

SALE DATE AND TIME:

**May 14, 2024
10:00 A.M. CDT**

**NEW ISSUE – BOOK-ENTRY ONLY
– BANK QUALIFIED**

RATING⁺: MOODY'S "Aa3"

Subject to compliance by the District with certain covenants, in the opinion of Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"), under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX EXEMPTION" herein for a more complete discussion. The Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See "QUALIFIED TAX-EXEMPT OBLIGATIONS" herein.

\$2,955,000*

COMMUNITY UNIT SCHOOL DISTRICT NUMBER 432

DEKALB AND LASALLE COUNTIES, ILLINOIS

(SOMONAUK)

GENERAL OBLIGATION SCHOOL BONDS, SERIES 2024

Dated: Date of Issuance

Due: February 1, as Shown on the Inside Cover Page

The General Obligation School Bonds, Series 2024 (the "Bonds"), of Community Unit School District Number 432, DeKalb and LaSalle Counties, Illinois (the "District"), are issuable as fully-registered bonds under the global book-entry system operated by The Depository Trust Company, New York, New York ("DTC"). Individual purchases will be made in book-entry system form only. Beneficial owners of the Bonds will not receive physical delivery of the Bonds. The Bonds are issued in fully-registered form in denominations of \$5,000 and integral multiples thereof, and will bear interest payable on February 1 and August 1 of each year, with August 1, 2024, as the first interest payment date. Amalgamated Bank of Chicago, Chicago, Illinois, will act as registrar and paying agent for the Bonds. Details of payment of the Bonds are described herein. Interest is calculated based on a 360-day year consisting of twelve 30-day months.

Proceeds of the Bonds will be used to (i) increase the Working Cash Fund of the District, (ii) pay interest on the Bonds through February 1, 2025, and (iii) pay costs associated with the issuance of the Bonds. See "USE OF PROCEEDS" herein.

The Bonds, in the opinion of Bond Counsel, are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. See "THE BONDS – Security and Payment" herein.

The Bonds are subject to optional redemption prior to maturity on the dates and at the redemption price described herein under "THE BONDS – Optional Redemption."

The Bonds are offered at public sale, subject to the approval of legality by Bond Counsel. Chapman and Cutler LLP, Chicago, Illinois, is also acting as Disclosure Counsel to the District. Delivery of the Bonds through the facilities of DTC will be on or about June 4, 2024.



AS MUNICIPAL ADVISOR

The date of this Official Statement is May __, 2024.

*Preliminary, subject to change.

+See "BOND RATING" herein.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

MATURITY SCHEDULE, AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NUMBERS

\$2,955,000* General Obligation School Bonds, Series 2024

<u>Maturity</u> <u>(February 1)</u>	<u>Amount (\$)*</u>	<u>Rate (%)</u>	<u>Yield (%)</u>	<u>CUSIP⁽¹⁾</u> <u>(240407)</u>
2026	120,000			
2027	130,000			
2028	145,000			
2029	160,000			
****	****			
2033	505,000			
2034	530,000			
2035	555,000			
2036	585,000			
2037	225,000			

*Preliminary, subject to change. The District reserves the right to increase or decrease the principal amount of the individual maturities of the Bonds on the day of sale in increments of \$5,000. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000 portion of a Bond.

(1) CUSIP data herein is provided by CUSIP Global Services (“CGS”). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. No representations are made as to the correctness of the CUSIP numbers. These CUSIP numbers are subject to change after the issuance of the Bonds.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended by Community Unit School District Number 432, DeKalb and LaSalle Counties, Illinois (the “District”), from time to time (collectively, the “Official Statement”), may be treated as an Official Statement with respect to the Bonds described herein that is deemed final by the District as of the date hereof (or of any such supplement or amendment), except for the omission of certain information permitted to be omitted pursuant to such Rule.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as statements of the District or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. Unless otherwise indicated, the District is the source of all tables and statistical and financial information contained in this Official Statement. The information set forth herein relating to governmental bodies other than the District has been obtained from such governmental bodies or from other sources believed to be reliable. The information and opinions expressed herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date of this Official Statement.

PMA Securities, LLC, Naperville, Illinois, is serving as municipal advisor (the “Municipal Advisor”) to the District in connection with the issuance of the Bonds. In preparing this Official Statement, the Municipal Advisor has relied upon the District, and other sources, having access to relevant data to provide accurate information for this Official Statement. To the best of the Municipal Advisor’s knowledge, the information contained in this Official Statement is true and accurate. However, the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information.

Any statements made in this Official Statement, including the Appendices, involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such estimates will be realized. This Official Statement contains certain forward-looking statements and information that are based on the District’s beliefs as well as assumptions made by and information currently available to the District. Such statements are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or expected.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

This Official Statement should be considered in its entirety and no one factor considered less important than any other by reason of its position in this Official Statement. Where statutes, resolutions, reports or other documents are referred to herein, reference should be made to such statutes, resolutions, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

Upon issuance, the Bonds will not be registered under the Securities Act of 1933, as amended, and will not be listed on any stock or other securities exchange and neither the Securities and Exchange Commission nor any other Federal, State, Municipal or other governmental entity, other than the District, shall have passed upon the accuracy or adequacy of this Official Statement.

Certain persons participating in this offering may engage in transactions that maintain or otherwise affect the price of the Bonds. Specifically, the Underwriter may overallocate in connection with the offering, may bid for, and purchase, the Bonds in the open market. The prices and other terms respecting the offering and sale of the Bonds may be changed from time to time by the Underwriter after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Bonds into investment accounts.

**Community Unit School District Number 432
DeKalb and LaSalle Counties, Illinois
(Somonauk)
500 West LaSalle Street
Somonauk, Illinois 60552-9795
(815) 498-2315**

* * * * *

Board of Education

Mike Short, President
Norm Johnson, Vice President
Corey Britt, Secretary
Nick Deacon
Julie Haggard
Kurt Hohenberger
Erik Wold

Superintendent

Jay Streicher

School Treasurer

Erica Carlson

* * * * *

Paying Agent/Registrar

Amalgamated Bank of Chicago
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Chicago, Illinois 60602

Independent Auditors

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Plano, Illinois 60545

Bond and Disclosure Counsel

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320 South Canal Street
Chicago, Illinois 60606

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PMA Securities, LLC
2135 CityGate Lane, 7th Floor
Naperville, Illinois 60563

Underwriter

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Appendices:

- A. Form of Legal Opinion of Bond Counsel
- B. Annual Financial Report for Fiscal Year Ended June 30, 2023
- C. Form of Continuing Disclosure Undertaking
- D. Official Notice of Sale and Bid Form

\$2,955,000*
Community Unit School District Number 432
DeKalb and LaSalle Counties, Illinois
(Somonauk)
General Obligation School Bonds, Series 2024

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning Community Unit School District Number 432, DeKalb and LaSalle Counties, Illinois (the “District”), in connection with the offering and sale of its \$2,955,000* General Obligation School Bonds, Series 2024 (the “Bonds”). This Official Statement includes the cover page, the reverse thereof and the Appendices. Certain factors that may affect an investment decision concerning the Bonds are described throughout this Official Statement. Persons considering a purchase of the Bonds should read this Official Statement in its entirety.

THE BONDS

General Description

The Bonds will be issued in fully-registered form, without coupons, in denominations of \$5,000 each or authorized integral multiples thereof under a book-entry only system operated by The Depository Trust Company, New York, New York (“DTC”). Principal of and interest on the Bonds will be payable as described under the caption “BOOK-ENTRY SYSTEM” by Amalgamated Bank of Chicago, Chicago, Illinois, as paying agent and registrar (the “Registrar”).

The Bonds will be dated as of the date of delivery and will mature as shown on the inside cover page of this Official Statement. Interest on the Bonds will be payable on each February 1 and August 1, beginning August 1, 2024. The Bonds will bear interest from their dated date, or from the most recent interest payment date to which interest has been paid or provided for, computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Bonds will be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of the Registrar in Chicago, Illinois. Interest on each Bond will be paid by check or draft of the Registrar payable upon presentation in lawful money of the United States of America to the person in whose name such Bond is registered at the close of business on the 15th day of the month next preceding the interest payment date.

The Bonds are subject to optional redemption prior to maturity as discussed under “Optional Redemption” herein.

Registration and Exchange

The Bonds may be transferred, registered and assigned only on the registration books of the Registrar (the “Register”), and such registration shall be at the expense of the District; provided, however, that the District or the Registrar may require payment of a sum sufficient to

*Preliminary, subject to change.

cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Registrar and duly executed by, the registered owner or his or her attorney duly authorized in writing, the District shall execute and the Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully-registered Bond or Bonds of the same maturity of authorized denominations for a like aggregate principal amount. Any fully-registered Bond or Bonds may be exchanged at said office of the Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. The execution by the District of any fully-registered Bond shall constitute full and due authorization of such Bond and the Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

The Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month next preceding any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

Authority and Purpose

The Bonds are issued pursuant to the School Code of the State of Illinois (the “School Code”), the Local Government Debt Reform Act of the State of Illinois (the “Debt Reform Act”), and all laws amendatory thereof and supplementary thereto, and a bond resolution adopted by the Board of Education (the “Board”) of the District on January 22, 2024, as supplemented by a notification of sale (together, the “Bond Resolution”). Proceeds of the Bonds will be used to (i) increase the Working Cash Fund of the District, (ii) pay interest on the Bonds through February 1, 2025, and (iii) pay costs associated with the issuance of the Bonds. See “USE OF PROCEEDS” herein.

Security and Payment

The Bonds, in the opinion of Chapman and Cutler LLP, Chicago, Illinois (“Bond Counsel”), are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

The Bond Resolution provides for the levy of ad valorem taxes, unlimited as to rate or amount, upon all taxable property within the District in amounts sufficient to pay, as and when due, all principal of and interest on the Bonds, except for the interest due on the Bonds on August 1, 2024, and February 1, 2025, which will be paid from Bond proceeds. The Bond Resolution will be filed with the County Clerks of The Counties of DeKalb and LaSalle, Illinois (the “County Clerks”), and will serve as authorization to the County Clerks to extend and collect the property taxes as set forth in the Bond Resolution to pay the Bonds.

Reference is made to Appendix A for the proposed form of legal opinion of Bond Counsel.

Optional Redemption

The Bonds due on or after February 1, 2033, are subject to redemption prior to maturity, at the option of the District as a whole or in part in integral multiples of \$5,000 in any order of their maturity as determined by the District (less than all of the Bonds of a single maturity to be selected by the Registrar), on February 1, 2032, and on any date thereafter, at a redemption price of par plus accrued interest to the redemption date.

Redemption Procedures

The District will, at least 45 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Registrar), notify the Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Registrar from the Bonds of such maturity by such method of lottery as the Registrar shall deem fair and appropriate (except when the Bonds are held in a book-entry system, in which case the selection of Bonds to be redeemed will be made in accordance with procedures established by DTC or any other book-entry depository); *provided* that such lottery will provide for the selection for redemption of Bonds or portions thereof in principal amounts of \$5,000 and integral multiples thereof.

Unless waived by any holder of Bonds to be redeemed, notice of the call for any redemption will be given by the Registrar on behalf of the District by mailing the redemption notice by first-class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bonds to be redeemed at the address shown on the Register or at such other address as is furnished in writing by such registered owner to the Registrar.

All notices of redemption will state (1) the redemption date, (2) the redemption price, (3) if less than all the outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of Bonds, the respective principal amounts) of the Bonds to be redeemed, (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon will cease to accrue

from and after said date, (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment will be the principal corporate trust office of the Registrar and (6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed at the option of the District are received by the Registrar prior to the giving of such notice of redemption, such notice may, at the option of the District, state that said redemption will be conditional upon the receipt of such moneys by the Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice will be of no force and effect, the District will not redeem such Bonds, and the Registrar will give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the District will deposit with the Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as described above and in the Bond Resolution, and notwithstanding failure to receive such notice, the Bonds or portions of Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price), such Bonds or portion of Bonds will cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds will be paid by the Registrar at the redemption price.

USE OF PROCEEDS

After proper abatement and transfer from the Working Cash Fund, proceeds of the Bonds will be used to pay the costs of capital projects throughout the District. The District expects to complete the capital projects by August 2025.

SOURCES AND USES

Estimated Sources of Funds

Par Amount of the Bonds.....	
[Net] Original Issue Premium/(Discount).....	
Total Sources	\$ <u> -</u>

Estimated Uses of Funds

Deposit into the Working Cash Fund.....	
Pay Interest on the Bonds.....	
Costs of Issuance.... ⁽¹⁾	
Total Uses	\$ <u> -</u>

(1) Includes Underwriter’s discount, Bond and Disclosure Counsel fees, Municipal Advisor’s fee, Registrar’s fee, rating agency fee and other costs of issuance.

BOOK-ENTRY SYSTEM

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P Global Ratings ("S&P") rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission (the "Commission"). More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as

may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the District or Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC, and the District takes no responsibility for the accuracy thereof.

The District will have no responsibility or obligation to any Securities Depository, any Participants in the Book-Entry System or the Beneficial Owners with respect to (i) the accuracy of any records maintained by the Securities Depository or any Participant; (ii) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption price of, or interest on, any Bonds; (iii) the delivery of any notice by the Securities Depository or any Participant; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (v) any other action taken by the Securities Depository or any Participant.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Summary of Property Assessment, Tax Levy and Collection Procedures

A separate tax to pay principal of and interest on the Bonds will be levied on all taxable real property within the District. The information under this caption describes the current procedures for real property assessments, tax levies and collections in The Counties of DeKalb and LaSalle, Illinois (the "Counties"). There can be no assurance that the procedures described herein will not change.

Tax Levy and Collection Procedures

Local Assessment Officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local Assessment Officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula, which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year.

Unpaid Taxes and Annual Tax Sales

Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are deemed delinquent and bear interest at the rate of 1.5% per month (or portion thereof) until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax. If taxes go unpaid for 13 months, each county treasurer is required to sell the delinquent property taxes at the “Annual Tax Sale” — a sale of tax liens, not properties. A public sale is held, at which time successful tax buyers pay the unpaid taxes plus penalties. Taxpayers can redeem their property by paying the amount paid at the sale, plus interest penalties and fees. If no redemption is made within the applicable redemption period, then the tax buyer can secure a court-ordered deed to the home. If a tax buyer can prove the home has been abandoned, the period for seeking a deed can be shortened to two years. Owners of vacant, commercial and industrial properties have six months to redeem their taxes before the tax buyer can seek ownership of the property.

If there is no sale of the tax lien on a parcel of property at the Annual Tax Sale, the taxes are forfeited and the property becomes eligible to be purchased at any time thereafter at an amount equal to all delinquent taxes and interest accrued to the date of purchase. Redemption periods and procedures are the same as applicable to the Annual Tax Sale.

When taxes go unpaid for more than 20 years, Illinois law states that the property is “forfeited to the state.” As a practical matter, this does not happen. Instead, the taxes are wiped out, as the property remains in its distressed condition barring a change in the owner’s circumstances or it being sold.

Exemptions

The Illinois Property Tax Code, as amended (the “Property Tax Code”), exempts certain property from taxation. Certain property is exempt from taxation on the basis of ownership and/or use, including, but not limited to, public parks, not-for-profit schools, public schools, churches, not-for-profit hospitals and public hospitals. In addition, the Property Tax Code provides a variety of homestead exemptions, which are discussed below.

An annual General Homestead Exemption provides that the Equalized Assessed Valuation (“EAV”) of certain property owned and used for residential purposes (“Residential Property”) may be reduced by the amount of any increase over the 1977 EAV, up to a maximum

reduction of \$6,000. Beginning with tax year 2023, the maximum reduction in the five collar counties (DuPage, Kane, Lake, McHenry and Will) (the “Collar Counties”) is \$8,000.

The Homestead Improvement Exemption applies to Residential Property that has been improved or rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to an annual maximum amount of \$75,000 for up to four years to the extent the assessed value is attributable solely to such improvements or rebuilding.

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. The maximum exemption is \$5,000. Beginning with tax year 2023, the maximum exemption in the Collar Counties is \$8,000.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of the maximum income limitation. The maximum income limitation is \$65,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen’s residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year.

Purchasers of certain single family homes and residences of one to six units located in certain targeted areas (as defined in the Property Tax Code) can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least \$5 per square foot, adjusted by the Consumer Price Index (“CPI”). Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year and (c) 35% in the ninth year. The benefit ceases in the tenth year. The program will be phased out by June 30, 2029.

The Natural Disaster Homestead Exemption (the “Natural Disaster Exemption”) applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

Several exemptions are available to veterans of the United States armed forces. The Veterans with Disabilities Exemption for Specially-Adapted Housing exempts up to \$100,000 of the Assessed Valuation of property owned and used exclusively by veterans with a disability, their spouses or unmarried surviving spouses. Qualification for this exemption requires the

veteran's disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs or for housing or adaptations donated by a charitable organization to such disabled veteran.

The Standard Homestead Exemption for Veterans with Disabilities provides an annual homestead exemption to veterans with a service-connected disability based on the percentage of such disability. If the veteran has a (a) service-connected disability of 30% or more but less than 50%, the annual exemption is \$2,500, (b) service-connected disability of 50% or more but less than 70%, the annual exemption is \$5,000, and (c) service-connected disability of 70% or more, the property is exempt from taxation.

The Returning Veterans' Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, and the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time, two-year homestead exemption of \$5,000.

Finally, the Homestead Exemption for Persons with Disabilities provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain disabled persons who meet State-mandated guidelines.

Property Tax Extension Limitation Law

The Property Tax Extension Limitation Law, as amended (the "Limitation Law"), limits the amount of the annual increase in property taxes to be extended for certain Illinois non-home rule units of government. In general, the Limitation Law restricts the amount of such increases to the lesser of 5% or the percentage increase in the CPI during the calendar year preceding the levy year. Currently, the Limitation Law applies only to and is a limitation upon all non-home rule taxing bodies (including school districts) in Cook County, the Collar Counties and numerous other counties.

The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected taxing bodies unless the obligations first are approved at a direct referendum, are alternate bonds or are for certain refunding purposes.

Public Act 89-510 permits the county boards of all counties not currently subject to the Limitation Law to initiate binding referenda to extend the provisions of the Limitation Law to all non-home rule taxing bodies in the county.

