-0-	47,992	-0-	47,992
Building Improvement	5,796,567	26,215	-0-	5,822,782	3,703,025	2,119,757
Buildings	20,349,587	-0-	-0-	20,349,587	4,273,299	16,076,288
Other Equipment	2,821,272	393,663	-0-	3,214,935	2,440,481	774,454
Transportation Equipment	<u>843,415</u>	<u>116,579</u>	<u>-0-</u>	<u>959,994</u>	<u>903,348</u>	<u>56,646</u>
Total General Fixed Assets	<u>29,858,833</u>	<u>536,457</u>	<u>-0-</u>	<u>30,395,290</u>	<u>11,320,153</u>	<u>19,075,137</u>

Depreciation expense for the year ended June 30, 2022 was \$982,147.

6. RETIREMENT PLANS

The aggregate pension expense recognized by the district during the year ended June 30, 2022 for all pension plans was \$(368,748).

(A) Illinois Teachers Retirement System
General Information about the Pension Plan

Plan Description

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

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

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest 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 final average salary up to a maximum of 75 percent with 34 years of service.

Tier 2 members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for Tier 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different from Tier 1.

Essentially all Tier 1 retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier 2 annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

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

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2021, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On behalf contributions to TRS. The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2022, state of Illinois contributions recognized by the employer were based on the state's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$1,890,506 in pension contributions from the state of Illinois.

2.2 formula contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2022, were \$21,913, and are deferred because they were paid after the June 30, 2021 measurement date.

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

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

For the year ended June 30, 2022, the employer pension contribution was 10.31 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2022, salaries totaling \$315,536 were paid from federal and special trust funds that required employer contributions of \$32,532. These contributions are deferred because they were paid after the June 30, 2021 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 employer is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2022, the employer paid \$-0- to TRS for employer contributions dues on salary increases in excess of 6 percent and \$-0- for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2021, the employer 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 employer. The state's support and total are for disclosure purposes only. The amount recognized by the employer 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 employer follows below:

Employer's proportionate share of the net pension liability	\$ 314,487
State's proportionate share of the net pension liability associated with the employer	<u>26,357,345</u>
Total	<u>\$ 26,671,832</u>

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021, the rolled forward to June 30, 2021. 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, 2021, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2021, the employer's proportion was 0.0004031300 percent, which was an increase of .0000255878 from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the employer recognized pension expense of \$1,890,506 and revenue of \$1,890,506 for support provided by the state. At June 30, 2022, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,804	\$ 1,297
Net difference between projected and actual earnings on pension plan investments	-0-	21,095
Changes of assumptions	139	1,554
Changes in proportion and differences between employer contributions and proportionate share of contributions	17,498	339,760
Employer contributions subsequent to the measurement date	<u>-0-</u>	<u>-0-</u>
Total	<u>\$ 19,441</u>	<u>\$ 363,706</u>

\$(344,265) reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	
2023	\$ (223,821)
2024	(107,125)
2025	(8,773)
2026	(6,477)
2027	1,931

Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary increases	varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

In the June 30, 2021 actuarial valuation, mortality rates were based on the PubT-2010 Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2020. In the June 30, 2020 actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments to TRS experience. The rates were used on a fully-generational basis using projection table MP-2017.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equities large cap	16.7%	6.2%
U.S. equities small/mid cap	2.2	7.4
International equities developed	10.6	6.9
Emerging market equities	4.5	9.2
U.S. bonds core	3.0	1.6
Cash equivalents	2.0	0.1
TIPS	1.0	0.8
International debt developed	1.0	0.4
Emerging international debt	4.0	4.4
Real estate	16.0	5.8
Private debt	10.0	6.5
Hedge Funds	10.0	3.9
Private equity	15.0	10.4
Infrastructure	4.0	6.3
Total	<u>100%</u>	

Discount Rate

At June 30, 2021, the discount rate used to measure the total pension liability was 7.00 percent, which was the same as the June 30, 2020 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, 2021 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier 1's liability is partially-funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 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 employer's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00 percent) or 1 percentage point higher (8.00 percent) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net pension liability	\$ 389,486	\$ 314,487	\$ 252,191

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2021 is available in the separately issued TRS *Comprehensive Annual Financial Report*.

Payables to TRS

If the employer reported payables to TRS, information required by paragraph 122 of Statement No. 68 should be disclosed.

(B) Illinois Municipal Retirement Fund

IMRF Plan Description

The employer'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 plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multiple-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section 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. That report may be obtained on-line 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
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2021, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	66
Inactive Plan Members entitled to but not yet receiving benefits	18
Active Plan Members	<u>26</u>
Total	110

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 financial the retirement coverage of its own employees. The Employer's annual contribution rate for calendar year 2021 was 10.00%. For the fiscal year ended June 30, 2022, the Employer contributed \$64,383 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 Asset/Liability

The Employer's net pension (asset)/liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension (asset)/liability was determined by an actuarial valuation as of that date. The amount is included in the Prepaids/Accrued Expense on the Statement of Fiduciary Net Position.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2021:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- 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 were used
- For **Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020
- For **Active Members**, the Pub-2010, Amount Weighted, below-median income, General, Employee Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing 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, 2021:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	39%	1.90%
International Equity	15%	3.15%
Fixed Income	25%	(0.60)%
Real Estate	10%	3.30%
Alternative Investments	10%	1.70-5.50%
Cash Equivalents	<u>1%</u>	(0.90)%
Total	100%	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2021. The projection of cash flow used to determine this Single Discount Rate assumed that the plan member's 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. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The Single Discount Rate reflects:

1. 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

2. 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 1.84%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2020	<u>\$ 4,986,793</u>	<u>\$ 5,250,371</u>	<u>\$ (263,578)</u>
Changes for the year:			
Service Cost	73,544	0	73,544
Interest on the Total Pension Liability	352,925	0	352,925
Changes of Benefit Terms	0	0	0
Differences Between Expected and Actual Experience of the Total Pension Liability	26,645	0	26,645
Changes of Assumptions	0	0	0
Contributions - Employer	0	76,863	(76,863)
Contributions - Employees	0	34,588	(34,588)
Net Investment Income	0	924,946	(924,946)
Benefit Payments, including Refunds of Employee Contributions	(311,277)	(311,277)	0
Other (Net Transfer)	<u>0</u>	<u>(51,183)</u>	<u>51,183</u>
Net Changes	<u>141,837</u>	<u>673,937</u>	<u>(532,100)</u>
Balances at December 31, 2021	<u><u>\$ 5,128,630</u></u>	<u><u>\$ 5,924,308</u></u>	<u><u>\$ (795,678)</u></u>

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

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

	1% Lower <u>(6.25%)</u>	Current Discount Rate <u>(7.25%)</u>	1% Higher <u>(8.25%)</u>
Net Pension Liability/(Asset)	\$ (247,135)	\$ (795,678)	\$ (1,253,773)

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

For the year ended June 30, 2022, the Employer recognized pension expense of \$(171,415). At June 30, 2022, the Employer reported deferred outflows or resources and deferred inflows or resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 12,443	\$ -0-
Changes of assumptions	-0-	-0-
Net Difference between projected and actual earnings on pension plan investments	<u>118,710</u>	<u>854,733</u>
Total Deferred Amounts to be recognized in pension expense in future periods.	131,153	854,733
Pension Contributions made subsequent to the Measurement Date	<u>-0-</u>	<u>-0-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 131,153</u>	<u>\$ 854,733</u>

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

Year Ending <u>December 31</u>	Net Deferred Outflows of Resources
2022	\$ (150,724)
2023	(281,876)
2024	(180,303)
2025	(110,677)
2026	-0-
Thereafter	-0-
Total	<u>\$ (723,580)</u>

**Multiyear Schedule of Contributions
Last 10 Calendar Years**

Calendar Year Ending <u>December 31</u>	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of <u>Covered Valuation Payroll</u>
2014	\$ -0-	\$ 69,291	\$ (69,291)	\$ 668,482	10.37%
2015	-0-	74,644	(74,644)	674,909	11.06%
2016	69,053	69,052	1	676,325	10.21%
2017	73,099	73,098	1	709,006	10.31%
2018	73,936	73,937	(1)	686,504	10.77%
2019	55,084	55,084	0	661,276	8.33%
2020	73,529	73,529	0	702,283	10.47%
2021	76,862	76,863	(1)	768,624	10.00%

Note to Schedule:

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

(C) Social Security

Employees not qualifying for coverage under the Illinois Downstate Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "non-participating employees". These employees and those not qualifying for coverage under the Illinois Municipal Retirement Fund are covered under social security.

7. OVER-EXPENDITURE OF BUDGET

The district operated within the legal confines of the budget during fiscal 2022 except in the Education Fund which was over-expended by \$1,037,532.

8. ACCUMULATED UNPAID VACATION AND SICK PAY

The liability of the district for accumulated vacation has not been recorded in the General Long-Term Account Group. No liability is recorded in governmental funds since the current portion of the liability is not considered significant and cannot be reasonably estimated.

9. CHANGES IN GENERAL LONG TERM DEBT

At June 30, 2022, the district's general long-term debt consisted of various bond issues. Changes in long-term debt for the year ended June 30, 2022 are as follows:

	Balance 7/01/21	Additional Obligations	Retirements	Balance 6/30/22
A) Qualified Zone Academy Bond	\$ 193,330	\$ -0-	\$ 193,330	\$ -0-
B) 2015 General Obligation Bonds	9,155,000	-0-	-0-	9,155,000
C) 2016 General Obligation Bonds	6,995,000	-0-	405,000	6,590,000
D) 2017 General Obligation School Bond	500,000	-0-	-0-	500,000
Total	<u>\$ 16,843,330</u>	<u>\$ -0-</u>	<u>\$ 598,330</u>	<u>\$ 16,245,000</u>

The interest rates vary from 0% to 5.25% on the various bond issues.