Under the legislation, the county board of any such county can initiate a binding tax cap referendum at any regularly scheduled election other than the consolidated primary, which is the February election in odd-numbered years. If the referendum is successful, then the Limitation Law will become applicable to those non-home rule taxing bodies having all of their EAV in the

county beginning January 1 of the year following the date of the referendum. With respect to multi-county taxing bodies, the Limitation Law becomes applicable only after (a) each county in which the taxing body is located has held a referendum and (b) the proposition is passed in a county or counties containing a majority of the EAV of the taxing body.

As of the date of the referendum causing tax caps to be applicable to a taxing body, referendum approval would be required in order for the taxing body to issue unlimited tax general obligation bonds. DeKalb County held a successful referendum on the applicability of the Limitation Law on April 13, 1999. LaSalle County held an unsuccessful referendum on the applicability of the Limitation Law on November 4, 1997.

If the Limitation Law were to apply in the future to the District, the limitations set forth therein will not apply to the taxes levied by the District to pay the principal of and interest on the Bonds.

If the District's Adequacy Target (as defined under "STATE AID" herein) exceeds 110% for the school year that begins during the calendar year immediately preceding the levy year for which a tax reduction is sought, a petition signed by at least 10% of the registered voters in the District may be filed requiring a proposition to be submitted to the District's voters at the next consolidated election in April of odd-numbered years asking the voters whether the District must reduce its extension for educational purposes for the levy year in which the election is held to an amount that is less than the extension for educational purposes for the immediately preceding levy year. If the voters approve the proposition, the amount extended by the County Clerks for educational purposes will be reduced as provided in the proposition. The reduced extension, however, may not be more than 10% lower than the amount extended for educational purposes in the previous levy year and may not cause the District's Adequacy Target to fall below 110% for the levy year for which the reduction is sought. If such proposition is submitted to the voters, it may not be submitted again at any of the next two consolidated elections.

Illinois legislators have introduced several proposals to modify the Limitation Law, including freezing property taxes and extending tax caps to all taxing bodies in the State of Illinois (the "State"). The District cannot predict whether, or in what form, any change to the Limitation Law may be enacted into law, nor can the District predict the effect of any such change on the District's finances.

Truth in Taxation Law

Legislation known as the Truth in Taxation Law (the "Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels.

The provisions of the Law do not apply to levies made to pay principal of and interest on the Bonds. The District covenanted in the Bond Resolution that it will not take any action or fail to take any action which in any way would adversely affect the ability of the District to levy and

collect the taxes levied by the District for payment of principal of and interest on the Bonds. The District also covenanted that it and its officers will comply with all present and future applicable laws to assure that such taxes will be levied, extended, collected and deposited as provided in the Bond Resolution.

RISK FACTORS

The purchase of the Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Bonds should make an independent evaluation of the entirety of the information presented in this Official Statement and its appendices in order to make an informed investment decision. Certain of the investment risks are described below. The following statements, however, should not be considered a complete description of all risks to be considered in the decision to purchase the Bonds, nor should the order of the presentation of such risks be construed to reflect the relative importance of the various risks. There can be no assurance that other risk factors are not material or will not become material in the future.

Construction Risks

There are potential risks that could affect the ability of the District to timely complete the Project. While preliminary costs have been projected by the District's consulting architects, not all of the construction contracts have been let by the District. No assurance can be given that the cost of completing the Project will not exceed available funds.

Completion of the Project involves many risks common to construction projects such as shortages or delays in the availability of materials and labor, work stoppages, labor disputes, contractual disputes with contractors or suppliers, weather interferences, construction accidents, delays in obtaining legal approvals, unforeseen engineering, archeological or environmental problems and unanticipated cost increases, any of which could give rise to significant delays or cost overruns.

Finances of the State of Illinois

State funding sources constituted 17.32% of the District's General Fund revenue sources for the fiscal year ended June 30, 2023.

While the finances of the State have significantly improved in recent years, the State continues to deal with a severe underfunding of its pension systems, which, based on the comprehensive annual financial reports of the State's five retirement systems, have a combined unfunded pension liability of approximately \$140 billion and a combined funded ratio of approximately 44%. Also, despite eight credit rating upgrades since June 2021, the State's long-term general obligation bonds carry the lowest ratings of all states.

On June 17, 2021, Governor Pritzker (the "Governor") signed the State's budget for the fiscal year ending June 30, 2022 (the "Fiscal Year 2022 Budget"). On April 19, 2022, the Governor signed the State's budget for the fiscal year ending June 30, 2023 (the "Fiscal Year 2023 Budget"). Each of the Fiscal Year 2022 Budget, the Fiscal Year 2023 Budget and the

Fiscal Year 2024 Budget (as defined herein) contained appropriations for General State Aid (as hereinafter defined) and allocated the same among school districts in accordance with an “Evidence-Based Funding Model” pursuant to Public Act 100-0465, effective August 31, 2017. See “STATE AID” herein for more information on the Evidence-Based Funding Model.

As a result of the impact of the Novel Coronavirus 2019 (“COVID-19”) and the various governmental or private actions in reaction thereto on the revenues of the State, the State’s budget for the fiscal year ending June 30, 2021 (the “Fiscal Year 2021 Budget”) appropriated General State Aid at approximately the same level as the State’s budget for the fiscal year ended June 30, 2020. As a result, additional funds were not allocated under the Evidence-Based Funding Model as New State Funds (as hereinafter defined) for school districts for the fiscal year ending June 30, 2021. Each of the Fiscal Year 2022 Budget, the Fiscal Year 2023 Budget and the Fiscal Year 2024 Budget appropriated General State Aid in an amount \$350 million greater than the appropriation in the prior fiscal year budget. See “STATE AID” herein for more information.

In addition, the federal American Rescue Plan Act of 2021 (the “American Rescue Plan”), which was signed into law on March 12, 2021, provided the State with approximately \$8.1 billion in additional federal funds.

On June 7, 2023, the Governor signed the State’s budget (Public Act 103-006) for the fiscal year ending June 30, 2024 (the “Fiscal Year 2024 Budget”), which included a \$183 million surplus, additional contributions to the State pension system and the State’s Budget Stabilization Fund, commonly referred to as the State’s “rainy day” fund, which is set to surpass \$2 billion, and the elimination of the State’s bill backlog.

Local Economy

The financial health of the District is in part dependent on the strength of the local economy. Many factors impact the local economy, including rates of employment and economic growth and the level of residential and commercial development. It is not possible to predict to what extent any changes in economic conditions, demographic characteristics, population or commercial and industrial activity will occur and what impact such changes would have on the finances of the District.

Loss or Change of Bond Rating

The Bonds have received a credit rating from Moody’s Investors Service, New York, New York (“Moody’s”). The rating can be changed or withdrawn at any time for reasons both under and outside the District’s control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

Cybersecurity

Computer networks and data transmission and collection are vital to the efficient operation of the District. Despite the implementation of network security measures by the District, its information technology and infrastructure may be vulnerable to deliberate attacks by hackers, malware, ransomware or computer viruses, or may otherwise be breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks and the information stored thereon could be disrupted, accessed, publicly disclosed, lost or stolen. Although the District does not believe that its information technology systems are at a materially greater risk of cybersecurity attacks than other similarly-situated governmental entities, any such disruption, access, disclosure or other loss of information could have an adverse effect on the District's operations and financial health. Further, as cybersecurity threats continue to evolve, the District may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate any vulnerabilities, or invest in new technology designed to mitigate security risks.

Secondary Market for the Bonds

No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The hereinafter-defined Underwriter is not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof.

Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

Continuing Disclosure

A failure by the District to comply with the Undertaking (as defined herein) for continuing disclosure (see "LIMITED CONTINUING DISCLOSURE" herein) will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with Rule 15c2-12 (the "Rule") adopted by the Commission under the Exchange Act, and may adversely affect the transferability and liquidity of the Bonds and their market price.

Suitability of Investment

The interest rates borne by the Bonds are intended to compensate the investor for assuming the risk of investing in the Bonds. Furthermore, the tax-exempt feature of the Bonds is currently more valuable to high tax bracket investors than to investors that are in low tax brackets. As such, the value of the interest compensation to any particular investor will vary with individual tax rates and circumstances. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Future Changes in Laws

Various state and federal laws, regulations and constitutional provisions apply to the District and to the Bonds. The District can give no assurance that there will not be a change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the District, or the taxing authority of the District. For example, many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by State government. Future actions of the State may affect the overall financial conditions of the District, the taxable value of property within the District, and the ability of the District to levy property taxes or collect revenues for its ongoing operations.

Factors Relating to Tax Exemption

As discussed under “TAX EXEMPTION” herein, interest on the Bonds could become includible in gross income for purposes of federal income taxation, retroactive to the date the Bonds were issued, as a result of future acts or omissions of the District in violation of its covenants in the Bond Resolution. Should such an event of taxability occur, the Bonds are not subject to any special redemption.

There are or may be pending in the Congress of the United States (“Congress”) legislative proposals relating to the federal tax treatment of interest on the Bonds, including some that carry retroactive effective dates, that, if enacted, could affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Finally, reduction or elimination of the tax-exempt status of obligations such as the Bonds could have an adverse effect on the District’s ability to access the capital markets to finance future capital or operational needs by reducing market demand for such obligations or materially increasing borrowing costs of the District.

The tax-exempt bond office of the Internal Revenue Service (the “Service”) is conducting audits of tax-exempt bonds, both compliance checks and full audits, with increasing frequency to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether the Service will commence any such audit. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the Bondholders may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of the District could adversely affect the market value and liquidity of the Bonds, regardless of the ultimate outcome.

Bankruptcy

The rights and remedies of the Bondholders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors’ rights, to the exercise of judicial discretion in appropriate cases and to

limitations on legal remedies against local governments. The various opinions of counsel to be delivered with respect to the Bonds will be similarly qualified.

THE DISTRICT

General Description

The District is located approximately 60 miles west of Chicago at the western edge of the U.S. Highway 34 corridor in the Counties. Approximately 37.13% of the District’s 2022 EAV is located in DeKalb County and 62.87% of the District’s 2022 EAV is located in LaSalle County. The District serves the Village of Somonauk (the “Village”) (26.53% of the District’s 2022 EAV) and unincorporated areas (73.47% of the District’s 2022 EAV). The District provides educational programs for grades kindergarten through 12 with one elementary school, one middle school and one high school.

Higher education for area residents is available at Northern Illinois University (the “University”) which is located in DeKalb, Illinois. The University offers numerous four-year degree programs. Additional area institutions of higher learning include Kishwaukee Community College located in Malta, Illinois and Waubensee Community College located in Sugar Grove, Illinois.

The District is served by the Burlington Northern Railroad and by U.S. Highway 34 and Illinois Route 23. The Cities of DeKalb and Ottawa are located approximately 15 miles to the north and south of the District, respectively. The City of Aurora is approximately 21 miles northeast of the District.

Educational Facilities

The District operates three facilities.

<u>Facility</u>	<u>Grades</u>	<u>2023-2024 Enrollment</u>	<u>Capacity Enrollment</u>	<u>Constructed</u>	<u>Years of Additions/Renovations</u>
James R. Wood Elementary School.....	Pk-4	310	415	1951	1961, 1964, 1980
Somonauk Middle School.....	5-8	241	450	2001	N/A
Somonauk High School.....	9-12	222	400	1971	1980, 1994

Source: The District

Enrollments

The table below includes historical enrollment utilizing the Fall Housing Count (Housed) which reflects students enrolled as of the last school day in September and the projected enrollment for the next five years. The projected enrollment figures are based on Comparative Analytics from Frontline.

<u>School Year</u>	<u>Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2019-2020	814	2024-2025	743
2020-2021	750	2025-2026	750
2021-2022	739	2026-2027	756
2022-2023	750	2027-2028	766
2023-2024 ⁽¹⁾	782	2028-2029	772

(1) Includes nine special-needs students at out-placement facilities.
Source: The District

Information Related to Potential Community Reinvestment Act Credit

The National School Lunch Program (the “NSLP”) provides free or reduced-price school meals to eligible students who participate in certain federal assistance programs (including the Supplemental Nutrition Assistance Program), or whose median household incomes fall below certain federal poverty thresholds. The table below includes the participation of District students in the NSLP. The District makes no representation as to the status of any investment in the Bonds under the Community Reinvestment Act.

<u>Facility</u>	<u>Eligibility Percent</u> ⁽¹⁾
James R. Wood Elementary School.....	34.67%
Somonauk Middle School.....	35.56%
Somonauk High School.....	30.00%

(1) Program Year 2024 Eligibility Data.
Source: Illinois State Board of Education (“ISBE”)

The Board of Education

The District is governed by the Board whose members are elected for staggered terms of office. The Board is a policy making body whose primary functions are to establish policies for the District, provide for the general operation and personnel of the District, and oversee the property and facilities of the District. The Board elects a President, Vice President and Secretary from its membership. The present members are as follows:

<u>Title</u>	<u>Name</u>	<u>Current Term Expires</u>
President.....	Mike Short	2025
Vice President.....	Norm Johnson	2025
Secretary.....	Corey Britt	2025
Member.....	Nick Deacon	2027
Member.....	Julie Haggard	2025
Member.....	Kurt Hohenberger	2027
Member.....	Erik Wold	2027
School Treasurer.....	Erica Carlson	Appointed

Administration

The District's Superintendent is Jay Streicher, who has been with the District since 2015. Prior to becoming the Superintendent, Mr. Streicher was the Principal at Somonauk Middle School.

Employees

The District has approximately 118 employees of whom 71 are certified employees and 47 are non-certified. Of the total number, the Somonauk Education Association represents 66 members. The contract expires in 2025. The District considers its relationship with its employees to be collaborative.

SOCIO-ECONOMIC CHARACTERISTICS

Population Trend

Below are the population statistics for the District, the Village, the Counties and the State.

	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>% Change</u> <u>2010-2020</u>
The District.....	N/A	5,067	4,904	-3.22
The Village	1,295	1,893	1,786	-5.65
DeKalb County.....	88,969	105,160	109,658	+ 4.28
LaSalle County.....	111,509	113,924	100,420	-11.85
The State	12,419,293	12,830,632	12,812,508	-0.14

Source: U.S. Census Bureau, 2000 Census, 2010 Census and 2020 Census

Income and Housing

The following table sets forth the comparative income and home value levels for the District, the Counties, the State and the United States.

	<u>The</u> <u>District</u>	<u>DeKalb</u> <u>County</u>	<u>LaSalle</u> <u>County</u>	<u>The</u> <u>State</u>	<u>United</u> <u>States</u>
Median Home Value.....	\$247,900	\$218,600	\$147,400	\$239,100	\$281,900
Median Household Income.....	117,500	68,617	67,942	78,433	75,149
Median Family Income.....	122,347	91,538	83,830	99,215	92,646
Per Capita Income.....	44,827	34,196	36,060	43,198	41,261

Source: 2018-2022 American Community Survey 5-year Estimates, U.S. Census Bureau as released by the U.S. Census Bureau on December 7, 2023

Retail Sales

The following table demonstrates the estimated sales reported by retailers in the Village for the last five calendar years.

<u>Calendar</u> <u>Year</u>	<u>The Village</u>
2019	\$ 19,010,297
2020	17,663,258
2021	24,783,223
2022	28,627,007
2023	27,312,522

Source: The Department

Largest Area Employers

The following table reflects the major employers in the area surrounding the District by the products manufactured or services performed and approximate number of employees.

Company Name	Product or Service	Location	Approximate employees at location
The University.....	Public university.....	DeKalb	3,344
Kishwaukee Community Hospital.....	Hospital.....	DeKalb	1,200
OSF St. Elizabeth Medical Center.....	Health care services.....	Ottawa	600
Kishwaukee Community College.....	Community college.....	Malta	575
Clover Technologies Group, LLC.....	Company headquarters & remanufactured consumable imaging supplies.....	Ottawa	400
Adient Sycamore.....	Car seats.....	Sycamore	355
Ideal Industries, Inc.....	Corporate headquarters & electrician tools & supplies.....	Sycamore	350
SK Express, Inc.....	Contract manufacturing of electrical wire harnesses, cables, assemblies & control panels.....	DeKalb	350
The Suter Co., Inc.....	Canned prepared foods, refrigerated salads, deviled eggs & shelf-stable lunch kits.....	Sycamore	300
3M Company.....	Distributor of office supplies.....	DeKalb	250
Nestlé USA, Inc., Distribution.....	Grocery distribution warehouse.....	DeKalb	250
SABIC Innovative Plastics.....	Plastic pellets.....	Ottawa	250
Sonoco Alloyd.....	Divisional headquarters; blister packaging.....	DeKalb	250

Source: 2024 Manufacturers' News, Inc. Illinois Manufacturers and Illinois Services Directories

The following table reflects the major employers in the District by the products manufactured or services performed and approximate number of employees.

Company Name	Product or Service	Location	Approximate employees at location
The District.....	Education.....	Somonauk	118
Precision Enterprises Foundry & Machine, Inc.....	Corporate headquarters & aluminum castings, including machining operations.....	Somonauk	80
Arends Hogan Walker, LLC.....	Distributor of new & used agricultural equipment construction equipment.....	Somonauk	30
Duro Cast, Inc.....	Aluminum castings.....	Somonauk	30
PTS Worldwide, Inc.....	Commercial long-distance trucking services.....	Somonauk	28
Amco Machine.....	Machine aluminum castings.....	Somonauk	17
Leland Farmers Co.....	Grain & feed distributors.....	Somonauk	10
Wilkinson Excavating.....	Excavation & septic tank installation services.....	Somonauk	10

Source: 2024 Manufacturers' News, Inc. Illinois Manufacturers and Illinois Services Directories and District employee information provided by the District

Historical Unemployment Statistics

Unemployment statistics are not compiled specifically for the District. The following table shows the trend in annual average unemployment rates as well as the monthly unemployment rates for March 2023 and March 2024 for the Village compared with the Counties and the State.

	<u>The Village</u>	<u>DeKalb County</u>	<u>LaSalle County</u>	<u>The State</u>
Average, 2019.....	4.3%	3.9%	5.1%	4.0%
Average, 2020..... ⁽¹⁾	7.8	8.3	9.5	9.3
Average, 2021.....	5.2	5.8	6.0	6.1
Average, 2022.....	3.9	4.2	4.9	4.6
Average, 2023.....	N/A	4.7	5.8	4.5
March, 2023.....	N/A ⁽²⁾	4.8	6.2	4.3
March, 2024.....	N/A ⁽²⁾	5.1	6.6	5.0

(1) The District attributes the increase in unemployment rates to the COVID-19 pandemic. See “STATE AID - Federal COVID-19 Legislation” herein.

(2) There is no monthly data available for the Village since it is a community with a population of less than 25,000.
Source: Illinois Department of Employment Security

FINANCIAL INFORMATION

Trend of EAV

(Estimated 33-1/3% of Fair Market Value)

The following table reflects the EAV trend of the District by property type, growth rate and new property.

<u>Property Type</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Residential	\$ 104,962,428	\$ 112,695,226	\$ 119,591,294	\$ 124,247,222	\$ 133,167,863
Farm	20,988,773	22,362,765	23,588,285	25,007,269	26,718,439
Minerals.....	0	0	0	0	175,425
Commercial	6,051,762	6,318,514	6,561,400	6,866,939	7,148,429
Industrial	972,520	1,001,102	1,024,099	1,062,069	1,231,025
Railroad	1,457,078	1,597,976	2,041,517	2,435,918	2,731,413
Total.....	<u>\$ 134,432,561</u>	<u>\$ 143,975,583</u>	<u>\$ 152,806,595</u>	<u>\$ 159,619,417</u>	<u>\$ 171,172,594</u>
Percent of Change.....	4.74% ⁽¹⁾	7.10%	6.13%	4.46%	7.24%
New Property Amounts.....	\$541,848	\$285,555	\$448,555	\$653,107	\$535,244

(1) Based on the District’s 2017 EAV of \$127,417,249.

Source: County Clerks’ Offices

EAV by County

<u>Tax Year</u>	<u>DeKalb County</u>	<u>LaSalle County</u>	<u>Total EAV</u>
2018	\$ 49,583,506	\$ 84,849,055	\$ 134,432,561
2019	53,069,737	90,905,846	143,975,583
2020	55,918,857	96,887,738	152,806,595
2021	59,256,632	100,362,785	159,619,417
2022	63,553,710	107,618,884	171,172,594

Source: County Clerks' Offices

Tax Rates

(Per \$100 EAV)

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Statutory Maximum Rate</u>
Education	\$ 3.966	\$ 4.000	\$ 4.000	\$ 3.988	\$ 4.000	\$4.000 ⁽¹⁾
Bond & Interest	0.660	0.644	0.705	0.555	0.520	N/A
Operations & Maintenance.....	0.375	0.375	0.375	0.498	0.500	0.500
IMRF	0.098	0.096	0.060	0.031	0.029	N/A
Transportation.....	0.178	0.200	0.200	0.180	0.064	0.200
Working Cash.....	0.040	0.009	0.050	0.050	0.050	0.050
Life Safety.....	0.050	0.047	0.050	0.050	0.050	0.050
Special Education.....	0.040	0.040	0.040	0.040	0.040	0.040
Tort/Liability Insurance.....	0.316	0.308	0.345	0.237	0.225	N/A
Social Security	0.069	0.067	0.119	0.094	0.088	N/A
Lease.....	0.050	0.050	0.050	0.050	0.050	0.050
Prior Year Adjustment.....	0.000	0.001	(0.048)	(0.207)	0.000	N/A
Total.....	<u>\$ 5.842</u>	<u>\$ 5.837</u>	<u>\$ 5.946</u>	<u>\$ 5.566</u>	<u>\$ 5.616</u>	

(1) The District's voters approved an Educational Fund increase to this rate at the April 9, 2013 election.

Source: DeKalb County Clerk's Office

Representative Tax Rates for Property within the District
(Per \$100 EAV)

The following table of representative tax rates is for a resident of the District living in the Village.

<u>Taxing Body</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
DeKalb County.....	\$ 1.095	\$ 1.075	\$ 1.063	\$ 1.031	\$ 0.968
DeKalb County Forest Preserve.....	0.077	0.075	0.074	0.074	0.069
Somonauk Township.....	0.178	0.170	0.163	0.157	0.147
Somonauk Road & Bridge.....	0.553	0.529	0.505	0.487	0.470
The Village.....	1.431	1.374	0.806	0.786	0.765
Somonauk Library.....	0.337	0.332	0.303	0.304	0.290
Somonauk Fire.....	0.499	0.489	0.420	0.436	0.426
The District.....	5.842	5.837	5.946	5.566	5.616
Community College District No. 516.....	0.542	0.529	0.442	0.467	0.465
Victor-Somonauk Multi-Township.....	0.033	0.032	0.031	0.030	0.029
Total.....	<u>\$ 10.588</u>	<u>\$ 10.443</u>	<u>\$ 9.753</u>	<u>\$ 9.336</u>	<u>\$ 9.244</u>

Source: DeKalb County Clerk’s Office

Tax Extensions and Collections

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Extensions	\$7,848,344	\$8,352,013	\$8,913,847	\$9,086,725	\$9,606,822
Collections	7,822,933	8,297,550	8,857,213	9,029,059	9,659,249
% Collected	99.68%	99.35%	99.36%	99.37%	100.55%

Source: DeKalb and LaSalle County Treasurers’ Offices

Largest Taxpayers

The taxpayers listed below represent 2.86% of the District's 2022 EAV which is \$171,172,594. Reasonable efforts have been made to determine and report the largest taxpayers and to include all taxable property of those taxpayers listed. Many of the taxpayers listed, however, may own multiple parcels, and it is possible that some parcels and their valuations may not be included.

<u>Taxpayer</u>	<u>Description</u>	<u>2022 EAV</u>	<u>% of EAV</u>
Burlington Northern SF RR Co.....	Freight railroad.....	\$ 831,034	0.49%
Individual.....	Commercial with farm.....	565,856	0.33%
Individual.....	Commercial.....	551,041	0.32%
AHW Real Estate Co LLC.....	John Deere dealership.....	488,166	0.29%
Imperial Marble Corp..... ⁽¹⁾	Vanity tops.....	479,764	0.28%
Precision Enterprises Inc.....	Machine shop.....	457,561	0.27%
Resource Bank NA.....	Community bank.....	423,223	0.25%
Individual.....	Homesite/farmland.....	381,923	0.22%
Suburban Bank and Trust Co TTE.....	Community bank.....	375,995	0.22%
Independence Pork, LLC.....	Meats wholesale.....	341,398	0.20%
Total.....		<u>\$ 4,895,961</u>	<u>2.86%</u>

(1) Imperial Marble Corp. has been closed since 2018, and the property is currently vacant.

Source: County Clerks' Offices, other than the taxpayer descriptions, which are derived from publicly-available sources.

Summary of Outstanding Bonded Debt

Shown below is a summary of the outstanding bonded debt of the District as of the closing of the Bonds.

<u>Issue Description</u>	<u>Dated</u>	<u>Original</u> <u>Amount of</u> <u>Issue</u>	<u>Current</u> <u>Amount</u> <u>Outstanding</u>	<u>Final</u> <u>Maturity</u> <u>Date</u>
General Obligation School Bonds, Series 2014.....	12/22/14	\$ 2,395,000	\$ 310,000	02/01/25
General Obligation School Bonds, Series 2018.....	11/06/18	3,660,000	3,625,000	02/01/32
General Obligation School Bonds, Series 2020.....	08/31/20	822,000	619,000	02/01/32
The Bonds.....	06/04/24	2,955,000 *	<u>2,955,000</u> *	02/01/37
Total			<u>\$ 7,509,000</u> *	

*Preliminary, subject to change.

Debt Repayment Schedule

Shown below is the maturity schedule for the outstanding bonded debt of the District as of the closing of the Bonds.

Fiscal Year	Principal Outstanding	The Bonds*	Total Principal*	Cumulative Amount*	Retirement Percent*
2025	\$ 792,000	\$ -	\$ 792,000	\$ 792,000	10.55%
2026	479,000	120,000	599,000	1,391,000	18.52
2027	500,000	130,000	630,000	2,021,000	26.91
2028	517,000	145,000	662,000	2,683,000	35.73
2029	538,000	160,000	698,000	3,381,000	45.03
2030	554,000	-	554,000	3,935,000	52.40
2031	576,000	-	576,000	4,511,000	60.07
2032	598,000	-	598,000	5,109,000	68.04
2033	-	505,000	505,000	5,614,000	74.76
2034	-	530,000	530,000	6,144,000	81.82
2035	-	555,000	555,000	6,699,000	89.21
2036	-	585,000	585,000	7,284,000	97.00
2037	-	225,000	225,000	7,509,000	100.00
	<u>\$ 4,554,000</u>	<u>\$ 2,955,000</u>	<u>\$ 7,509,000</u>		

*Preliminary, subject to change.

Overlapping General Obligation Bonds Debt
(As of March 26, 2024)

<u>Taxpayer</u>	<u>Bonded Debt</u> ⁽¹⁾	<u>Allocated to the District</u>	
		<u>Percent</u>	<u>Amount</u>
LaSalle County.....	\$ 10,930,000	3.43%	\$ 374,353
Somonauk Public Library District.....	581,000	53.73%	312,148
Community College District No. 516.....	24,495,000	1.43%	349,054
Total.....			<u>\$ 1,035,554</u>

(1) Does not include alternate revenue bonds. Under the Debt Reform Act, alternate revenue bonds are not included in the computation of indebtedness of the overlapping taxing bodies unless the taxes levied to pay the principal of and interest on the alternate revenue bonds are extended for collection. The District provides no assurance that any of the taxes so levied have not been extended, nor can the District predict whether any of such taxes will be extended in the future.

Source: With respect to the applicable taxing bodies and the percentage of overlapping EAV, the County Clerks' Offices. Information regarding the outstanding indebtedness of the overlapping taxing bodies was obtained from publicly-available sources.

Debt Statement

General Obligation Direct Bonded Debt.....	\$4,554,000
The Bonds.....	\$2,955,000 *
Leases.....	\$905,132
Net Direct Debt	\$8,414,132 *
Overlapping Bonded Debt.....	\$1,035,554
Net Direct Debt and Overlapping Bonded Debt.....	\$9,449,686 *
EAV (2022)	\$171,172,594
Statutory Debt Limit (13.8% of EAV).....	\$23,621,817
Statutory Debt Margin	\$15,207,685 *

*Preliminary, subject to change.

Debt Ratios

Estimated Market Valuation (2022).....	\$513,517,782
EAV (2022).....	\$171,172,594
2018-2022 American Community Survey Population Estimate.....	4,946
Net Direct Debt to EAV.....	4.92% *
Net Direct Debt to Estimated Market Valuation	1.64% *
Net Direct Debt and Overlapping Bonded Debt to EAV	5.52% *
Net Direct Debt and Overlapping Bonded Debt to Estimated Market Valuation	1.84% *
Net Direct Debt Per Capita	\$1,701.20 *
Net Direct Debt and Overlapping Bonded Debt Per Capita.....	\$1,910.57 *

*Preliminary, subject to change.

Short-Term Financing Record

In the last five years, the District has not issued any tax anticipation warrants or revenue anticipation notes and has no plans to issue tax anticipation warrants or revenue anticipation notes in the foreseeable future.

Future Financing

The District does not intend to issue any additional long-term debt in the next six months.

Default Record

The District has no record of default and has met its debt repayment obligations promptly.

SUMMARY OF OPERATING RESULTS

Combined Educational Fund and Operations and Maintenance Fund Revenue Sources (Years Ended June 30)

Below is a combined summary of the Educational Fund and Operations and Maintenance Fund revenue sources exclusive of “on-behalf” payments made by the State to TRS, as defined herein. This summary is provided since Moody’s combines these funds as the “General Fund” in its report.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Local Sources.....	73.57 %	74.14 %	71.64 %	73.38 %	74.72 %
State Sources.....	21.74	21.47	19.73	18.42	17.32
Federal Sources.....	<u>4.69</u>	<u>4.39</u>	<u>8.63</u>	<u>8.20</u>	<u>7.95</u>
Total.....	<u>100.00 %</u>	<u>100.00 %</u>	<u>100.00 %</u>	<u>100.00 %</u>	<u>100.00 %</u>

Source: Compiled from the District’s Annual Financial Reports filed with ISBE for fiscal years ended June 30, 2019-2023.

Summary of Operating Funds and Debt Service Fund
(Years Ended June 30)

Below is a combined summary of the operating funds of the District (consisting of the Educational Fund, Operations and Maintenance Fund, Transportation Fund, Working Cash Fund, IMRF/Social Security Fund and Tort Fund) in addition to the Debt Service Fund exclusive of “on-behalf” payments made by the State to TRS.

	Educational Fund	Operations and Maintenance Fund	Combined Educational Fund and Operations and Maintenance Fund	Transportation Fund	Working Cash Fund ⁽¹⁾	IMRF/Social Security Fund	Tort Fund	Debt Service Fund	Combined Operating Funds and Debt Service Fund
2019									
Receipts.....	\$ 8,077,709	\$ 502,741	\$ 8,580,450	\$ 638,300	\$ 124,131	\$ 257,931	\$ 504,043	\$ 886,446	\$ 10,991,301
Disbursements.....	7,386,834	504,378	7,891,212	495,042	-	226,360	433,160	3,692,652	12,738,426
Net Surplus (Deficit).....	690,875	(1,637)	689,238	143,258	124,131	31,571	70,883	(2,806,206)	(1,747,125)
Transfer.....	-	-	-	-	-	-	-	-	-
Other Sources (Uses).....	2,858	-	2,858	-	-	-	-	2,814,413	2,817,271
Beginning Fund Balance.....	2,410,977	374,899	2,785,876	451,524	2,735,066	371,254	581,122	254,768	7,179,610
Ending Fund Balance.....	\$ 3,104,710	\$ 373,262	\$ 3,477,972	\$ 594,782	\$ 2,859,197	\$ 402,825	\$ 652,005	\$ 262,975	\$ 8,249,756
2020									
Receipts.....	\$ 8,329,906	\$ 529,734	\$ 8,859,640	\$ 661,002	\$ 97,199	\$ 237,529	\$ 449,293	\$ 895,708	\$ 11,200,371
Disbursements.....	7,557,366	510,215	8,067,581	496,938	-	228,935	428,029	929,638	10,151,121
Net Surplus (Deficit).....	772,540	19,519	792,059	164,064	97,199	8,594	21,264	(33,930)	1,049,250
Transfer.....	-	-	-	-	-	-	-	-	-
Other Sources (Uses).....	(50,390)	-	(50,390)	-	-	-	-	50,590	200
Beginning Fund Balance.....	3,104,710	373,262	3,477,972	594,782	2,859,197	402,825	652,005	262,975	8,249,756
Ending Fund Balance.....	\$ 3,826,860	\$ 392,781	\$ 4,219,641	\$ 758,846	\$ 2,956,396	\$ 411,419	\$ 673,269	\$ 279,635	\$ 9,299,206
2021									
Receipts.....	\$ 9,078,925	\$ 563,575	\$ 9,642,500	\$ 657,760	\$ 33,681	\$ 240,891	\$ 451,691	\$ 930,286	\$ 11,956,809
Disbursements.....	7,862,993	494,911	8,357,904	446,734	-	234,307	433,756	879,348	10,352,049
Net Surplus (Deficit).....	1,215,932	68,664	1,284,596	211,026	33,681	6,584	17,935	50,938	1,604,760
Other Sources (Uses).....	-	-	-	-	(845,342)	-	-	-	(845,342)
Beginning Fund Balance.....	3,945,433 ⁽²⁾	392,781	4,338,214	758,846	2,956,396	411,419	673,269	279,635	9,417,779
Ending Fund Balance.....	\$ 5,161,365	\$ 461,445	\$ 5,622,810	\$ 969,872	\$ 2,144,735	\$ 418,003	\$ 691,204	\$ 330,573	\$ 10,177,197
2022									
Receipts.....	\$ 9,968,831	\$ 642,246	\$ 10,611,077	\$ 746,985	\$ 88,752	\$ 234,030	\$ 453,080	\$ 913,937	\$ 13,047,861
Disbursements.....	8,811,392	691,754	9,503,146	586,771	-	256,450	471,746	963,449	11,781,562
Net Surplus (Deficit).....	1,157,439	(49,508)	1,107,931	160,214	88,752	(22,420)	(18,666)	(49,512)	1,266,299
Other Sources (Uses).....	-	-	-	-	-	-	-	-	-
Beginning Fund Balance.....	5,161,365	461,445	5,622,810	969,872	2,144,735	418,003	691,204	330,573	10,177,197
Ending Fund Balance.....	\$ 6,318,804	\$ 411,937	\$ 6,730,741	\$ 1,130,086	\$ 2,233,487	\$ 395,583	\$ 672,538	\$ 281,061	\$ 11,443,496
2023									
Receipts.....	\$ 10,841,851	\$ 827,231	\$ 11,669,082	\$ 663,751	\$ 139,804	\$ 212,639	\$ 390,340	\$ 876,466	\$ 13,952,082
Disbursements.....	9,385,137	702,279	10,087,416	577,581	-	258,518	503,463	961,368	12,388,346
Net Surplus (Deficit).....	1,456,714	124,952	1,581,666	86,170	139,804	(45,879)	(113,123)	(84,902)	1,563,736
Other Sources (Uses).....	-	-	-	-	-	-	-	-	-
Beginning Fund Balance.....	6,318,804	411,937	6,730,741	1,130,086	2,233,487	395,583	672,538	281,061	11,443,496
Ending Fund Balance.....	\$ 7,775,518	\$ 536,889	\$ 8,312,407	\$ 1,216,256	\$ 2,373,291	\$ 349,704	\$ 559,415	\$ 196,159	\$ 13,007,232
Fund Balance as % of Disbursements.....			82.40%						105.00%

(1) See “Working Cash Fund” herein for a description of the Working Cash Fund.

(2) The District implemented GASB Statement No. 84, Fiduciary Activities. This Statement establishes financial reporting standards related to fiduciary activities of the District. Implementation of this standard resulted in the Student Activity Funds no longer being reported as a separate fiduciary fund for the District and a net position/fund balance adjustment being made to reclassify the Student Activity Fund’s net position/fund balance to the Educational Fund in the Fund financial statements and the Government-Wide Financials.

Source: Compiled from the District’s Annual Financial Reports for fiscal years ended June 30, 2019-2023.