The annual requirements to amortize the district's bonded debt outstanding as of June 30, 2022 are as follows:

Year	Principal	Interest	Total
2023	\$ 935,000	\$ 691,223	\$ 1,626,223
2024	485,000	667,325	1,152,325
2025	515,000	647,325	1,162,325
2026	545,000	626,125	1,171,125
2027	575,000	603,725	1,178,725
2028 - 2032	3,420,000	2,616,769	6,036,769
2033 - 2037	4,775,000	1,599,056	6,374,056
2038 - 2041	4,995,000	412,900	5,407,900
	<u>\$ 16,245,000</u>	<u>\$ 7,864,448</u>	<u>\$ 24,109,448</u>

A. Qualified Zone Academy Bonds

The following is a summary of the Qualified Zone Academy Bonds of the District for the year ended June 30, 2022:

Qualified Zone Academy Bonds Payable - July 1, 2021	\$ 193,330
Bonds Issued	-0-
Bonds Retired	<u>(193,330)</u>
Qualified Zone Academy Bonds Payable - June 30, 2022	<u>\$ -0-</u>

B. 2015 General Obligation Bonds

The following is a summary of 2015 General Obligation Bonds for the year ended June 30, 2022:

General Obligation Bonds Payable - July 1, 2021	\$ 9,155,000
Bonds Issued	-0-
Bonds Retired	<u>-0-</u>
General Obligation Bonds Payable - June 30, 2022	<u>\$ 9,155,000</u>

At June 30, 2022, the annual cash flow requirements of bond principal and interest were as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Int. Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Amount</u>
2023	-	\$ -0-	\$ 430,825	\$ 430,825
2024	-	-0-	430,825	430,825
2025	-	-0-	430,825	430,825
2026	-	-0-	430,825	430,825
2027	-	-0-	430,825	430,825
2028	-	-0-	430,825	430,825
2029	-	-0-	430,825	430,825
2030	-	-0-	430,825	430,825
2031	5.25%	710,000	412,188	1,122,188
2032	5.25%	775,000	373,206	1,148,206
2033	5.25%	830,000	331,075	1,161,075
2034	5.25%	885,000	286,056	1,171,056
2035	5.25%	945,000	238,019	1,183,019
2036	5.25%	1,025,000	186,306	1,211,306
2037	4.00%	1,090,000	137,600	1,227,600
2038	4.00%	1,150,000	92,800	1,242,800
2039	4.00%	1,215,000	45,500	1,260,500
2040	4.00%	<u>530,000</u>	<u>10,600</u>	<u>540,600</u>
		<u>\$ 9,155,000</u>	<u>\$ 5,559,950</u>	<u>\$ 14,714,950</u>

C. 2016 General Obligation Bonds

The following is a summary of 2016 General Obligation Bonds for the year ended June 30, 2022:

General Obligation Bonds Payable - July 1, 2021	\$ 6,995,000
Bonds Issued	-0-
Bonds Retired	<u>(405,000)</u>
General Obligation Bonds Payable - June 30, 2022	<u>\$ 6,590,000</u>

At June 30, 2022, the annual cash flow requirements of bond principal and interest were as follows:

Year Ending <u>June 30,</u>	<u>Int. Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Amount</u>
2023	4.00%	\$ 435,000	\$ 254,900	\$ 689,900
2024	4.00%	485,000	236,500	721,500
2025	4.00%	515,000	216,500	731,500
2026	4.00%	545,000	195,300	740,300
2027	4.00%	575,000	172,900	747,900
2028	4.00%	610,000	149,200	759,200
2029	4.00%	645,000	124,100	769,100
2030	4.00%	680,000	97,600	777,600
2031	-	-0-	84,000	84,000
2032	-	-0-	84,000	84,000
2033	-	-0-	84,000	84,000
2034	-	-0-	84,000	84,000
2035	-	-0-	84,000	84,000
2036	-	-0-	84,000	84,000
2037	-	-0-	84,000	84,000
2038	-	-0-	84,000	84,000
2039	-	-0-	84,000	84,000
2040	4.00%	750,000	69,000	819,000
2041	4.00%	1,350,000	27,000	1,377,000
		<u>\$ 6,590,000</u>	<u>\$ 2,299,000</u>	<u>\$ 8,889,000</u>

D. 2017 General Obligation Bonds

The following is a summary of 2017 General Obligation Bonds for the year ended June 30, 2022:

General Obligation Bonds Payable - July 1, 2021	\$ 500,000
Bonds Issued	-0-
Bonds Retired	<u>-0-</u>
General Obligation Bonds Payable - June 30, 2022	<u>\$ 500,000</u>

At June 30, 2022, the annual cash flow requirements of bond principal and interest were as follows:

Year Ending <u>June 30,</u>	<u>Int. Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	1.45%	<u>\$ 500,000</u>	<u>\$ 5,498</u>	<u>\$ 505,498</u>

This bond was issued on February 28, 2017. Principal and interest will be due December 1.

10. LEGAL DEBT LIMIT

The Illinois School Code limits the amount of indebtedness to 13.8% of \$104,905,826, the most recent available equalized assessed valuation of the district. Since the Bond Principal is the only district indebtedness subject to the limit, the district's remaining margin as of June 30, 2022 is \$-0-.

11. CONTINGENCIES

The district receives Federal grants which are subject to review by the Illinois State Board of Education. The district receives these funds based on expenditure reports submitted by the district.

The grant expenditures have not been audited by the State Board of Education based on prior experience administration believes that the district will not incur significant losses from possible grant disallowances.

12. RISK MANAGEMENT

The district's risk management are recorded in the Tort Fund and automobile coverage in the Transportation Fund. Significant losses are covered by commercial insurance (i.e., property, liability, workmen's comp.) for all major programs. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years. During the year ended June 30, 2022, there were no significant reductions in coverage.

13. BENEFITS

A. Employee Benefits

The district maintains a health insurance policy for the district's employee's. The district maintains insurance with Blue Cross/Blue Shield. The district pays the premium for all full-time employees. The district is obligated for monthly premiums and can withdraw with proper notice. Coverages are provided for all medical issues.

B. Post-Employment Benefits

Retired employees can receive health insurance benefits through the system they receive retirement. The district also offers Cobra Insurance coverage to employees that need health insurance after retirement. The retirees pay the full cost of insurance.

14. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

15. INTERFUND TRANSFERS

The district made no interfund transfers during the year ended June 30, 2022.

16. INTERFUND LOANS

The district made no interfund loans for the year ended June 30, 2022.

17. RELATED PARTY/JOINT AGREEMENTS

The district participates in the Iroquois Special Education Association. The district participates in the Association with other districts for special education services. The district pays fees to the Association for services rendered. The Association is governed by member district superintendents. The Association has it's own director, who oversees all operations. A separate financial report is available from the Iroquois Special Education Association.

18. FUND BALANCE REPORTING

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Non-spendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. The Regulatory Mode, followed by the District, only reports Reserved and Unreserved Fund Balances. Below are definitions of the differences and a reconciliation of how these balances are reported.

- A. Non-spendable Fund Balance - the non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. Due to the cash basis nature of the district, all such items are expensed at the time of purchase, so there is nothing to report for this classification.
- B. Restricted Fund Balance - the restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes. The district has several revenue sources received within different funds that also fall into these categories:
 - 1. Special Education - cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Education Fund. Expenditures disbursed exceeded revenue received for this purpose, resulting in no restricted fund balance.
 - 2. Leasing Levy - cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Education Fund. Expenditures disbursed exceeded revenues received for this purpose, resulting in no restricted fund balance.
 - 3. State Grants - proceeds from state grants and the related expenditures have been included in the Education Fund. At June 30, 2022, expenditures disbursed exceeded revenue received from state grants, resulting in no restricted balances.
 - 4. Federal Grants - proceeds from federal grants and the related expenditures have been included in the Education Fund. At June 30, 2022, expenditures disbursed from federal grants exceeded the revenues received for those specific purposes in the Education Fund, resulting in no restricted balances.
 - 5. Social Security - cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. Revenues received for this purpose exceeded expenditures disbursed, resulting in a restricted fund balance of \$307,364. This balance is included in the financial statements as reserved in the Municipal Retirement/Social Security Fund.
 - 6. IMRF - cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. Expenditures disbursed for this purpose exceeded revenues received, resulting in no restricted fund balance.
 - 7. Student Activity Funds - cash receipts and disbursements of the district’s student activity funds are restricted to be spent on various student groups. These funds are accounted for in the Education Fund. At June 30, 2022, the balance of these funds was \$92,030, which is shown as reserved in the Education Fund.

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

The School Board commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. The School Board made no commitments.

- D. **Assigned Fund Balance** - the assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose but are neither restricted or committed. Intent may be expressed by (a) the School Board itself, or (b) the finance committee or by the Superintendent when the School Board has delegated the authority to assign amounts to be used for specific purposes.
- E. **Unassigned Fund Balance** - the unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes with the General Funds. Unassigned Fund Balance amounts are shown in the financial statements are Unreserved Fund Balances in the Education, Operations and Maintenance, and Working Cash Funds.
- F. **Regulatory - Fund Balance Definitions - Reserved Fund Balances** are those balances that are reserved for a specified purpose, other than the regular purpose of any given fund. Unreserved Fund Balances are all balances that are not reserved for a specific purpose other than the specified purpose of a fund.
- G. **Reconciliation of Fund Balance Reporting** - the first five columns of the first table represent Fund Balance Reporting according to generally accepted accounting principles. The two columns of the second table represent Fund Balance Reporting under the regulatory basis of accounting utilized in preparations of the financial statements.

Generally Accepted Accounting Principles

Fund	Non-spendable	Restricted	Committed	Assigned	Unassigned
Education	0	92,030	0	0	5,517,231
Operations & Maintenance	0	0	0	0	345,930
Debt Service	0	48,724	0	0	0
Transportation	0	0	0	0	496,066
Municipal Retirement	0	307,364	0	0	0
Capital Projects	0	0	0	0	0
Working Cash	0	0	0	0	1,704,120
Tort Liability	0	383,530	0	0	0
Fire Prevention and Safety	0	215,435	0	0	0

Regulatory Basis		
Fund	Financial Statements-Reserved	Financial Statements-Unreserved
Education	92,030	5,517,231
Operations & Maintenance	0	345,930
Debt Service	0	48,724
Transportation	0	496,066
Municipal Retirement	307,364	0
Capital Projects	0	0
Working Cash	0	1,704,120
Tort Liability	0	383,530
Fire Prevention and Safety	0	215,435

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

19. FAIR VALUE OF INVESTMENTS

The district did not hold any investments during the year where fair value disclosure is required.