On-Behalf Payments Summary
(Years Ended June 30)

Below is a history of “on-behalf payments” made by the State to TRS with respect to the pension costs associated with the pensions of current and former District employees. At present, the State maintains the primary responsibility for funding TRS with respect to the District’s employees, however, such payments by the State on-behalf of the District are treated in the District’s financial statements as flowing through the District to the State. As such, the District’s financial statements recognize revenues and expenditures each in an amount equal to the amount paid by the State to TRS on the District’s behalf. The amount of on-behalf payments may vary significantly from year to year as a result of factors entirely outside the District’s control, including, but not limited to, changes in the law governing the State’s contributions to TRS, investment returns on TRS assets and changes in actuarial assumptions and methods used in calculating TRS’s liability.

As noted in the paragraphs preceding the tables titled “Combined Educational Fund and Operations and Maintenance Fund Revenue Sources” (the “Revenue Sources Table”) and “Summary of Operating Funds and Debt Service Fund” (the “Fund Summary Table” and, together with the Revenue Sources Table, the “Financial Summary Tables”) above, the on-behalf payments have been excluded from the Financial Summary Tables for the purpose of isolating the revenues and expenditures derived from the District’s operations. However, as a result of this practice, the revenue and expenditure amounts used to make the calculations necessary to produce the Revenue Sources Table and the revenue and expenditure amounts set forth in the Fund Summary Table are inconsistent with the amount of revenues and expenditures set forth in the District’s respective audited financial statements for any fiscal year. For each fiscal year, the amount set forth in the table below constitutes the difference between the revenue and expenditure amounts in the financial statements and those used in, or used to produce, the Financial Summary Tables.

See the District’s Annual Financial Report for the fiscal year ended June 30, 2023 (the “Audit”), attached hereto as Appendix B, for additional information regarding the District’s on-behalf payments.

<u>Fiscal Year</u>	<u>On-Behalf Payments</u>
2019	\$ 3,008,567
2020	3,554,256
2021	4,069,728
2022	2,492,475
2023	2,869,251

Source: Compiled from the District’s Annual Financial Reports for fiscal years ended June 30, 2019-2023.

Working Cash Fund

The District is authorized to issue general obligation bonds to create, re-create or increase a Working Cash Fund. Such fund can also be created, re-created or increased by the levy of an annual tax not to exceed \$0.05 per hundred dollars of EAV (the “Working Cash Fund Tax”). The purpose of the fund is to enable the District to have sufficient cash to meet demands for expenditures for corporate purposes. Moneys in the Working Cash Fund may be loaned, in whole or in part, as authorized and directed by the Board, to any fund or funds of the District in anticipation of ad valorem property taxes levied by the District for such fund or funds. The Working Cash Fund is reimbursed when the anticipated taxes or other moneys are received by the District.

Any time moneys are available in the Working Cash Fund, they must be transferred to such other funds of the District and used for any and all school purposes so as to avoid, whenever possible, the issuance of tax anticipation warrants or notes. Interest earned from the investment of the Working Cash Fund may be transferred from the Working Cash Fund to other funds of the District that are most in need of the interest. Moneys in the Working Cash Fund may not be appropriated by the Board in the annual budget.

The District also has the authority to abate amounts in the Working Cash Fund to any other fund of the District if the amount on deposit in such other fund after the abatement will not constitute an excess accumulation of money in that fund and as long as the District maintains an amount to the credit of the Working Cash Fund at least equal to 0.05% of the then current value, as equalized or assessed by the Department, of the taxable property in the District.

Finally, the District may abolish the Working Cash Fund and direct the transfer of any balance thereof to the Educational Fund at the close of the then current fiscal year. After such abolishment, all outstanding Working Cash Fund Taxes levied will be paid into the Educational Fund upon collection. Outstanding loans from the Working Cash Fund to other funds of the District at the time of abolishment will be paid or become payable to the Educational Fund at the close of the then current fiscal year. The outstanding balance in the Working Cash Fund at the time of abolishment, including all outstanding loans from the Working Cash Fund to other funds of the District and all outstanding Working Cash Fund Taxes levied, may be used and applied by the District for the purpose of reducing, by the balance in the Working Cash Fund at the close of the fiscal year, the amount of taxes that the Board otherwise would be authorized or required to levy for educational purposes for the fiscal year immediately succeeding the fiscal year in which the Working Cash Fund is abolished.

Budget Summary

Below is the District’s budget summary for the fiscal year ending June 30, 2024 that was filed with ISBE.

<u>Fund</u>	Fund Balances		FY24		FY24	Fund Balances
	<u>July 1, 2023</u>	(1) <u>Revenue</u>	<u>Expenditures</u>	<u>Other Sources/</u>	<u>(Uses)</u>	<u>June 30, 2024</u>
Educational.....	\$ 7,775,518	\$ 9,858,628	\$ 9,645,241	\$ -	\$ -	\$ 7,988,905
Operations & Maintenance.....	536,889	820,681	926,806	-	-	430,764
Transportation.....	1,216,256	676,273	693,560	-	-	1,198,969
IMRF/Social Security.....	349,704	208,000	262,902	-	-	294,802
Working Cash.....	2,373,291	129,568	-	-	-	2,502,859
Total Operating Funds	\$ 12,251,658	\$ 11,693,150	\$ 11,528,509	\$ -	\$ -	\$ 12,416,299
Debt Service.....	\$ 196,159	\$ 883,080	\$ 964,967	\$ -	\$ -	\$ 114,272
Fire Prevention & Safety.....	351,292	88,868	3,850	-	-	436,310
Capital Projects.....	27,292	-	32,000	-	-	(4,708)
Tort.....	559,415	390,000	633,724	-	-	315,691
Total All Funds	\$ 13,385,816	\$ 13,055,098	\$ 13,163,050	\$ -	\$ -	\$ 13,277,864

(1) The beginning fund balance was revised from the adopted budget to reflect the actual ending fund balance for the prior fiscal year. The budget is adopted before the audit for the prior fiscal year is available.

Source: The District

STATE AID

General

The State provides aid to local school districts on an annual basis as part of the State’s appropriation process. Many school districts throughout the State rely on such State aid as a significant part of their budgets. For the fiscal year ended June 30, 2023, 17.32% of the District’s General Fund revenue came from State funding sources. See “SUMMARY OF OPERATING RESULTS – Combined Educational Fund and Operations and Maintenance Fund Revenue Sources” herein for more information concerning the breakdown of the District’s revenue sources.

General State Aid - Evidence-Based Funding Model

Through fiscal year 2017, general State financial aid (“General State Aid”) was allocated to each Illinois school district based on the difference between available local resources per pupil (which was calculated based on a number of factors, including the district’s EAV, the number of students in attendance in the district and the district’s corporate personal property replacement tax receipts) and a foundation level (the “Foundation Level”). The Foundation Level was an

amount established annually by the State's budget representing the minimum level of per pupil financial support that was to be available to provide for the basic education of each pupil.

The State appropriation for General State Aid in some fiscal years prior to fiscal year 2017 was reduced. As such, the State was not able to fully fund General State Aid and the amount each district received was prorated in each of fiscal years 2010 through 2016. For fiscal year 2017, the State appropriation was increased to fully fund General State Aid.

The Fiscal Year 2021 Budget did not appropriate General State Aid in excess of the amount appropriated in the Fiscal Year 2020 Budget. Therefore, school districts did not receive New State Funds during State fiscal year 2021. Each of the Fiscal Year 2022 Budget, the Fiscal Year 2023 Budget and the Fiscal Year 2024 Budget appropriated General State Aid in an amount \$350 million greater than the appropriation in the prior fiscal year budget. Such additional funds are being distributed to school districts under the Evidence-Based Funding Model. The Evidence-Based Funding Model sets forth a school funding formula which ties individual district funding to evidence-based best practices that certain research shows enhance student achievement in the classroom. Under the funding formula, ISBE will calculate an adequacy target (the "Adequacy Target") each year for each district based upon its unique student population, regional wage differences and best practices. Each district will be placed in one of four tiers depending on how close the sum of its local resources available to support education (based on certain State resources and its expected property tax collections, its "Local Capacity Target") and its Base Funding Minimum (as hereinafter defined) are to its Adequacy Target; Tier One and Tier Two for those districts that are the furthest away from their Adequacy Targets and Tier Three and Tier Four for those districts that are the closest to (or above) their Adequacy Targets. For each school year, all State funds appropriated for General State Aid in excess of the amount needed to fund the Base Funding Minimum for all school districts ("New State Funds") will be distributed to districts based on tier placement. Of any New State Funds available, Tier One receives 50%, Tier Two receives 49%, Tier Three receives 0.9%, and Tier Four receives 0.1%. Tier Two includes all Tier One districts for the purpose of the allocation percentages for New State Funds.

Based on the most recent ISBE notification, the District's Local Capacity Target, plus its Base Funding Minimum, is 85.3% of its Adequacy Target and the District has been placed in Tier Two. For school year 2022-2023, the District received \$23,221 of New State Funds. For school year 2023-2024 the District expects to receive approximately \$17,622 of New State Funds.

The Evidence-Based Funding Model also provides that each school district will be allocated at least as much in General State Aid in future years as it received in the most recently completed school year (such amount being that district's "Base Funding Minimum"). The Base Funding Minimum for the District for school year 2017-2018 was \$1,541,622 (the "Initial Base Funding Minimum"). Mandated Categorical State Aid (as hereinafter defined) received by the District in fiscal year 2017, other than Mandated Categorical State Aid related to transportation and extraordinary special education, was included in the Initial Base Funding Minimum. Any New State Funds received by a district in a year become part of its Base Funding Minimum in the following year. The Base Funding Minimum for the District for school year 2023-2024 is \$1,721,324. If the State appropriates insufficient funds to cover the cost of the Base Funding

Minimum, reductions will be made first to the Base Funding Minimum for all Tier 3 and Tier 4 school districts on a per pupil basis; provided, however, that such reductions may not reduce State funding for such districts below the Initial Base Funding Minimum. If funds are still insufficient, then further reductions are to be done on a per pupil basis for all school districts. Consequently, reduced appropriations for General State Aid in future years could result in the District receiving less in a future fiscal year than its Base Funding Minimum.

Property Tax Relief Pool Funds

For the purpose of encouraging high tax rate school districts to reduce property taxes, the Evidence-Based Funding Model also established a property tax relief grant program (the “Property Tax Relief Pool”). School districts must apply for the grant and indicate an amount of intended property tax relief, which relief may not be greater than 1% of EAV for a unit district, 0.69% of EAV for an elementary school district or 0.31% of EAV for a high school district, reduced, in each case, based on the Local Capacity Target of the applicant. Property Tax Relief Pool grants will be allocated to school districts based on each district’s percentage of the simple average operating tax rate of all school districts of the same type (unit, elementary or high), in order of priority from highest percentage to lowest, until the Property Tax Relief Pool is exhausted. A school district which receives a Property Tax Relief Pool grant is required to abate its property tax levy by the amount of intended property tax relief for the levy year in which the grant is to be received, and the succeeding levy year. The difference between the amount of the grant and the amount of the abatement is based on a statutory calculation which takes into account relative Local Capacity Targets. Pursuant to such calculation, a school district with a low Local Capacity Target will be required to abate less than a school district with a high Local Capacity Target, assuming the amount of Property Tax Relief Pool grants received by the school districts are the same. Property Tax Relief Pool grants received by a school district are included in future calculations of that district’s Base Funding Minimum, unless that district does not abate its property tax levy by the amount of intended property tax relief as described above. Of the \$350 million of New State Funds appropriated in the Fiscal Year 2023 Budget, \$50 million was allocated to the Property Tax Relief Pool. Similarly, of the \$350 million of New State Funds appropriated in the Fiscal Year 2024 Budget, \$50 million was allocated to the Property Tax Relief Pool.

Mandated Categorical State Aid

Illinois school districts are entitled to reimbursement from the State for expenditures incurred in providing programs and services legally required to be available to students under State law. Such reimbursements, referred to as “Mandated Categorical State Aid,” are made to the school district in the fiscal year following the expenditure, *provided* that the school district files the paperwork necessary to inform the State of such an entitlement. From time to time, Mandated Categorical State Aid payments from the State have been delayed and have been prorated as part of the appropriation process, as described below.

Prior to fiscal year 2018, the School Code provided for Mandated Categorical State Aid with respect to mandatory school programs relating to: (a) special education, (b) transportation, (c) free and reduced breakfast and lunch, and (d) orphanage tuition. Beginning with fiscal year

2018, Mandated Categorical State Aid is no longer the source of funding for mandatory school programs relating to special education, other than private facility tuition and transportation. Mandated Categorical State Aid received by a district in fiscal year 2017 for special education programming no longer available for Mandated Categorical State Aid in fiscal year 2018 is included in the Base Funding Minimum for that district.

In addition, although school districts are entitled to reimbursement for expenditures made under these programs, these reimbursements are subject to the State's appropriation process. In the event that the State does not appropriate an amount sufficient to fund fully the Mandated Categorical State Aid owed to each school district, the total Mandated Categorical State Aid is proportionally reduced such that each school district receives the same percentage of its Mandated Categorical State Aid request with respect to a specific category of such aid as every other school district.

In past years, the State has not fully funded all Mandated Categorical State Aid payments. Therefore, pursuant to the procedures discussed above, proportionate reductions in Mandated Categorical State Aid payments to school districts have occurred. However, because these programs are "mandatory" under the School Code, each school district must provide these programs regardless of whether such school district is reimbursed by the State for the related expenditures. No assurance can be given that the State will make appropriations in the future sufficient to fund fully the Mandatory Categorical State Aid requirements. As such, the District's revenues may be impacted in the future by increases or decreases in the level of funding appropriated by the State for Mandated Categorical State Aid.

Competitive Grant State Aid

The State also provides funds to school districts for expenditures incurred in providing additional programs that are allowed, but not mandated by, the School Code. In contrast to Mandated Categorical State Aid, such "Competitive Grant State Aid" is not guaranteed to a school district that provides these programs. Instead, a school district applying for Competitive Grant State Aid must compete with other school districts for the limited amount appropriated each year by the State for such program.

Competitive Grant State Aid is allocated, after appropriation by the State, among certain school districts selected by the State. The level of funding is annually determined separately for each category of aid based on the State's budget. This process does not guarantee that any funding will be available for Competitive Grant State Aid programs, even if a school district received such funding in a prior year. Therefore, school districts may incur expenditures with respect to certain Competitive Grant State Aid programs without any guarantee that the State will appropriate the money necessary to reimburse such expenditures.

Payment for Mandated Categorical State Aid and Competitive Grant State Aid

The State makes payments to school districts for Mandated Categorical State Aid and Competitive Grant State Aid (together, "Categorical State Aid") in accordance with a voucher system involving ISBE. ISBE vouchers payments to the State on a periodic basis. The time

between vouchers varies depending on the type of Categorical State Aid in question. For example, with respect to the categories of Mandated Categorical State Aid related to extraordinary special education and transportation, ISBE vouchers the State for payments on a quarterly basis. With respect to Competitive Grant State Aid, a payment schedule is established as part of the application process, and ISBE vouchers the State for payment in accordance with this payment schedule.

Once ISBE has vouchered the State for payment, the State is required to make the Categorical State Aid payments to the school districts. As a general matter, the State is required to make such payments within 90 days after the end of the State's fiscal year.

See "SUMMARY OF OPERATING RESULTS – Combined Educational Fund and Operations and Maintenance Fund Revenue Sources" herein for a summary of the District's general fund revenue sources.

Federal COVID-19 Legislation

The COVID-19 pandemic, along with various governmental measures taken to protect public health in light of the pandemic, has had an adverse impact on global economies, including economic conditions in the United States. The impact of the COVID-19 pandemic on the U.S. economy was broad based and negatively impacted national, state and local economies. The State's economic performance during the pandemic largely tracked with the rest of the nation. The pandemic's impact on the State's economy was uneven across different industries and was influenced in part by the ability to work from home. While the State's economy has recovered to a significant extent from the effects of the pandemic, some parts of the State's economy are still experiencing difficulties due to the pandemic's impact.

In response to the pandemic, the President of the United States declared a "national emergency" and designated the State as part of a national disaster area, which, among other effects, allows the executive branch to disburse disaster relief funds to address the COVID-19 pandemic and related economic dislocation. Federal legislation, particularly the (i) Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), (ii) the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (the "Supplemental CARES Act"), and (iii) the American Rescue Plan (together with the CARES Act and the Supplemental CARES Act, the "Federal COVID-19 Legislation"), were each directed at mitigating the economic downturn and health care crisis caused by COVID-19. The CARES Act, among other items, created a \$150 billion Coronavirus Relief Fund (the "Coronavirus Relief Fund") for state, local and tribal governments to use for expenditures incurred due to the public health emergency with respect to COVID-19. The Supplemental CARES Act provided approximately \$82 billion in funding for educational purposes, including an allocation of \$54.3 billion for elementary and secondary school emergency relief. The American Rescue Plan provided approximately \$5 billion for school districts in the State, approximately \$3.2 billion of which was directed to school districts outside of Chicago.

The Governor ended the State’s public health emergency connected to COVID-19 on May 11, 2023, which aligned the State with the federal government’s decision to end the national public health emergency.

The State’s allocation from the Coronavirus Relief Fund (by population proportions) is approximately \$4.9 billion, split between the State (\$2.7 billion) and local governments (the City of Chicago and Illinois counties with populations that exceed 500,000) (\$2.2 billion). The CARES Act also provided \$30.75 billion for an Education Stabilization Fund for states, school districts and institutions of higher education for costs related to COVID-19. Of that amount, \$13.5 billion was available for elementary and secondary education as formula-grants to states based on the following formula: 60% of the funds were distributed based on the relative number of 5- to 24-year-olds in a state; and 40% of the funds were distributed based on the relative number of individuals younger than 21. States then distributed 90% of the funds to local educational agencies (LEAs) based on their proportional allocation of Every Student Succeeds Act (“ESSA”) Title I-A funds. State education agencies could reserve up to 10% of funds for emergency needs as determined by the state. Funds distributed to LEAs were used for coronavirus-response activities, such as planning for and coordinating during long-term school closures; purchasing educational technology to support online learning for all students served by the LEAs; and additional activities authorized by federal elementary and secondary education laws.