SUPPLEMENTAL INFORMATION



Audit / Tax / Consult

Russell Leigh

& Associates LLC • Certified Public Accountants

Independent Auditor's Report on Supplemental Information

To the Board of Education
Milford Area Public Schools District No. 124
Milford, Illinois

We have audited the regulatory basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Milford Area Public Schools District No. 124, as of and for the year ended June 30, 2022, and the related notes to the financial statement, which collectively comprise Milford Area Public Schools District No. 124's basic regulatory basis financial statements. We issued our report thereon dated October 19, 2022, which contained an unmodified opinion on those financial statements.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The Consolidated Year-End Financial Report is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Consolidated Year-End Financial Report is fairly stated in all material respects in relation to the basic financial statements as a whole.

Russell Leigh & Associates LLC

Hoopeston, Illinois
October 19, 2022

-43-

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Milford Area Public Schools District No. 124
Schedule of Changes in Activity Funds
Year Ended June 30, 2022

<u>ACTIVITY FUNDS</u>	<u>Beginning Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Balance</u>
General	1267.60	44.20	601.16	710.64
Bruniga Memorial	100.00	0.00	0.00	100.00
Senior Class	6496.68	3675.49	547.00	9625.17
Junior Class	3765.49	9176.97	7846.52	5095.94
Sophomore Class	1390.02	5503.25	3904.78	2988.49
Freshmen Class	0.00	0.00	0.00	0.00
Milford Football	0.00	7310.90	7177.00	133.90
Cheerleaders	8036.37	4744.10	5638.31	7142.16
Music Dept.	2139.37	0.00	0.00	2139.37
Volleyball	0.00	407.00	407.00	0.00
Girls Basketball	0.00	1410.00	1410.00	0.00
Boys Basketball	(820.00)	3820.60	3000.60	0.00
Girls Softball	987.00	3452.75	1417.75	3022.00
Boys Baseball	75.00	5863.00	5813.00	125.00
Student Council	3339.30	2473.00	2603.89	3208.41
Reveille - Yearbook	22446.02	9498.50	14104.98	17839.54
National Honor Society	2752.54	2703.00	2616.33	2839.21
Caleb Mowrey Scholarship	500.00	0.00	0.00	500.00
B. Courtwright - CD	155.19	0.00	100.00	55.19
Courtwright	1461.53	1661.53	0.00	3123.06
Blanche Beall Scholarship	5000.00	0.00	0.00	5000.00
Accounting/Economics	3.29	0.00	0.00	3.29
Building Trades	0.00	1037.34	1037.34	0.00
Art Club	251.73	4000.00	1481.59	2770.14
FFA	8642.13	11215.14	13377.35	6479.92
BPAC	2320.27	0.00	250.00	2070.27
APC	168.00	4871.00	4796.00	243.00
Weight Room	0.00	1197.00	1197.00	0.00
Drama Club	1660.43	5582.00	5142.15	2100.28
MHS Track	0.00	930.00	0.00	930.00
Media Class	1167.18	1044.50	1612.52	599.16
MGS Cheerleaders	552.72	1045.00	193.66	1404.06
MGS Student Council	3711.02	892.75	1048.49	3555.28
MGS Music	658.78	0.00	0.00	658.78
MGS Candy	3557.11	10798.07	8086.98	6268.20
MGS Yearbook	<u>1530.82</u>	<u>4553.10</u>	<u>4784.27</u>	<u>1299.65</u>
 TOTAL	 <u>83315.59</u>	 <u>108910.19</u>	 <u>100195.67</u>	 <u>92030.11</u>

SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Teachers' Retirement System of the State of Illinois

(Dollar amounts in thousands)

	FY21*	FY20*	FY19*	FY18*	FY17*	FY16*	FY15*
Employer's proportion of the net pension liability	.0004031300	.0003775422	.0004152725	.0004476692	.0020307487	.002157557	.0020024529
Employer's proportionate share of the net pension liability	\$ 314,487	\$ 325,499	\$ 336,820	\$ 348,935	\$ 1,551,454	\$ 1,703,090	\$ 1,311,808
State's proportionate share of the net pension liability associated with the Employer	<u>26,357,345</u>	<u>25,494,772</u>	<u>23,971,106</u>	<u>23,903,515</u>	<u>22,996,540</u>	<u>26,205,681</u>	<u>21,275,740</u>
Total	<u>\$26,671,832</u>	<u>\$25,820,271</u>	<u>\$24,307,926</u>	<u>\$24,252,450</u>	<u>\$24,547,994</u>	<u>\$27,908,771</u>	<u>\$22,587,548</u>
Employer's covered-employee payroll	\$ 3,778,048	\$ 3,615,647	\$ 3,173,246	\$ 3,242,544	\$ 3,211,114	\$ 3,105,928	\$ 3,301,519
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	8.32%	9.00%	10.61%	10.76%	48.32%	54.83%	39.73%
Plan fiduciary net position as a percentage of the total pension liability	45.1%	37.8%	39.6%	40.0%	39.3%	36.4%	41.5%

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Teachers' Retirement System of the State of Illinois

(Dollar amounts in thousands)

	FY21	FY20	FY19	FY18	FY17	FY16	FY15
Statutorily-required contribution	\$ 394,469	\$ 358,328	\$ 310,882	\$ 320,076	\$ 317,261	\$ 279,534	\$ 329,492
Contributions in relation to the statutorily-required contribution	<u>389,448</u>	<u>357,431</u>	<u>253,256</u>	<u>314,341</u>	<u>313,466</u>	<u>280,007</u>	<u>329,108</u>
Contribution deficiency (excess)	<u>\$ 5,021</u>	<u>\$ 897</u>	<u>\$ 57,626</u>	<u>\$ 5,735</u>	<u>\$ 3,795</u>	<u>\$ (473)</u>	<u>\$ 384</u>
Employer's covered-employee payroll	\$ 3,778,048	\$ 3,615,647	\$ 3,173,246	\$ 3,242,544	\$ 3,211,114	\$ 3,105,928	\$ 3,301,519
Contributions as a percentage of covered-employee payroll	10.44%	9.91%	9.80%	9.87%	9.88%	9.00%	9.98%

The information in both schedules will accumulate until a full 10 year trend is presented as required by Statement No. 68.

Notes to Required Supplementary Information

Changes of assumptions

For the 2021 measurement year, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated September 30, 2021.

For the 2020-2016 measurement years, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively. These actuarial assumptions were based on an experience study dated Sept. 18, 2018.

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

Multiyear Schedule of Changes in Net Pension Liability and Related Ratios

Last 10 Calendar Years

(Schedule to be built prospectively from 2014)

Calendar Year Ending December 31,	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability								
Service Cost	\$ 73,544	\$ 72,612	\$ 73,917	\$ 76,148	\$ 77,373	\$ 76,412	\$ 77,992	\$ 1,255
Interest on the Total Pension Liability	352,925	345,875	333,142	323,554	324,461	280,413	273,756	(8,541)
Benefit Changes	0	0	0	0	0	0	0	0
Differences between Expected and Actual Experience	26,645	32,027	62,662	35,070	(8,211)	481,379	(3,912)	3,816,394
Assumption Changes	0	(44,972)	0	119,870	(147,905)	(9,680)	8,747	161,278
Benefit Payments and Refunds	(311,277)	(306,279)	(280,578)	(264,468)	(249,924)	(253,485)	(260,573)	(229,016)
Net Change in Total Pension Liability	141,837	99,263	189,143	290,174	(4,206)	575,039	96,010	3,741,370
Total Pension Liability - Beginning	4,986,793	4,887,530	4,698,387	4,408,213	4,412,419	3,837,380	3,741,370	0
Total Pension Liability - Ending (a)	<u>\$ 5,128,630</u>	<u>\$ 4,986,793</u>	<u>\$ 4,887,530</u>	<u>\$ 4,698,387</u>	<u>\$ 4,408,213</u>	<u>\$ 4,412,419</u>	<u>\$ 3,837,380</u>	<u>\$ 3,741,370</u>
Plan Fiduciary Net Position								
Employer Contributions	\$ 76,863	\$ 73,529	\$ 55,084	\$ 73,937	\$ 73,098	\$ 69,052	\$ 74,644	\$ 69,291
Employee Contributions	34,588	31,603	29,758	30,893	31,905	30,435	30,371	39,388
Pension Plan Net Investment Income	924,946	688,218	804,702	(259,537)	729,128	238,945	17,935	(3,670)
Benefit Payments and Refunds	(311,277)	(306,279)	(280,578)	(264,468)	(249,924)	(253,485)	(260,573)	(229,016)
Other	(51,183)	(56,781)	38,270	117,396	(140,771)	454,201	(35,172)	3,788,842
Net Change in Plan Fiduciary Net Position	673,937	430,290	647,236	(301,779)	443,436	539,148	(172,795)	3,664,835
Plan Fiduciary Net Position - Beginning	5,250,371	4,820,081	4,172,845	4,474,624	4,031,188	3,492,040	3,664,835	0
Plan Fiduciary Net Position - Ending (b)	<u>\$ 5,924,308</u>	<u>\$ 5,250,371</u>	<u>\$ 4,820,081</u>	<u>\$ 4,172,845</u>	<u>\$ 4,474,624</u>	<u>\$ 4,031,188</u>	<u>\$ 3,492,040</u>	<u>\$ 3,664,835</u>
Net Pension Liability/(Asset) - Ending (a) - (b)	(795,678)	(263,578)	67,449	525,542	(66,411)	381,231	345,340	76,535
Plan Fiduciary Net Position as a Percentage of								
Total Pension Liability	115.51%	105.29%	98.62%	88.81%	101.51%	91.36%	91.00%	97.95%
Covered Valuation Payroll	\$ 768,624	\$ 702,283	\$ 661,276	\$ 686,504	\$ 709,006	\$ 676,325	\$ 674,909	\$ 668,482
Net Pension Liability as a Percentage of Covered	(103.52)%	(37.53)%	10.20%	76.55%	(9.37)%	56.37%	51.17%	11.45%
Valuation Payroll								

Note to Schedule:

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

Employer
Required Supplementary Information

Notes to Schedule of Contributions

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2021 Contribution Rate*

Valuation Date:

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

Methods and Assumptions Used to Determine 2021 Contribution Rates:

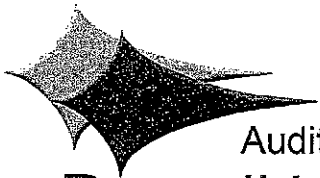
<i>Actuarial Cost Method:</i>	Aggregate entry age normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	Non-Taxing bodies: 10 year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 22 year closed period Early Retirement Incentive Plan liabilities; a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 17 years for most employers (five employers were financed over 18 years; one employer was financed over 19 years; two employers were financed over 20 years; three employers were financed over 26 years; four employers were financed over 27 years; and one employer was financed over 28 years).
<i>Asset Valuation Method:</i>	5 year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.25%
<i>Price Inflation:</i>	2.50%
<i>Salary Increases:</i>	3.35% to 14.25%, including inflation
<i>Investment Rate of Return:</i>	7.25%
<i>Retirement Age:</i>	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 to 2016.
<i>Mortality:</i>	For non-disabled retirees, and IMRF specific mortality table was used with fully generations projection scale MP-2017 (based 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 adjustments that were applied for non-disabled lives. For active members, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (based 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.