The amount of funds the District has received from the CARES Act is \$69,868. Such funds were used for student Chromebooks and connectivity devices, PPE, health and cleaning supplies and online curriculum and were spent and received in fiscal years 2020 and 2021. The District received additional funds in the amount of \$274,264 pursuant to the Supplemental CARES Act. Such funds were used for student Chromebooks, updated teacher devices, HVAC for air quality, summer meals, interventionists, summer school, an additional nurse and PPE. All of such funds will be expended by the end of fiscal year 2024. The District also expects to receive \$656,211 under the American Rescue Plan (the “ARP Funds”). The ARP Funds will be paid to the District in reimbursement for qualified expenditures made. The District expects to expend these funds by the end of fiscal year 2024. The ARP Funds were or will be used for interventionists, behavioral coaches, summer school, online curriculum, HVAC for air quality and after school/credit recovery. All of such funds will be expended by the end of fiscal year 2024. Two positions funded with the federal COVID-19 funds will be paid from the Educational Fund starting in the fiscal year 2025.

SCHOOL DISTRICT FINANCIAL PROFILE

ISBE utilizes a system for assessing a school district’s financial health referred to as the “School District Financial Profile” which replaced the Financial Watch List and Financial Assurance and Accountability System (FAAS). This system identifies those school districts which are moving into financial distress.

The system uses five indicators which are individually scored, placed into a category of a four, three, two or one, with four being the best possible, and weighted in order to arrive at a composite district financial profile. The indicators and the weights assigned to those indicators

are as follows: fund balance to revenue ratio (35%); expenditures to revenue ratio (35%); days cash on hand (10%); percent of short term borrowing ability remaining (10%); and percent of long-term debt margin remaining (10%).

The scores of the weighted indicators are totaled to obtain a district's overall score. The highest score is 4.0 and the lowest score is 1.0. A district is then placed in one of four categories as follows:

- **Financial Recognition.** A school district with a score of 3.54-4.00 is assigned to this category, which is the best category of financial strength. These districts require minimal or no active monitoring by ISBE unless requested by the district.
- **Financial Review.** A school district with a score of 3.08-3.53 is assigned to this category, the next highest financial strength category. These districts receive a limited review by ISBE, but are monitored for potential downward trends. ISBE staff also review the next year's school budget for further negative trends.
- **Financial Early Warning.** A school district with a score of 2.62-3.07 is placed in this category. ISBE monitors these districts closely and offers proactive technical assistance, such as financial projections and cash flow analysis. These districts also are reviewed to determine whether they meet the criteria set forth in Article 1A-8 of the School Code to be certified in financial difficulty and possibly qualify for a Financial Oversight Panel.
- **Financial Watch.** A school district with a score of 1.00-2.61 is in this category, the highest risk category. ISBE monitors these districts very closely and offers technical assistance with, but not limited to, financial projections, cash flow analysis, budgeting, personnel inventories and enrollment projections. These districts are also assessed to determine if they qualify for a Financial Oversight Panel.

For each school district, ISBE calculates an original financial profile score (the "Original Score") and an adjusted financial profile score (the "Adjusted Score"). The Original Score is calculated based solely on such school district's audited financial statements as of the close of the most recent fiscal year. The Adjusted Score is calculated based initially on a school district's audited financial statements for the most recent fiscal year, with adjustments made to reflect the impact on the Original Score of timing differences between such school district's actual and expected receipt of State payments, as required by Section 1A-8 of the School Code. ISBE has implemented this statutory requirement by adding in payments expected to be received during the calculation year but not actually received until the following fiscal year, as well as by subtracting certain State payments received during the current fiscal year but attributable to a prior fiscal year. Such adjustments may have a varying effect on a school district's Adjusted Score based on the amount of time by which such State payments are delayed and the accounting basis adopted by such school district. Due to the manner in which such requirement has been implemented by ISBE, a school district's Adjusted Score may be different than it otherwise would have been in certain years based on the scheduled receipt of State payments.

The following table sets forth the District’s Original Scores and Adjusted Scores, as well as the designation assigned to each score, for each of the last five fiscal years (as typically released by ISBE in the spring of the year following the conclusion of each fiscal year):

Fiscal Year (June 30)	Original Score	Designation Based on Original Score	Adjusted Score	Designation Based on Adjusted Score
2018	3.90	Financial Recognition	3.90	Financial Recognition
2019	3.90	Financial Recognition	3.90	Financial Recognition
2020	3.90	Financial Recognition	3.90	Financial Recognition
2021	3.90	Financial Recognition	3.90	Financial Recognition
2022	3.90	Financial Recognition	3.90	Financial Recognition
2023 ⁽¹⁾	4.00	Financial Recognition	N/A	N/A

(1) A preliminary score reported in the District’s fiscal year 2023 Annual Financial Report. The District expects that ISBE will release its official Original Score and Adjusted Score in summer 2024.
Source: ISBE

RETIREMENT PLANS

The District participates in two defined benefit pension plans: (i) the Teachers’ Retirement System of the State of Illinois (“TRS”), which provides retirement benefits to the District’s teaching employees, and (ii) the Illinois Municipal Retirement Fund (the “IMRF” and, together with TRS, the “Pension Plans”), which provides retirement benefits to the District’s non-teaching employees. The District makes certain contributions to the Pension Plans on behalf of its employees, as further described in this section. The operations of the Pension Plans, including the contributions to be made to the Pension Plans, the benefits provided by the Pension Plans, and the actuarial assumptions and methods employed in generating the liabilities and contributions of the Pension Plans, are governed by the Illinois Pension Code, as amended (the “Pension Code”).

The following summarizes certain provisions of the Pension Plans and the funded status of the Pension Plans, as more completely described in Note 4 to the Audit, attached hereto as Appendix B.

Background Regarding Pension Plans

The Actuarial Valuation

The disclosures in the Audit related to the Pension Plans are based in part on the actuarial valuations of the Pension Plans. In the actuarial valuations, the actuary for each of the Pension Plans measures the financial position of the Pension Plan, determines the amount to be contributed to a Pension Plan pursuant to statutory requirements, and produces information mandated by the financial reporting standards (the “GASB Standards”) issued by the Governmental Accounting Standards Board (“GASB”), as described below.

In producing an actuarial valuation, the actuary for a Pension Plan uses demographic data (including employee age, salary and service credits), economic assumptions (including estimated future salary and interest rates), and decrement assumptions (including employee turnover, mortality and retirement rates) and employs various actuarial methods to generate the information required to be included in such valuation.

GASB Standards

The GASB Standards provide standards for financial reporting and accounting related to pension plans.

The GASB Standards require calculation and disclosure of a “Net Pension Liability” or “Net Pension Asset”, which is the difference between the actuarial present value of projected benefit payments that is attributed to past periods of employee service calculated pursuant to the methods and assumptions set forth in the GASB Standards (referred to in such statements as the “Total Pension Liability”) and the fair market value of the pension plan’s assets (referred to as the “Fiduciary Net Position”).

Furthermore, the GASB Standards employ a rate, referred to in such statements as the “Discount Rate,” which is used to discount projected benefit payments to their actuarial present values. The Discount Rate is a blended rate comprised of (1) a long-term expected rate of return on a pension plan’s investments (to the extent that such assets are projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate meeting certain specifications set forth in the GASB Standards.

Finally, the GASB Standards require that the Net Pension Liability be disclosed in the notes to the financial statements of the pension system and that a proportionate share of the Net Pension Liability be recognized on the balance sheet of the employer, and that an expense be recognized on the income statement of the employer.

Pension Plans Remain Governed by the Pension Code

As described above, the GASB Standards establish requirements for financial reporting purposes. However, the Pension Plans are ultimately governed by the provisions of the Pension Code in all respects, including, but not limited to, the amounts to be contributed by the District to the Pension Plans in each year.

Teachers’ Retirement System of the State of Illinois

The District participates in TRS, which is a cost-sharing multiple-employer defined benefit pension plan that was created by the General Assembly of the State (the “General Assembly”) for the benefit of Illinois public school teachers outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer, which includes all school districts located outside of the City of Chicago, to provide services for which teacher licensure is required.

The Pension Code sets the benefit provisions of TRS, which can only be amended by the General Assembly. The State maintains primary responsibility for the funding of the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the System’s administration.

For information relating to the actuarial assumptions and methods used by TRS, including the Discount Rate and the sensitivity of the Net Pension Liability to changes in the Discount Rate, see Note 4 to the Audit.

Employer Funding of Teachers’ Retirement System

Under the Pension Code, active members contribute 9.0% of creditable earnings to TRS. The State makes the balance of employer contributions to the State on behalf of the District, except for a small portion contributed by the teacher’s employer, such as the District. For the fiscal years ended June 30, 2019 through June 30, 2023, all amounts contributed by the District to TRS were as follows:

Fiscal Year Ended June 30	TRS Contributions
2019	\$ 31,927
2020	27,887
2021	36,084
2022	46,601
2023	57,940

Source: The District’s audited financial statements for the fiscal years ended June 30, 2019-2023.

For information regarding additional contributions the District may be required to make to TRS with respect to certain salary increases and other programs, see Note 4 to the Audit.

Shift of Contributions from the State to Employers

Various proposals have been introduced into the General Assembly to shift the burden of making certain contributions to TRS from the State to the school districts employing participants in TRS, such as the District (each, a “Cost Shifting Proposal”). Though these Cost Shifting Proposals differ in certain respects, the most common formulation would require a school district, such as the District, to contribute the full amount of the normal costs of its employees’ TRS pensions, with such additional contributions being phased in over the course of several years.

Discussions and deliberations on the complex topic of pension reform remain fluid. The District cannot predict whether, or in what form, the Cost Shifting Proposal may be introduced in the General Assembly or ultimately be enacted into law. Furthermore, it is possible that any future pension reform legislation that is passed by the General Assembly (including any legislation containing the Cost Shifting Proposal) could face court challenges.

If the Cost Shifting Proposal were to become law, it may have a material adverse effect on the finances of the District. How local school districts, including the District, would pay for such shift of contributions cannot be determined at the current time.

Although the Cost Shifting Proposal has not been adopted as of the date hereof, the General Assembly approved legislation shifting a portion of the State's contributions to TRS to individual school districts. Public Act 100-0023, effective July 6, 2017 ("P.A. 100-23"), requires, among other things, employers participating in TRS, such as the District, to make certain contributions to TRS that were not required under prior law. P.A. 100-23 includes provisions for a separate set of benefits (the "New Tier Benefits") applicable to employees hired after the "Implementation Date," the same being the date on which TRS authorizes new hires to participate in the New Tier Benefits, which P.A. 100-23 directs should be "as soon as possible" after the effective date of P.A. 100-23. Under P.A. 100-23, beginning in Fiscal Year 2018, the District will be responsible for paying the normal cost for those employees earning the New Tier Benefits (as well as the normal cost for certain employees hired after the Implementation Date that elect to earn the benefits currently in place) and to amortize any unfunded liability related thereto. Finally, P.A. 100-23 mandates that the District make an additional payment to TRS to the extent that any employee's salary exceeds the salary of the Governor of the State of Illinois (currently \$177,412), as calculated therein.

The contributions required by P.A. 100-23 represent an increase in the District's contributions to TRS in comparison to prior law; however, the District is unable to predict the timing or the degree of any such additional contributions, and as such, the District is not able to predict whether the impact of such additional contributions on its finances will be material.

Illinois Municipal Retirement Fund

The District also participates in the IMRF, which is a defined-benefit, agent multiple employer pension plan that acts as a common investment and administrative agent for units of local government and school districts in the State. The IMRF is established and administered under statutes adopted by the General Assembly. The Pension Code sets the benefit provisions of the IMRF, which can only be amended by the General Assembly.

Each employer participating in the IMRF, including the District has an employer reserve account with the IMRF separate and distinct from all other participating employers (the "IMRF Account") along with a unique employer contribution rate determined by the IMRF Board of Trustees (the "IMRF Board"), as described below. The employees of a participating employer receive benefits solely from such employer's IMRF Account. Participating employers are not responsible for funding the deficits of other participating employers.

The IMRF issues a publicly available financial report that includes financial statements and required supplementary information which may be viewed at the IMRF's website.

See Note 4 to the Audit for additional information on the IMRF.

Contributions

Both employers and employees contribute to the IMRF. At present, employees contribute 4.50% of their salary to the IMRF, as established by statute. Employers are required to make all additional contributions necessary to fund the benefits provided by the IMRF to its employees. The annual rate at which an employer must contribute to the IMRF is established by the IMRF Board. The District’s contribution rate for calendar year 2023 was 6.15% of covered payroll.

For the calendar years ended December 31, 2019 through December 31, 2023, the District contributed the following amounts to IMRF:

Calendar Year Ended December 31	IMRF Contributions
2019	\$ 81,267
2020	99,874
2021	105,029
2022	101,013
2023	79,566

Source: Actuarial GASB Disclosures Statement 68 prepared by Gabriel, Roeder, Smith & Company (GRS) as of December 31, 2019-2023.

Measures of Financial Position

The following table presents the measures of the IMRF Account’s financial position as of December 31, 2019 through December 31, 2023 which are presented pursuant to the GASB Standards.

Calendar Year Ended December 31	Total Pension Liability	Fiduciary Net Position	Net Pension Liability/(Asset)	Fiduciary Net Position as a % of Total Pension Liability	Discount Rate
2019	\$ 6,728,896	\$ 6,458,679	\$ 270,217	95.98%	7.25%
2020	6,703,997	6,932,872	(228,875)	103.41%	7.25%
2021	6,835,424	7,746,666	(911,242)	113.33%	7.25%
2022	6,978,372	6,317,358	661,014	90.53%	7.25%
2023	7,339,881	6,974,290	365,591	95.02%	7.25%

Source: Actuarial GASB Disclosures Statement 68 prepared by Gabriel, Roeder, Smith & Company (GRS) as of December 31, 2019-2023.

See Note 4 to the Audit for additional information on the IMRF.

Post-Employment Benefit Trust

The District participates in the Teacher Health Insurance Security (“THIS”) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the General Assembly for the benefit of the State’s retired public school teachers employed outside the City of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the TRS. Annuitants may participate in the State administered participating provider option plan or choose from several managed care options.

The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67% during the year ended June 30, 2023, 0.67% during the year ended June 30, 2022 and 0.92% during the year ended June 30, 2021. For the year ended June 30, 2023, the District paid \$36,122 to the THIS fund. For the years ended June 30, 2022 and June 30, 2021, the District paid \$31,327 and \$43,120, respectively, to the THIS Fund, which was 100% of the required contribution.

TAX EXEMPTION

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The District has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludible from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the District’s compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludible from the gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the “Code”). Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the District with respect to certain material facts within the District’s knowledge. Bond Counsel’s opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective

purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price for original issue discount (as further discussed below) and market discount purposes (the “OID Issue Price”) for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public (excluding bond houses and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

If the OID Issue Price of a maturity of the Bonds is less than the principal amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the Bonds (the “OID Bonds”) and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the OID Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the District complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludible from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Code; and (d) the accretion of original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Department under State income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the OID Issue Price or purchase Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond’s stated redemption price at maturity or, in the case of an OID Bond, its OID Issue Price plus accreted original issue discount (the “Revised Issue Price”), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser’s election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary

market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as “bond premium” and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor’s basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond’s basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

There are or may be pending in Congress legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Interest on the Bonds is not exempt from present State income taxes. Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

QUALIFIED TAX-EXEMPT OBLIGATIONS

Subject to the District's compliance with certain covenants, in the opinion of Bond Counsel, the Bonds are "qualified tax-exempt obligations" under the small issuer exception provided under Section 265(b)(3) of the Code, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code.

LITIGATION

There is no controversy or litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds or in any way contesting or affecting the validity of the Bonds or any proceedings of the District taken with respect to the issuance or sale thereof.

BOND RATING

Moody's has assigned its municipal rating of "Aa3" to the Bonds. The rating reflects only the views of Moody's and any explanation of the significance of such rating may only be obtained from Moody's. Certain information concerning the Bonds and the District not included in this Official Statement was furnished to Moody's by the District. There is no assurance that the rating will be maintained for any given period of time or that such rating may not be changed by Moody's, if, in the rating agency's judgment, circumstances so warrant. Any downward change in or withdrawal of the rating may have an adverse effect on the market price of the Bonds. Except as may be required by the Undertaking described below under the heading "LIMITED CONTINUING DISCLOSURE," neither the District nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such rating or to oppose any such revision or withdrawal.

LIMITED CONTINUING DISCLOSURE

Because at the time of the delivery of the Bonds the District will be an "obligated person" (as such term is defined in the Rule) with respect to less than \$10,000,000 in aggregate amount of outstanding municipal securities, including the Bonds, the District is required to provide to the Municipal Securities Rulemaking Board (the "MSRB"), as specified in the Rule, annual financial information or operating data regarding the District which annual financial information and operating data shall include, at a minimum, that annual financial information and operating data which is customarily prepared by the District and is publicly available. Consequently, pursuant to the Rule, the District will enter into a Continuing Disclosure Undertaking (the "Undertaking") for the benefit of the beneficial owners of the Bonds to send certain annual financial information and operating data to the MSRB for purposes of the Rule and to provide notice of certain events to the MSRB pursuant to the requirements of the Rule. No person, other than the District, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The financial information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a statement of other terms of the Undertaking, including termination,

amendment and remedies, are set forth in the form of the Undertaking, attached hereto as APPENDIX C.

The District expects to implement the March, 2019, update (Issue 100) of the Illinois Association of School Boards' Policy Reference Education Subscription Service (PRESS) that includes disclosure policies and procedures as 4.40-AP, Preparing and Updating Disclosures. The policies specifically include additional procedures to be followed by the District in relation to the two new reportable events required by the Rule for undertakings entered into on and after February 27, 2019.

The District has not failed to comply in the previous five years in any material respect with undertakings previously entered into by it pursuant to the Rule. The District has retained PMA Securities, LLC, Naperville, Illinois ("PMA"), to act as the District's Dissemination Agent for its continuing disclosure filings. A failure by the District to comply with the Undertaking will not constitute a default under the Bond Resolution and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. The District must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois ("Chapman and Cutler"), Bond Counsel, who has been retained by, and acts as, Bond Counsel to the District. Chapman and Cutler has also been retained by the District to serve as Disclosure Counsel to the District with respect to the Bonds. Although as Disclosure Counsel to the District, Chapman and Cutler has assisted the District with certain disclosure matters, Chapman and Cutler has not undertaken to independently verify the accuracy, completeness or fairness of any of the statements contained in this Official Statement or other offering material related to the Bonds and does not guarantee the accuracy, completeness or fairness of such information. Chapman and Cutler's engagement as Disclosure Counsel was undertaken solely at the request and for the benefit of the District, to assist it in discharging its responsibility with respect to this Official Statement, and not for the benefit of any other person (including any person purchasing Bonds from the Underwriter), and did not include any obligation to establish or confirm factual matters, forecasts, projections, estimates or any other financial or economic information in connection therewith. Further, Chapman and Cutler makes no representation as to the suitability of the Bonds for investment by any investor.