* Based on Valuation Assumptions used in the December 31, 2019, actuarial valuation.

FEDERAL COMPLIANCE INFORMATION



Audit / Tax / Consult

Russell Leigh

& Associates LLC • Certified Public Accountants

Independent Auditor's Report on Compliance for Each Major Program
and on Internal Control over Compliance Required by the Uniform Guidance

Board of Education
Milford Area Public Schools District No. 124
Milford, Illinois

Report on Compliance for Each Major Federal Program

We have audited the Milford Area Public Schools District No. 124's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Milford Area Public Schools District No. 124's major federal programs for the years ended June 30, 2022 and June 30, 2021. Milford Area Public Schools District No. 124's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Milford Area Public Schools District No. 124's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Milford Area Public Schools District No. 124's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Milford Area Public Schools District No. 124's compliance.

-48-

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Opinion on Each Major Federal Program

In our opinion, the Milford Area Public Schools District No. 124 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the years ended June 30, 2022 and June 30, 2021.

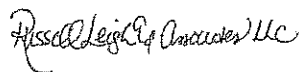
Report on Internal Control over Compliance

Management of the Milford Area Public Schools District No. 124 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Milford Area Public Schools District No. 124's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Milford Area Public Schools District No. 124's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Russell Leigh & Associates LLC

Hoopeston, IL
October 19, 2022

Milford Area Public Schools District No123
32-038-1240-26

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ending June 30, 2022

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Expenditure/Disbursements ⁴			Year 7/1/21-6/30/22 Pass through to Subrecipients	Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/20-6/30/21 (C)	Year 7/1/21-6/30/22 (D)	Year 7/1/20-6/30/21 (E)	Year 7/1/21-6/30/22 Pass through to Subrecipients	Year 7/1/21-6/30/22 Pass through to Subrecipients				
U.S. Department of Agriculture										0	
Passed Through the Illinois State Board of Education										0	
School Lunch Cluster										0	
(M)School Lunch Regular-21	10.555	4210	12,871	8,129	12,871	8,129				21,000	
(M)School Lunch Regular-22	10.555	4210		196,590		196,590				196,590	200,000
(M)School Breakfast-22	10.553	4220		34,213		34,213				34,213	
(M)Summer Food Program	10.559	4225		171,472		171,472				171,472	
Commodities	10.550	4250		15,660		15,660				15,660	
Fresh Fruits	10.550	4250		11,981		11,981				11,981	
Total U.S. Department of Agriculture			12,871	438,045		438,045				438,045	
U.S. Department of Education										0	
Passed Through the Illinois State Board of Education										0	
School Improvement Cluster										0	
Title 1-Regular-21	84.010a	4300	149,496	58,992	208,488					208,488	
Title 1-Regular-22	84.010a	4300		147,103		201,329				201,329	244,500

• (M) Program was audited as a major program as defined by §200.518.

*Include the total amount provided to subrecipients from each Federal program. §200.510 (b)(4).

The accompanying notes are an integral part of this schedule.

¹ To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

² When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

³ When awards are received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included in the schedule. §200.510 (b)(2)

⁴ The Uniform Guidance requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in the schedule and suggests to include the amounts in the SEFA notes.

Milford Area Public Schools District No123
32-038-1240-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2022

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Expenditure/Disbursements ⁴			Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/20-6/30/21 (C)	Year 7/1/21-6/30/22 (D)	Year 7/1/20-6/30/21 (E)	Year 7/1/20-6/30/21 Pass through to Subrecipients	Year 7/1/21-6/30/22 Pass through to Subrecipients			
Title I-School Improvement	84.010a	4331		20,000			20,000		20,000	20,000
Title IVA-Student Support-21	84.024a	4400	10,241	5,549	15,790				15,790	
Title IVA-Student Support-22	84.024a	4400		8,698			11,349		11,349	
Title II-Teacher Quality-21	84.367a	4932	14,427	9,079	26,653				26,653	
Title II-Teacher Quality-22	84.367a	4932		13,409			21,813		21,813	22,500
Special Education Cluster									0	
(m)Fed Spec Ed Pre School-21	84.027a	4600	3,821	338	3,821		338		4,159	
(M)Fed Spec Ed Pre School-22	84.027a	4600		3,475			4,176		4,176	4,176
(M)IDEA Flow Thru-21	84.173a	4620	152,668	4,226	156,894				156,894	
(M)IDEA Flow Thru-22	84.173a	4620		138,314			168,053		168,053	
Education Stabilization Cluster									0	
(M)ESSER-E2	84.425d	4998	205,813	393,010	212,766		429,263		642,029	
(M)ESSER-CP	84.425d	4998		212,219			323,579		323,579	
(M)ESSER-E3	84.425d	4998		334,235			529,093		529,093	
(M)ESSER-HL	84.425d	4998					7,162		7,162	

* (M) Program was audited as a major program as defined by §200.518.