UNDERWRITING

The Bonds were offered for sale by the District at a public, competitive sale on May 14, 2024. The best bid submitted at the sale was submitted by _____, _____, _____ (the "Underwriter"). The District awarded the contract for sale of the Bonds to the Underwriter at a price of \$_____. The Underwriter has represented to the District that the Bonds have been

subsequently reoffered to the public at the approximate initial offering yields as set forth on the inside cover hereto. The Underwriter may offer and sell the Bonds to certain dealers and others at yields different than the offering yields stated on the inside cover hereto. The offering yields may be changed from time to time by the Underwriter. The aggregate underwriting fee equals \$_____.

MUNICIPAL ADVISOR

PMA has been retained as municipal advisor (the “Municipal Advisor”) in connection with the issuance of the Bonds. In preparing this Official Statement, the Municipal Advisor has relied upon the District, and other sources, having access to relevant data to provide accurate information for this Official Statement. To the best of the Municipal Advisor’s knowledge, the information contained in this Official Statement is true and accurate. However, the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information.

PMA is a broker-dealer and municipal advisor registered with the Commission and the MSRB and is a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In these roles, PMA generally provides fixed income brokerage services and public finance services to municipal entity clients, including municipal advisory services and advice with respect to the investment of proceeds of municipal securities. PMA is affiliated with PMA Financial Network, LLC, a financial services provider, and PMA Asset Management, LLC, an investment adviser registered with the Commission. These entities operate under common ownership with PMA and are collectively referred to in this disclosure as the “Affiliates.” Each of these Affiliates also provides services to municipal entity clients and PMA and Affiliates market the services of the other Affiliates. Unless otherwise stated, separate fees are charged for each of these products and services and referrals to its Affiliates result in an increase in revenue to the overall Affiliated companies.

The Municipal Advisor’s duties, responsibilities, and fees in connection with this issuance arise solely from the services for which it is engaged to perform as municipal advisor on the Bonds and also from the investment of Bond proceeds. PMA’s compensation for serving as municipal advisor on the Bonds is conditional on the final amount and successful closing of the Bonds. PMA receives additional fees for the services used by the District, if any, described in the paragraph above. The fees for these services arise from separate agreements with the District and with institutions of which the District may be a member.

THE OFFICIAL STATEMENT

This Official Statement includes the cover page, reverse thereof and the Appendices hereto.

All references to material not purporting to be quoted in full are only summaries of certain provisions thereof and do not purport to summarize or describe all the provisions thereof. Reference is hereby made to such instruments, documents and other materials for the complete provisions thereof, copies of which will be furnished upon request to the District.

Accuracy and Completeness of the Official Statement

This Official Statement has been approved by the District for distribution to the Underwriter.

The District’s officials will provide to the Underwriter at the time of delivery of the Bonds, a certificate confirming to the Underwriter that, to the best of their knowledge and belief, this Official Statement as of the date hereof and at the time of the sale and delivery of the Bonds, was true and correct in all material respects and did not at any time contain any untrue statement of a material fact or omit to state a material fact required to be stated where necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

/s/ _____
Superintendent
Community Unit School District Number 432
DeKalb and LaSalle Counties, Illinois

May __, 2024

Form of Legal Opinion of Bond Counsel

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

Community Unit School District Number 432
DeKalb and LaSalle Counties, Illinois

We hereby certify that we have examined certified copy of the proceedings (the “*Proceedings*”) of the Board of Education of Community Unit School District Number 432, DeKalb and LaSalle Counties, Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered General Obligation School Bonds, Series 2024 (the “*Bonds*”), to the amount of \$_____, dated _____, 2024, due serially on February 1 of the years and in the amounts and bearing interest as follows:

2026	\$	%
2027		%
2028		%
2029		%
2033		%
2034		%
2035		%
2036		%
2037		%

and the Bonds due on and after February 1, 20____, being subject to redemption prior to maturity at the option of the District as a whole or in part in any order of their maturity as determined by the District (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on February 1, 20____, or on any date thereafter, at the redemption price of par plus any accrued interest to the redemption date, as provided in the Proceedings, and we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the District and is payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

It is our opinion that, subject to the District’s compliance with certain covenants, under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the alternative

minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the “Code”). Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

It is also our opinion that the Bonds are “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Code.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the District with respect to certain material facts within the District’s knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Appendix B

Annual Financial Report for Fiscal Year Ended June 30, 2023

The Annual Financial Report of the District contained in this Appendix B (the "Audit"), including the independent auditor's report accompanying the Audit, has been prepared by Newkirk & Associates, Inc., Plano, Illinois (the "Auditor"), and approved by formal action of the Board of Education of the District. The District has not requested the Auditor to update information contained in the Audit; nor has the District requested that the Auditor consent to the use of the Audit in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Audit has not been updated since the date of the Audit. The inclusion of the Audit in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the District since the date of the Audit.

SOMONAUK COMMUNITY UNIT
SCHOOL DISTRICT NO. 432

SOMONAUK, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended
June 30, 2023

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432
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Due to ROE on Monday, October 16, 2023
Due to ISBE on Wednesday, November 15, 2023
SD/JA23

ILLINOIS STATE BOARD OF EDUCATION
School Business Services Department
100 North First Street, Springfield, Illinois 62777-0001
217/785-8779

**Illinois School District/Joint Agreement
Annual Financial Report ***
June 30, 2023

School District
Joint Agreement

School District/Joint Agreement Information

(See instructions on inside of this page.)

School District/Joint Agreement Number:
16019432026

County Name:
DEKALB

Name of School District/Joint Agreement (use drop-down arrow to locate district, RCDT will populate):
Somonauk CUSD 432

Address:
501 W MARKET STREET

City:
SOMONAUK

Email Address:
STREICHERJ@SOMONAUK.NET

Zip Code:
60552

Annual Financial Report

Type of Auditor's Report Issued:

Qualified Unqualified
 Adverse
 Disclaimer

Reviewed by District Superintendent/Administrator

District Superintendent/Administrator Name (Type or Print):
JAY STREICHER

Email Address:
STREICHERJ@SOMONAUK.NET

Telephone: **815-498-2314** Fax Number: **815-498-9841**

Signature & Date:
 11/6/23

* This form is based on 23 Illinois Administrative Code 100, Subtitle A, Chapter I, Subchapter C (Part 100).
ISBE Form SD50-35/JA50-60 (05/23-version1)

16-019-4320-26_AFR22 Somonauk CUSD 432

Accounting Basis:

CASH
 ACCRUAL

[School District Lookup Tool](#)

[School District Directory](#)

Filing Status:

Submit electronic AFR directly to ISBE via JWAS -School District Financial Reports system (for auditor use only)

[Annual Financial Report \(AFR\) Instructions](#)

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Annual Financial Report Questions 217-785-8779 or finance1@isbe.net

Single Audit Questions 217-782-5630 or GATA@isbe.net

Reviewed by Township Treasurer (Cook County only)

Name of Township:

Township Treasurer Name (type or print)

Email Address:

Telephone:

Fax Number:

Signature & Date:

Certified Public Accountant Information

Name of Auditing Firm:
NEWKIRK & ASSOCIATES, INC

Name of Audit Manager:
ANDREA MEYER

Address:
2 W MAIN STREET

City:
PLANO

Phone Number:
630-552-1040

IL License Number (9 digit):
066-004656

Email Address:
AMEYER@NEWKIRKCPAS.COM

State:
IL

Fax Number:
630-552-7399

Expiration Date:
11/30/2024

Zip Code:
60545

Reviewed by Regional Superintendent/Cook ISC

Regional Superintendent/Cook ISC Name (Type or Print):

Email Address:

Telephone:

Fax Number:

Signature & Date:

This form is based on 23 Illinois Administrative Code, Subtitle A, Chapter I, Subchapter C, Part 100.
In some instances, use of open account codes (cells) may not be authorized by statute or administrative rule.
Each school district or joint agreement is responsible for obtaining the concurring legal opinion and/or other supporting authorization/documentation, as necessary, to use the applicable account code (cell).

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INSTRUCTIONS/REQUIREMENTS: For School Districts/Joint Agreements

All School Districts/Joint Agreements must complete this form (Note: joint agreement supplementary/statistical schedules may not be applicable)

This form complies with Part 100 (Requirements for Accounting, Budgeting, Financial Reporting, and Auditing).

[23. Illinois Administrative Code 100, Subtitle A, Chapter I, Subchapter C \(Part 100\)](#)

- Round all amounts to the nearest dollar.** Do not enter cents. (Exception: 9 Month ADA on PCTC OEPP Tab)
- Any errors left unresolved by the Audit Checklist/Balancing Schedule must be explained in the itemization page.
- Be sure to break all links in AFR** before submitting to ISBE. If links are not broken, amounts entered have changed when opening the AFR.
- Submit AFR Electronically**
 - The Annual Financial Reports (AFR) must be submitted directly through the School District Financial Reports system in IWAS by the auditor (not from the school district) on before November 15 with the exception of Extension Approvals. Please see AFR Instructions for complete submission procedures. **Note: CD/Disk no longer accepted.**
[IWAS](#)
 - AFR supporting documentation must be embedded as Microsoft Word (.doc), Word Perfect (*.wpd) or Adobe (*.pdf) and inserted within tab "Opinions & Notes". These documents include: The Audit, Management letter, Opinion letters, Compliance letters, Financial notes etc.... For embedding instructions see "Opinions & Notes" tab of this form.
Note: In Windows 7 and above, files can be saved in Adobe Acrobat (.pdf) and embedded even if you do not have the software.*
- Submit Paper Copy of AFR with Signatures**
 - The auditor must send three paper copies of the AFR form (cover through page 9 at minimum) to the School District with the auditor signature.
Note: School Districts and Regional Superintendents may prefer a complete paper copy in lieu of an electronic file. Please comply with their requests as necessary.
 - Upon receipt, the School District retains one copy for their records, signs, and forwards the remaining two copies to the Regional Superintendent's office no later than October 15, annually.
 - Upon receipt, the Regional Superintendent's office retains one copy for their records, signs, and forwards the remaining paper copy to ISBE no later than November 15, annually.
 - If the 15th falls on a Saturday, the due date is the Friday before. If the 15th falls on a Sunday, the due date is the Monday after.
 - Yellow Book, CPE, and Peer Review requirements must be met if the Auditor issues an opinion stating "Governmental Auditing Standards" were utilized.
[Federal Single Audit 2 CFR 200.500](#)
- Requesting an Extension of Time** must be submitted in writing via email or letter to the Regional Office of Education (at the discretion of the ROE). Approval may be provided up to and no later than December 15 annually. After December 15, audits are considered late and out of compliance per Illinois School Code.
- Qualifications of Auditing Firm**
 - School district/joint Agreement entities must verify the qualifications of the auditing firm by requesting the most current peer review report and the corresponding acceptance letter from the approved peer review program, for the current peer review period.
 - A school district/joint agreement who engages with an auditing firm who is not licensed and qualified will be required to complete a new audit by a qualified auditing firm at the school district's/joint agreement's expense.

AUDITOR'S QUESTIONNAIRE

INSTRUCTIONS: If your review and testing of state, local, and federal Programs revealed any of the following statements to be true, then check the box on the left and attach the appropriate findings/comments.

PART A - FINDINGS

- 1. One or more school board members, administrators, certified school business officials, or other qualifying district employees failed to file economic interested statements pursuant to the *Illinois Government Ethics Act. [5 ILCS 420/4A-101]*
- 2. One or more custodians of funds failed to comply with the bonding requirements pursuant to *Illinois School Code [105 ILCS 5/8-2;10-20.19;19-6]*.
- 3. One or more contracts were executed or purchases made contrary to the provisions of the *Illinois School Code [105 ILCS 5/10-20.21]*.
- 4. One or more violations of the Public Funds Deposit Act or the Public Funds Investment Act were noted *[30 ILCS 225/1 et. seq. and 30 ILCS 235/1 et. seq.]*.
- 5. Restricted funds were commingled in the accounting records or used for other than the purpose for which they were restricted.
- 6. One or more short-term loans or short-term debt instruments were executed in non-conformity with the applicable authorizing statute or without statutory Authority.
- 7. One or more long-term loans or long-term debt instruments were executed in non-conformity with the applicable authorizing statute or without statutory Authority.
- 8. Corporate Personal Property Replacement Tax monies were deposited and/or used without first satisfying the lien imposed pursuant to the *Illinois State Revenue Sharing Act [30 ILCS 115/12]*.
- 9. One or more interfund loans were made in non-conformity with the applicable authorizing statute or without statutory authorization per *Illinois School Code [105 ILCS 5/10-22.33, 20-4 and 20-5]*.
- 10. One or more interfund loans were outstanding beyond the term provided by statute *Illinois School Code [105 ILCS 5/10-22.33, 20-4, 20-5]*.
- 11. One or more permanent transfers were made in non-conformity with the applicable authorizing statute/regulation or without statutory/regulatory authorization per *Illinois School Code [105 ILCS 5/17-2A]*.
- 12. Substantial, or systematic misclassification of budgetary items such as, but not limited to, revenues, receipts, expenditures, disbursements or expenses were observed.
- 13. The Chart of Accounts used to define and control budget and accounting records does not conform to the minimum requirements imposed by ISBE rules pursuant to *Illinois School Code [105 ILCS 5/2-3.27; 2-3.28]*.
- 14. At least one of the following forms was filed with ISBE late: The FY22 AFR (ISBE FORM 50-35), FY22 Annual Statement of Affairs (ISBE Form 50-37) and FY23 Budget (ISBE FORM 50-36). Explain in the comments box below in pursuant to *Illinois School Code [105 ILCS 5/3-15.1; 5/10-17; 5/17-1]*.

PART B - FINANCIAL DIFFICULTIES/CERTIFICATION Criteria pursuant to the *Illinois School Code [105 ILCS 5/1A-8]*.

- 15. The district has issued tax anticipation warrants or tax anticipation notes in anticipation of a second year's taxes when warrants or notes in anticipation of current year taxes are still outstanding, as authorized by *Illinois School Code [105 ILCS 5/17-16 or 34-23 through 34-27]*.
- 16. The district has issued short-term debt against two future revenue sources, such as, but not limited to, tax anticipation warrants and General State Aid certificates or tax anticipation warrants and revenue anticipation notes.
- 17. The district has issued school or teacher orders for wages as permitted in *Illinois School Code [105 ILCS 5/8-16, 32-7.2 and 34-76]* or issued funding bonds for this purpose pursuant to *Illinois School Code [105 ILCS 5/8-6; 32-7.2; 34-76; and 19-8]*.
- 18. The district has for two consecutive years shown an excess of expenditures/other uses over revenues/other sources and beginning fund balances on its annual financial report for the aggregate totals of the Educational, Operations & Maintenance, Transportation, and Working Cash Funds.

PART C - OTHER ISSUES

- 19. Student Activity Funds, Imprest Funds, or other funds maintained by the district were excluded from the audit.
- 20. Findings, other than those listed in Part A (above), were reported (e.g. student activity findings). These findings may be described extensively in the financial notes.
- 21. Check this box if the district is subject to the Property Tax Extension Limitation Law. Effective Date: _____ (Ex: 00/00/0000)
- 22. The district reports that its high schools did not withhold a student's grades, transcripts, or diploma because of an unpaid balance on the student's school account, per the requirements of Section 10-20 9a (c) of the School Code. The code also requires that each school district report to the State Board of Education the total amount that remains unpaid by students due to this prohibition. Please enter the total amount in the yellow box to the right.

\$	7,089.00
----	----------
- 23. If the type of Auditor Report designated on the cover page is other than an unqualified opinion and is due to reason(s) other than solely Cash Basis Accounting, please check and explain the reason(s) in the box below.

PART D - EXPLANATION OF ACCOUNTING PRACTICES FOR LATE MANDATED CATEGORICAL PAYMENTS

(For School Districts who report on an Accrual/Modified Accrual Accounting Basis only)

School districts that report on the accrual/modified accrual basis of accounting must identify where late mandated categorical payments (Acct Codes 3100, 3120, 3500, 3510, 3950) are recorded. Depending on the accounting procedure these amounts will be used to adjust the Direct Receipts/Revenues in calculation 1 and 2 of the Financial Profile Score. In FY 2023, identify those late payments recorded as Intergovernmental Receivables, Other Receivables, or Deferred Revenue & Other Current Liabilities or Direct Receipts/Revenue. Payments should only be listed once.

24. Enter the date that the district used to accrue mandated categorical payments

Date: _____

25. For the listed mandated categorical (Revenue Code (3100, 3120, 3500, 3510, 3950) that were vouchered prior to June 30, but not released until after year end as reported in ISBE Financial Reimbursement Information System (FRIS), enter the amounts that were accrued in the chart below.

Account Name	3100	3120	3500	3510	3950	Total
Deferred Revenues (490)						
Mandated Categoricals Payments (3100, 3120, 3500, 3510, 3950)						\$-
Direct Receipts/Revenue						
Mandated Categoricals Payments (3100, 3120, 3500, 3510, 3950)						\$-
Total						\$-

- Revenue Code (3100-Sp Ed Private Facilities, 3120-Sp Ed Regular Orphanage Individual, 3500-Regular/Vocational Transportation, 3510-Sp Ed Transportation, 3950-Regular Orphans & Foster Children)

PART E - QUALIFICATIONS OF AUDITING FIRM

- School district/joint Agreement entities must verify the qualifications of the auditing firm by requesting the most current peer review report and the corresponding acceptance letter from the approved peer review program for the current peer review.
- A school district/joint agreement who engages with an auditing firm who is not licensed and qualified will be required to complete a new audit by a qualified auditing firm at the school district's/joint agreement's expense.