*Include the total amount provided to subrecipients from each Federal program. §200.510 (b)(4).

The accompanying notes are an integral part of this schedule.

¹ To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

² When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

³ When awards are received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included in the schedule. §200.510 (b)(2)

⁴ The Uniform Guidance requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in the schedule and suggests to include the amounts in the SEFA notes.

Milford Area Public Schools District No123
32-038-1240-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2022

Federal Grantor/Pass-Through Grantor Program or Cluster Title and Major Program Designation	CFDA Number ² (A)	ISBE Project # (1st 8 digits) or Contract # ³ (B)	Receipts/Revenues		Expenditure/Disbursements ⁴		Obligations/ Encumb. (G)	Final Status (E)+(F)+(G) (H)	Budget (I)
			Year 7/1/20-6/30/21 (C)	Year 7/1/21-6/30/22 (D)	Year 7/1/20-6/30/21 (E)	Year 7/1/21-6/30/22 Pass through to Subrecipients (F)			
Total U.S. Department of Education			535,465	1,348,647	624,412	1,716,155		0	2,340,567
U.S. Department of Health & Human Services Passed Through the Illinois dept of Healthcare & Family Services								0	0
Perkins CTE	84.173a	4770		6,191		6,191		0	6,191
REAP Grant	84.126	4009		15,974		15,974		15,974	15,974
Total U.S. Department of Health & Human Services				22,165		22,165		0	22,165
Total Federal Financial Assistance			549,337	1,808,858	637,283	2,176,365		2,813,648	2,813,648
								0	0
								0	0
								0	0
								0	0
								0	0

• (M) Program was audited as a major program as defined by §200.518.

*Include the total amount provided to subrecipients from each Federal program. §200.510 (b)(4).

The accompanying notes are an integral part of this schedule.

¹ To meet state or other requirements, auditees may decide to include certain nonfederal awards (for example, state awards) in this schedule. If such nonfederal data are presented, they should be segregated and clearly designated as nonfederal. The title of the schedule should also be modified to indicate that nonfederal awards are included.

² When the CFDA number is not available, the auditee should indicate that the CFDA number is not available and include in the schedule the program's name and, if applicable, other identifying number.

³ When awards are received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included in the schedule. §200.510 (b)(2)

⁴ The Uniform Guidance requires that the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end be included in the schedule and suggests to include the amounts in the SEFA notes.

Milford Area Public S.D. 124
32-038-1240-28
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Adverse-GAAP/Unqualified-Regulatory
(Unmodified, Qualified, Adverse, Disclaimer)

INTERNAL CONTROL OVER FINANCIAL REPORTING:

- Material weakness(es) identified? YES ☐ X None Reported
- Significant Deficiency(s) identified that are not considered to be material weakness(es)? YES ☐ X None Reported
- Noncompliance material to the financial statements noted? YES ☐ X NO

FEDERAL AWARDS

INTERNAL CONTROL OVER MAJOR PROGRAMS:

- Material weakness(es) identified? YES ☐ X None Reported
- Significant Deficiency(s) identified that are not considered to be material weakness(es)? YES ☐ X None Reported

Type of auditor's report issued on compliance for major programs:

Unmodified
(Unmodified, Qualified, Adverse, Disclaimer⁷)

Any audit findings disclosed that are required to be reported in accordance with §200.516 (a)?

YES ☐ X NO

IDENTIFICATION OF MAJOR PROGRAMS:⁸

CFDA NUMBER(S) ⁹	NAME OF FEDERAL PROGRAM or CLUSTER ¹⁰	AMOUNT OF FEDERAL PROGRAM
10.555	School Lunch Cluster	438,045
84.010a	School Improvement Cluster	232,678
84.173a	Special Education	172,567
84.425d	Education Stabilization Cluster	1,289,097
	Total Amount Tested as Major	\$2,132,387

Total Federal Expenditures for 7/1/20-6/30/21

\$2,162,271

% tested as Major

98.62%

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000.00

Auditee qualified as low-risk auditee?

y YES ☐ NO ☐

⁷ If the audit report for one or more major programs is other than unmodified, indicate the type of report issued for each program.
Example: "Unmodified for all major programs except for [name of program], which was modified and [name of program], which was a disclaimer."

⁸ Major programs should generally be reported in the same order as they appear on the SEFA.

⁹ When the CFDA number is not available, include other identifying number, if applicable.

¹⁰ The name of the federal program or cluster should be the same as that listed in the SEFA. For clusters, auditors are only required to list the name of the cluster.

Milford Area Public S.D. #124
32-038-1240-26
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS¹⁹
Year Ending June 30, 2022

[If there are no prior year audit findings, please submit schedule and indicate **NONE**]

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u> ²⁰
none		

When possible, all prior findings should be on the same page

¹⁹ Explanation of this schedule - §200.511 (b)

²⁰ Current Status should include one of the following:

- A statement that corrective action was taken
- A description of any partial or planned corrective action
- An explanation if the corrective action taken was significantly different from that previously reported or in the management decision received from the pass-through entity.