Comments Applicable to the Auditor's Questionnaire:

NEWKIRK & ASSOCIATES, INC

Name of Audit Firm (print)

The undersigned affirms that this audit was conducted by a qualified auditing firm and in accordance with the applicable standards [23 Illinois Administrative Code Part 100] and the scope of the audit conformed to the requirements of subsection (a) or (b) of 23 Illinois Administrative Code Part 100 Section 110, as applicable.

Newkirk & Associates, Inc
Signature

11/06/2023
mm/dd/yyyy

Note: A PDF (of the Audit Questionnaire) with signature is acceptable for this page. Enter the location on signature line e.g. PDF in Opinion Page with signature

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	
1	FINANCIAL PROFILE INFORMATION														
2															
3	<i>Required to be completed for school districts only.</i>														
4															
5	A. Tax Rates (Enter the tax rate - ex: .0150 for \$1.50)														
6															
7	Tax Year 2022			Equalized Assessed Valuation (EAV):					171,172,594						
8															
9	Educational			Operations & Maintenance			Transportation			Combined Total			Working Cash		
10	Rate(s): 0.040000			+ 0.005000			+ 0.000643			= 0.045640			0.000500		
11															
12															
13	A tax rate must be entered in the Educational, Operations and Maintenance, Transportation, and Working Cash boxes above. If the tax rate is zero, enter "0".														
14	B. Results of Operations *														
15															
16	Receipts/Revenues			Disbursements/Expenditures			Excess/ (Deficiency)			Fund Balance					
17	12,162,275			10,333,297			1,828,978			11,779,860					
18	* The numbers shown are the sum of entries on Pages 7 & 8, lines 8, 17, 20, and 81 for the Educational, Operations & Maintenance, Transportation and Working Cash Funds.														
19															
20															
21	C. Short-Term Debt **														
22	CPPRT Notes			TAWs			TANs			TO/EMP. Orders			EBF/GSA Certificates		
23	0			0			0			0			0		
24	Other			Total											
25	0			0											
26	** The numbers shown are the sum of entries on page 26.														
27															
28															
29	D. Long-Term Debt														
30	Check the applicable box for long-term debt allowance by type of district.														
31															
32	<input type="checkbox"/> a. 6.9% for elementary and high school districts,						23,621,818								
33	<input checked="" type="checkbox"/> b. 13.8% for unit districts.														
34															
35	Long-Term Debt Outstanding:														
36															
37	c. Long-Term Debt (Principal only)			Acct											
38	Outstanding:.....			511			5,618,234								
39															
40															
41	E. Material Impact on Financial Position														
42	If applicable, check any of the following items that may have a material impact on the entity's financial position during future reporting periods.														
43	Attach sheets as needed explaining each item checked.														
44															
45	<input type="checkbox"/> Pending Litigation														
46	<input type="checkbox"/> Material Decrease in EAV														
47	<input type="checkbox"/> Material Increase/Decrease in Enrollment														
48	<input type="checkbox"/> Adverse Arbitration Ruling														
49	<input type="checkbox"/> Passage of Referendum														
50	<input type="checkbox"/> Taxes Filed Under Protest														
51	<input type="checkbox"/> Decisions By Local Board of Review or Illinois Property Tax Appeal Board (PTAB)														
52	<input type="checkbox"/> Other Ongoing Concerns (Describe & Itemize)														
53															
54	Comments:														
55															
56															
57															
58															
59															
60															
61															
62															
63															
64															
65															
66															

	A	B	C	D	E	F	G	H	I	K	L	M	N	O	P	Q	R
1	ESTIMATED FINANCIAL PROFILE SUMMARY																
2	Financial Profile Website																
3																	
4																	
5																	
6																	
7	District Name: Somonauk CUSD 432																
8	District Code: 16019432026																
9	County Name: DEKALB																
10																	
11	1. Fund Balance to Revenue Ratio:																
12	Total Sum of Fund Balance (P8, Cells C81, D81, F81 & I81) Funds 10, 20, 40, 70 + (50 & 80 if negative) Total 11,779,860.00 Ratio 0.969 Score 4																
13	Total Sum of Direct Revenues (P7, Cell C8, D8, F8 & I8) Funds 10, 20, 40, & 70, 12,162,275.00 Weight 0.35																
14	Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74) Minus Funds 10 & 20 0.00 Value 1.40																
15	(Excluding C:D57, C:D61, C:D65, C:D69 and C:D73)																
16	2. Expenditures to Revenue Ratio:																
17	Total Sum of Direct Expenditures (P7, Cell C17, D17, F17, I17) Funds 10, 20 & 40 10,333,297.00 Ratio 0.850 Score 4																
18	Total Sum of Direct Revenues (P7, Cell C8, D8, F8, & I8) Funds 10, 20, 40 & 70, 12,162,275.00 Adjustment 0																
19	Less: Operating Debt Pledged to Other Funds (P8, Cell C54 thru D74) Minus Funds 10 & 20 0.00 Weight 0.35																
20	(Excluding C:D57, C:D61, C:D65, C:D69 and C:D73) 0 Value 1.40																
21	Possible Adjustment:																
22																	
23	3. Days Cash on Hand:																
24	Total Sum of Cash & Investments (P5, Cell C4, D4, F4, I4 & C5, D5, F5 & I5) Funds 10, 20 40 & 70 11,786,590.00 Total 410.63 Days Score 4																
25	Total Sum of Direct Expenditures (P7, Cell C17, D17, F17 & I17) Funds 10, 20, 40 divided by 360 28,703.60 Weight 0.10																
26	Value 0.40																
27	4. Percent of Short-Term Borrowing Maximum Remaining:																
28	Tax Anticipation Warrants Borrowed (P26, Cell F6-7 & F11) Funds 10, 20 & 40 0.00 Total 100.00 Percent Score 4																
29	EAV x 85% x Combined Tax Rates (P3, Cell J7 and J10) (.85 x EAV) x Sum of Combined Tax Rates 6,640,469.61 Weight 0.10																
30	Value 0.40																
31	5. Percent of Long-Term Debt Margin Remaining:																
32	Long-Term Debt Outstanding (P3, Cell H38) 5,618,234.00 Total 76.21 Percent Score 4																
33	Total Long-Term Debt Allowed (P3, Cell H32) 23,621,817.97 Weight 0.10																
34	Value 0.40																
35																	
36																	
37																	
38																	
39																	
40																	
41																	
42																	
														Total Profile Score:		4.00 *	
														Estimated 2024 Financial Profile Designation: <u>RECOGNITION</u>			
* Total Profile Score may change based on data provided on the Financial Profile Information page 3 and by the timing of mandated categorical payments. Final score will be calculated by ISBE.																	

BASIC FINANCIAL STATEMENTS
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
STATEMENT OF POSITION AS OF JUNE 30, 2023

	A	B	C	D	E	F	G	H	I	J	K
1	ASSETS		(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
2	(Enter Whole Dollars)	Acct. #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
3	CURRENT ASSETS (100)										
4	Cash (Accounts 111 through 115) ¹		477,269	38,101	11,746	61,520	25,867	1,634	142,115	22,639	21,036
5	Investments	120	7,182,885	498,788	184,413	1,154,736	323,837	25,658	2,231,176	536,776	330,256
6	Taxes Receivable	130									
7	Interfund Receivables	140									
8	Intergovernmental Accounts Receivable	150									
9	Other Receivables	160									
10	Inventory	170									
11	Prepaid Items	180									
12	Other Current Assets (Describe & Itemize)	190									
13	Total Current Assets		7,660,154	536,889	196,159	1,216,256	349,704	27,292	2,373,291	559,415	351,292
14	CAPITAL ASSETS (200)										
15	Works of Art & Historical Treasures	210									
16	Land	220									
17	Building & Building Improvements	230									
18	Site Improvements & Infrastructure	240									
19	Capitalized Equipment	250									
20	Construction in Progress	260									
21	Amount Available in Debt Service Funds	340									
22	Amount to be Provided for Payment on Long-Term Debt	350									
23	Total Capital Assets										
24	CURRENT LIABILITIES (400)										
25	Interfund Payables	410									
26	Intergovernmental Accounts Payable	420									
27	Other Payables	430									
28	Contracts Payable	440									
29	Loans Payable	460									
30	Salaries & Benefits Payable	470									
31	Payroll Deductions & Withholdings	480	6,730								
32	Deferred Revenues & Other Current Liabilities	490									
33	Due to Activity Fund Organizations	493									
34	Total Current Liabilities		6,730	0	0	0	0	0	0	0	0
35	LONG-TERM LIABILITIES (500)										
36	Long-Term Debt Payable (General Obligation, Revenue, Other)	511									
37	Total Long-Term Liabilities										
38	Reserved Fund Balance	714	12,049				9,423	27,292			
39	Unreserved Fund Balance	730	7,641,375	536,889	196,159	1,216,256	340,281	0	2,373,291	559,415	351,292
40	Investment in General Fixed Assets										
41	Total Liabilities and Fund Balance		7,660,154	536,889	196,159	1,216,256	349,704	27,292	2,373,291	559,415	351,292
42											
43	ASSETS /LIABILITIES for Student Activity Funds										
44	CURRENT ASSETS (100) for Student Activity Funds										
45	Student Activity Fund Cash and Investments	126	122,094								
46	Total Student Activity Current Assets For Student Activity Funds		122,094								
47	CURRENT LIABILITIES (400) For Student Activity Funds										
48	Total Current Liabilities For Student Activity Funds		0								
49	Reserved Student Activity Fund Balance For Student Activity Funds	715	122,094								
50	Total Student Activity Liabilities and Fund Balance For Student Activity Funds		122,094								
51											
52	Total ASSETS /LIABILITIES District with Student Activity Funds										
53	Total Current Assets District with Student Activity Funds		7,782,248	536,889	196,159	1,216,256	349,704	27,292	2,373,291	559,415	351,292
54	Total Capital Assets District with Student Activity Funds										
55	CURRENT LIABILITIES (400) District with Student Activity Funds										
56	Total Current Liabilities District with Student Activity Funds		6,730	0	0	0	0	0	0	0	0
57	LONG-TERM LIABILITIES (500) District with Student Activity Funds										
58	Total Long-Term Liabilities District with Student Activity Funds										
59	Reserved Fund Balance District with Student Activity Funds	714	134,143	0	0	0	9,423	27,292	0	0	0
60	Unreserved Fund Balance District with Student Activity Funds	730	7,641,375	536,889	196,159	1,216,256	340,281	0	2,373,291	559,415	351,292
61	Investment in General Fixed Assets District with Student Activity Funds										
62	Total Liabilities and Fund Balance District with Student Activity Funds		7,782,248	536,889	196,159	1,216,256	349,704	27,292	2,373,291	559,415	351,292

BASIC FINANCIAL STATEMENTS
STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
STATEMENT OF POSITION AS OF JUNE 30, 2023

	A	B	L	M	N
1	ASSETS (Enter Whole Dollars)	Acct. #	Agency Fund	Account Groups	
2				General Fixed Assets	General Long-Term Debt
3	CURRENT ASSETS (100)				
4	Cash (Accounts 111 through 115) ¹				
5	Investments	120			
6	Taxes Receivable	130			
7	Interfund Receivables	140			
8	Intergovernmental Accounts Receivable	150			
9	Other Receivables	160			
10	Inventory	170			
11	Prepaid Items	180			
12	Other Current Assets (Describe & Itemize)	190			
13	Total Current Assets		0		
14	CAPITAL ASSETS (200)				
15	Works of Art & Historical Treasures	210			
16	Land	220		2,371,484	
17	Building & Building Improvements	230		9,856,885	
18	Site Improvements & Infrastructure	240			
19	Capitalized Equipment	250		573,185	
20	Construction in Progress	260			
21	Amount Available in Debt Service Funds	340			196,159
22	Amount to be Provided for Payment on Long-Term Debt	350			5,422,075
23	Total Capital Assets			12,801,554	5,618,234
24	CURRENT LIABILITIES (400)				
25	Interfund Payables	410			
26	Intergovernmental Accounts Payable	420			
27	Other Payables	430			
28	Contracts Payable	440			
29	Loans Payable	460			
30	Salaries & Benefits Payable	470			
31	Payroll Deductions & Withholdings	480			
32	Deferred Revenues & Other Current Liabilities	490			
33	Due to Activity Fund Organizations	493			
34	Total Current Liabilities		0		
35	LONG-TERM LIABILITIES (500)				
36	Long-Term Debt Payable (General Obligation, Revenue, Other)	511			5,618,234
37	Total Long-Term Liabilities				5,618,234
38	Reserved Fund Balance	714			
39	Unreserved Fund Balance	730			
40	Investment in General Fixed Assets			12,801,554	
41	Total Liabilities and Fund Balance		0	12,801,554	5,618,234
42	ASSETS /LIABILITIES for Student Activity Funds				
43	CURRENT ASSETS (100) for Student Activity Funds				
44	Student Activity Fund Cash and Investments	126			
45	Total Student Activity Current Assets For Student Activity Funds				
46	CURRENT LIABILITIES (400) For Student Activity Funds				
47	Total Current Liabilities For Student Activity Funds				
48	Reserved Student Activity Fund Balance For Student Activity Funds	715			
49	Total Student Activity Liabilities and Fund Balance For Student Activity Funds				
50	LONG-TERM LIABILITIES (500) District with Student Activity Funds				
51	Total Long-Term Liabilities District with Student Activity Funds				5,618,234
52	Total ASSETS /LIABILITIES District with Student Activity Funds				
53	Total Current Assets District with Student Activity Funds		0		
54	Total Capital Assets District with Student Activity Funds			12,801,554	5,618,234
55	CURRENT LIABILITIES (400) District with Student Activity Funds				
56	Total Current Liabilities District with Student Activity Funds		0		
57	LONG-TERM LIABILITIES (500) District with Student Activity Funds				
58	Total Long-Term Liabilities District with Student Activity Funds				5,618,234
59	Reserved Fund Balance District with Student Activity Funds	714	0		
60	Unreserved Fund Balance District with Student Activity Funds	730	0		
61	Investment in General Fixed Assets District with Student Activity Funds			12,801,554	
62	Total Liabilities and Fund Balance District with Student Activity Funds		0	12,801,554	5,618,234

BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K
2	Description (Enter Whole Dollars)	Acct #	(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
3			Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
4	RECEIPTS/REVENUES										
5	LOCAL SOURCES	1000	7,582,014	827,231	876,466	290,207	212,639	726	139,804	390,340	88,347
6	FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT	2000	0	0		0	0				
7	STATE SOURCES	3000	2,021,305	0	0	373,544	0	50,000	0	0	0
8	FEDERAL SOURCES	4000	928,170	0	0	0	0	0	0	0	0
9	Total Direct Receipts/Revenues		10,531,489	827,231	876,466	663,751	212,639	50,726	139,804	390,340	88,347
10	Receipts/Revenues for "On Behalf" Payments ²	3998	2,869,251								
11	Total Receipts/Revenues		13,400,740	827,231	876,466	663,751	212,639	50,726	139,804	390,340	88,347
12	DISBURSEMENTS/EXPENDITURES										
13	Instruction	1000	5,648,144				107,310			153,904	
14	Support Services	2000	3,117,891	702,279		577,581	151,208	45,471		349,559	0
15	Community Services	3000	3,128	0		0	0			0	
16	Payments to Other Districts & Governmental Units	4000	284,274	0	0	0	0	0		0	0
17	Debt Service	5000	0	0	961,368	0	0			0	0
18	Total Direct Disbursements/Expenditures		9,053,437	702,279	961,368	577,581	258,518	45,471		503,463	0
19	Disbursements/Expenditures for "On Behalf" Payments ²	4180	2,869,251	0	0	0	0	0		0	0
20	Total Disbursements/Expenditures		11,922,688	702,279	961,368	577,581	258,518	45,471		503,463	0
21	Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures ³		1,478,052	124,952	(84,902)	86,170	(45,879)	5,255	139,804	(113,123)	88,347
22	OTHER SOURCES/USES OF FUNDS										
23	OTHER SOURCES OF FUNDS (7000)										
24	PERMANENT TRANSFER FROM VARIOUS FUNDS										
25	Abolishment of the Working Cash Fund ¹²	7110									
26	Abatement of the Working Cash Fund ¹²	7110									
27	Transfer of Working Cash Fund Interest	7120									
28	Transfer Among Funds	7130									
29	Transfer of Interest	7140									
30	Transfer from Capital Project Fund to O&M Fund	7150									
31	Transfer of Excess Fire Prevention & Safety Tax and Interest Proceeds to O&M Fund ⁴	7160									
32	Transfer to Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund ⁵	7170									
33	SALE OF BONDS (7200)										
34	Principal on Bonds Sold	7210									
35	Premium on Bonds Sold	7220									
36	Accrued Interest on Bonds Sold	7230									
37	Sale or Compensation for Fixed Assets ⁶	7300									
38	Transfer to Debt Service to Pay Principal on GASB 87 Leases ¹³	7400			0						
39	Transfer to Debt Service to Pay Interest on GASB 87 Leases ¹³	7500			0						
40	Transfer to Debt Service to Pay Principal on Revenue Bonds	7600			0						
41	Transfer to Debt Service Fund to Pay Interest on Revenue Bonds	7700			0						
42	Transfer to Capital Projects Fund	7800						0			
43	ISBE Loan Proceeds	7900									
44	Other Sources Not Classified Elsewhere	7990									
45	Total Other Sources of Funds		0	0	0	0	0	0	0	0	0
46	OTHER USES OF FUNDS (8000)										

BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K
2	Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
46	PERMANENT TRANSFER TO VARIOUS OTHER FUNDS (8100)										
47	Abolishment or Abatement of the Working Cash Fund ¹²	8110							0		
48	Transfer of Working Cash Fund Interest ¹²	8120							0		
49	Transfer Among Funds	8130									
50	Transfer of Interest	8140									
51	Transfer from Capital Project Fund to O&M Fund	8150						0			
52	Transfer of Excess Fire Prevention & Safety Tax & Interest Proceeds to O&M Fund ⁴	8160									0
53	Transfer of Excess Fire Prevention & Safety Bond and Interest Proceeds to Debt Service Fund ⁵	8170									0
54	Taxes Pledged to Pay Principal on GASB 87 Leases ¹³	8410									
55	Grants/Reimbursements Pledged to Pay Principal on GASB 87 Leases ¹³	8420									
56	Other Revenues Pledged to Pay Principal on GASB 87 Leases ¹³	8430									
57	Fund Balance Transfers Pledged to Pay Principal on GASB 87 Leases ¹³	8440									
58	Taxes Pledged to Pay Interest on GASB 87 Leases ¹³	8510									
59	Grants/Reimbursements Pledged to Pay Interest on GASB 87 Leases ¹³	8520									
60	Other Revenues Pledged to Pay Interest on GASB 87 Leases ¹³	8530									
61	Fund Balance Transfers Pledged to Pay Interest on GASB 87 Leases ¹³	8540									
62	Taxes Pledged to Pay Principal on Revenue Bonds	8610									
63	Grants/Reimbursements Pledged to Pay Principal on Revenue Bonds	8620									
64	Other Revenues Pledged to Pay Principal on Revenue Bonds	8630									
65	Fund Balance Transfers Pledged to Pay Principal on Revenue Bonds	8640									
66	Taxes Pledged to Pay Interest on Revenue Bonds	8710									
67	Grants/Reimbursements Pledged to Pay Interest on Revenue Bonds	8720									
68	Other Revenues Pledged to Pay Interest on Revenue Bonds	8730									
69	Fund Balance Transfers Pledged to Pay Interest on Revenue Bonds	8740									
70	Taxes Transferred to Pay for Capital Projects	8810									
71	Grants/Reimbursements Pledged to Pay for Capital Projects	8820									
72	Other Revenues Pledged to Pay for Capital Projects	8830									
73	Fund Balance Transfers Pledged to Pay for Capital Projects	8840									
74	Transfer to Debt Service Fund to Pay Principal on ISBE Loans	8910									
75	Other Uses Not Classified Elsewhere	8990									
76	Total Other Uses of Funds		0	0	0	0	0	0	0	0	0
77	Total Other Sources/Uses of Funds		0	0	0	0	0	0	0	0	0
78	Excess of Receipts/Revenues and Other Sources of Funds (Over/Under) Expenditures/Disbursements and Other Uses of Funds		1,478,052	124,952	(84,902)	86,170	(45,879)	5,255	139,804	(113,123)	88,347
79	Fund Balances without Student Activity Funds - July 1, 2022		6,175,372	411,937	281,061	1,130,086	395,583	22,037	2,233,487	672,538	262,945
80	Other Changes in Fund Balances - Increases (Decreases) (Describe & Itemize)										
81	Fund Balances without Student Activity Funds - June 30, 2023		7,653,424	536,889	196,159	1,216,256	349,704	27,292	2,373,291	559,415	351,292
84											
85	Student Activity Fund Balance - July 1, 2022		143,432								
86	RECEIPTS/REVENUES -Student Activity Funds										
87	Total Student Activity Direct Receipts/Revenues	1799	310,362								
88	DISBURSEMENTS/EXPENDITURES -Students Activity Funds										
89	Total Student Activity Disbursements/Expenditures	1999	331,700								
90	Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures ³		(21,338)								
91	Student Activity Fund Balance - June 30, 2023		122,094								

The notes are an integral part of these financial statements

BASIC FINANCIAL STATEMENT
STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES, OTHER
SOURCES (USES) AND CHANGES IN FUND BALANCE
ALL FUNDS - FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K
2	Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
92	RECEIPTS/REVENUES (with Student Activity Funds)										
93	LOCAL SOURCES										
94	LOCAL SOURCES	1000	7,892,376	827,231	876,466	290,207	212,639	726	139,804	390,340	88,347
95	FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT	2000	0	0		0	0				
96	STATE SOURCES	3000	2,021,305	0	0	373,544	0	50,000	0	0	0
97	FEDERAL SOURCES	4000	928,170	0	0	0	0	0	0	0	0
98	Total Direct Receipts/Revenues		10,841,851	827,231	876,466	663,751	212,639	50,726	139,804	390,340	88,347
99	Receipts/Revenues for "On Behalf" Payments ²	3998	2,869,251	0	0	0	0	0		0	0
100	Total Receipts/Revenues		13,711,102	827,231	876,466	663,751	212,639	50,726	139,804	390,340	88,347
101	DISBURSEMENTS/EXPENDITURES (with Student Activity Funds)										
102	Instruction	1000	5,979,844				107,310			153,904	
103	Support Services	2000	3,117,891	702,279		577,581	151,208	45,471		349,559	0
104	Community Services	3000	3,128	0		0	0				
105	Payments to Other Districts & Governmental Units	4000	284,274	0	0	0	0	0		0	0
106	Debt Service	5000	0	0	961,368	0	0			0	0
107	Total Direct Disbursements/Expenditures		9,385,137	702,279	961,368	577,581	258,518	45,471		503,463	0
108	Disbursements/Expenditures for "On Behalf" Payments ²	4180	2,869,251	0	0	0	0	0		0	0
109	Total Disbursements/Expenditures		12,254,388	702,279	961,368	577,581	258,518	45,471		503,463	0
110	Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures ³		1,456,714	124,952	(84,902)	86,170	(45,879)	5,255	139,804	(113,123)	88,347
111	OTHER SOURCES/USES OF FUNDS (with Student Activity Funds)										
112	OTHER SOURCES OF FUNDS (7000)										
113	Total Other Sources of Funds		0	0	0	0	0	0	0	0	0
114	OTHER USES OF FUNDS (8000)										
115	Total Other Uses of Funds		0	0	0	0	0	0	0	0	0
116	Total Other Sources/Uses of Funds		0	0	0	0	0	0	0	0	0
117	Fund Balances (All sources with Student Activity Funds) - June 30, 2023		7,775,518	536,889	196,159	1,216,256	349,704	27,292	2,373,291	559,415	351,292

STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2023

	A	B	C	D	E	F	G	H	I	J	K
1			(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
2	Description (Enter Whole Dollars)	Acct #	Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
3	RECEIPTS/REVENUES FROM LOCAL SOURCES (1000)										
4	AD VALOREM TAXES LEVIED BY LOCAL EDUCATION AGENCY	1100									
5	Designated Purposes Levies (1110-1120) ⁷		6,339,506	798,638	869,871	246,488	49,394		79,865	374,858	79,865
6	Leasing Purposes Levy ⁸	1130	79,865								
7	Special Education Purposes Levy	1140	63,893								
8	FICA/Medicare Only Purposes Levies	1150					148,167				
9	Area Vocational Construction Purposes Levy	1160									
10	Summer School Purposes Levy	1170									
11	Other Tax Levies (Describe & Itemize)	1190									
12	Total Ad Valorem Taxes Levied By District		6,483,264	798,638	869,871	246,488	197,561	0	79,865	374,858	79,865
13	PAYMENTS IN LIEU OF TAXES	1200									
14	Mobile Home Privilege Tax	1210									
15	Payments from Local Housing Authorities	1220									
16	Corporate Personal Property Replacement Taxes ⁹	1230	323,384				5,240				
17	Other Payments in Lieu of Taxes (Describe & Itemize)	1290									
18	Total Payments in Lieu of Taxes		323,384	0	0	0	5,240	0	0	0	0
19	TUITION	1300									
20	Regular - Tuition from Pupils or Parents (In State)	1311	15,859								
21	Regular - Tuition from Other Districts (In State)	1312									
22	Regular - Tuition from Other Sources (In State)	1313									
23	Regular - Tuition from Other Sources (Out of State)	1314									
24	Summer Sch - Tuition from Pupils or Parents (In State)	1321									
25	Summer Sch - Tuition from Other Districts (In State)	1322									
26	Summer Sch - Tuition from Other Sources (In State)	1323									
27	Summer Sch - Tuition from Other Sources (Out of State)	1324									
28	CTE - Tuition from Pupils or Parents (In State)	1331									
29	CTE - Tuition from Other Districts (In State)	1332	113,141								
30	CTE - Tuition from Other Sources (In State)	1333									
31	CTE - Tuition from Other Sources (Out of State)	1334									
32	Special Ed - Tuition from Pupils or Parents (In State)	1341									
33	Special Ed - Tuition from Other Districts (In State)	1342	39,136								
34	Special Ed - Tuition from Other Sources (In State)	1343									
35	Special Ed - Tuition from Other Sources (Out of State)	1344									
36	Adult - Tuition from Pupils or Parents (In State)	1351									
37	Adult - Tuition from Other Districts (In State)	1352									
38	Adult - Tuition from Other Sources (In State)	1353									
39	Adult - Tuition from Other Sources (Out of State)	1354									
40	Total Tuition		168,136								
41	TRANSPORTATION FEES	1400									
42	Regular -Transp Fees from Pupils or Parents (In State)	1411									
43	Regular - Transp Fees from Other Districts (In State)	1412				316					
44	Regular - Transp Fees from Other Sources (In State)	1413									
45	Regular - Transp Fees from Co-curricular Activities (In State)	1415									
46	Regular Transp Fees from Other Sources (Out of State)	1416									
47	Summer Sch - Transp. Fees from Pupils or Parents (In State)	1421									
48	Summer Sch - Transp. Fees from Other Districts (In State)	1422									
49	Summer Sch - Transp. Fees from Other Sources (In State)	1423									
50	Summer Sch - Transp. Fees from Other Sources (Out of State)	1424									
51	CTE - Transp Fees from Pupils or Parents (In State)	1431									
52	CTE - Transp Fees from Other Districts (In State)	1432									

**STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2023**

1	A	B	C	D	E	F	G	H	I	J	K
2	Description (Enter Whole Dollars)	Acct #	(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
3			Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
53	CTE - Transp Fees from Other Sources (In State)	1433									
54	CTE - Transp Fees from Other Sources (Out of State)	1434									
55	Special Ed - Transp Fees from Pupils or Parents (In State)	1441									
56	Special Ed - Transp Fees from Other Districts (In State)	1442				11,680					
57	Special Ed - Transp Fees from Other Sources (In State)	1443									
58	Special Ed - Transp Fees from Other Sources (Out of State)	1444									
59	Adult - Transp Fees from Pupils or Parents (In State)	1451									
60	Adult - Transp Fees from Other Districts (In State)	1452									
61	Adult - Transp Fees from Other Sources (In State)	1453									
62	Adult - Transp Fees from Other Sources (Out of State)	1454									
63	Total Transportation Fees					11,996					
64	EARNINGS ON INVESTMENTS	1500									
65	Interest on Investments	1510	205,088	15,727	6,595	31,723	9,838	726	59,939	15,482	8,482
66	Gain or Loss on Sale of Investments	1520									
67	Total Earnings on Investments		205,088	15,727	6,595	31,723	9,838	726	59,939	15,482	8,482
68	FOOD SERVICE	1600									
69	Sales to Pupils - Lunch	1611	130,453								
70	Sales to Pupils - Breakfast	1612									
71	Sales to Pupils - A la Carte	1613									
72	Sales to Pupils - Other (Describe & Itemize)	1614									
73	Sales to Adults	1620	3,084								
74	Other Food Service (Describe & Itemize)	1690	95,218								
75	Total Food Service		228,755								
76	DISTRICT/SCHOOL ACTIVITY INCOME	1700									
77	Admissions - Athletic	1711	7,258								
78	Admissions - Other (Describe & Itemize)	1719									
79	Fees	1720	28,241								
80	Book Store Sales	1730									
81	Other District/School Activity Revenue (Describe & Itemize)	1790									
82	Student Activity Funds Revenues	1799	310,362								
83	Total District/School Activity Income (without Student Activity Funds)		35,499	0							
84	Total District/School Activity Income (with Student Activity Funds)		345,861								
85	TEXTBOOK INCOME	1800									
86	Rentals - Regular Textbooks	1811	85,893								
87	Rentals - Summer School Textbooks	1812									
88	Rentals - Adult/Continuing Education Textbooks	1813									
89	Rentals - Other (Describe & Itemize)	1819									
90	Sales - Regular Textbooks	1821									
91	Sales - Summer School Textbooks	1822									
92	Sales - Adult/Continuing Education Textbooks	1823									
93	Sales - Other (Describe & Itemize)	1829									
94	Other (Describe & Itemize)	1890									
95	Total Textbook Income		85,893								
96	OTHER REVENUE FROM LOCAL SOURCES	1900									
97	Rentals	1910		12,786							
98	Contributions and Donations from Private Sources	1920									
99	Impact Fees from Municipal or County Governments	1930	15,769								
100	Services Provided Other Districts	1940									
101	Refund of Prior Years' Expenditures	1950	13,757								
102	Payments of Surplus Moneys from TIF Districts	1960									
103	Drivers' Education Fees	1970	10,406								

STATEMENT OF REVENUES RECEIVED/REVENUES FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K
2	Description (Enter Whole Dollars)	Acct #	(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
			Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
104	Proceeds from Vendors' Contracts	1980									
105	School Facility Occupation Tax Proceeds	1983									
106	Payment from Other Districts	1991									
107	Sale of Vocational Projects	1992									
108	Other Local Fees (Describe & Itemize)	1993	3,413								
109	Other Local Revenues (Describe & Itemize)	1999	8,650	80							
110	Total Other Revenue from Local Sources		51,995	12,866	0	0	0	0	0	0	0
111	Total Receipts/Revenues from Local Sources (without Student Activity Funds 1799)	1000	7,582,014	827,231	876,466	290,207	212,639	726	139,804	390,340	88,347
112	Total Receipts/Revenues from Local Sources (with Student Activity Funds 1799)	1000	7,892,376								
113	FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT (2000)										
114	Flow-through Revenue from State Sources	2100									
115	Flow-through Revenue from Federal Sources	2200									
116	Other Flow-Through (Describe & Itemize)	2300									
117	Total Flow-Through Receipts/Revenues from One District to Another District	2000	0	0		0	0				
118	RECEIPTS/REVENUES FROM STATE SOURCES (3000)										
119	UNRESTRICTED GRANTS-IN-AID (3001-3099)										
120	Evidence Based Funding Formula (Section 18-8.15)	3001	1,721,325								
121	Reorganization Incentives (Accounts 3005-3021)	3005									
122	General State Aid - Fast Growth District Grant	3030									
123	Other Unrestricted Grants-In-Aid from State Sources (Describe & Itemize)	3099									
124	Total Unrestricted Grants-In-Aid		1,721,325	0	0	0	0	0		0	0
125	RESTRICTED GRANTS-IN-AID (3100 - 3900)										
126	SPECIAL EDUCATION										
127	Special Education - Private Facility Tuition	3100	246,287								
128	Special Education - Funding for Children Requiring Sp Ed Services	3105									
129	Special Education - Personnel	3110									
130	Special Education - Orphanage - Individual	3120	3,581								
131	Special Education - Orphanage - Summer Individual	3130									
132	Special Education - Summer School	3145									
133	Special Education - Other (Describe & Itemize)	3199									
134	Total Special Education		249,868	0		0					
135	CAREER AND TECHNICAL EDUCATION (CTE)										
136	CTE - Technical Education - Tech Prep	3200									
137	CTE - Secondary Program Improvement (CTEI)	3220	8,193								
138	CTE - WECEP	3225									
139	CTE - Agriculture Education	3235	25,858								
140	CTE - Instructor Practicum	3240									
141	CTE - Student Organizations	3270									
142	CTE - Other (Describe & Itemize)	3299	2,966								
143	Total Career and Technical Education		37,017	0			0				
144	BILINGUAL EDUCATION										
145	Bilingual Ed - Downstate - TPI and TBE	3305									
146	Bilingual Education Downstate - Transitional Bilingual Education	3310									
147	Total Bilingual Ed		0				0				

STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K
2	Description (Enter Whole Dollars)	Acct #	(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
			Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
148	State Free Lunch & Breakfast	3360	473								
149	School Breakfast Initiative	3365									
150	Driver Education	3370	11,170								
151	Adult Ed (from ICCB)	3410									
152	Adult Ed - Other (Describe & Itemize)	3499									
153	TRANSPORTATION										
154	Transportation - Regular and Vocational	3500				113,051					
155	Transportation - Special Education	3510				260,493					
156	Transportation - Other (Describe & Itemize)	3599									
157	Total Transportation		0	0		373,544	0				
158	Learning Improvement - Change Grants	3610									
159	Scientific Literacy	3660									
160	Truant Alternative/Optional Education	3695									
161	Early Childhood - Block Grant	3705									
162	Chicago General Education Block Grant	3766									
163	Chicago Educational Services Block Grant	3767									
164	School Safety & Educational Improvement Block Grant	3775									
165	Technology - Technology for Success	3780									
166	State Charter Schools	3815									
167	Extended Learning Opportunities - Summer Bridges	3825									
168	Infrastructure Improvements - Planning/Construction	3920									
169	School Infrastructure - Maintenance Projects	3925						50,000			
170	Other Restricted Revenue from State Sources (Describe & Itemize)	3999	1,452								
171	Total Restricted Grants-In-Aid		299,980	0	0	373,544	0	50,000	0	0	0
172	Total Receipts from State Sources	3000	2,021,305	0	0	373,544	0	50,000	0	0	0
173	RECEIPTS/REVENUES FROM FEDERAL SOURCES (4000)										
174	UNRESTRICTED GRANTS-IN-AID RECEIVED DIRECTLY FROM FEDERAL GOVT (4001-4009)										
175	Federal Impact Aid	4001									
176	Other Unrestricted Grants-In-Aid Received Directly from the Fed Govt (Describe & Itemize)	4009									
177	Total Unrestricted Grants-In-Aid Received Directly from the Federal Govt		0	0	0	0	0	0	0	0	0
178	RESTRICTED GRANTS-IN-AID RECEIVED DIRECTLY FROM FEDERAL GOVT (4045-4090)										
179	Head Start	4045									
180	Construction (Impact Aid)	4050									
181	MAGNET	4060									
182	Other Restricted Grants-In-Aid Received Directly from the Federal Govt (Describe & Itemize)	4090									
183	Total Restricted Grants-In-Aid Received Directly from Federal Govt		0	0		0	0	0			0
184	RESTRICTED GRANTS-IN-AID RECEIVED FROM FEDERAL GOVT THRU THE STATE (4100-4999)										
185	TITLE V										
186	Title V - Innovation and Flexibility Formula	4100									
187	Title V - District Projects	4105									

STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K
2	Description (Enter Whole Dollars)	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
188	Title V - Rural Education Initiative (REI)	4107									
189	Title V - Other (Describe & Itemize)	4199									
190	Total Title V		0	0		0	0				
191	FOOD SERVICE										
192	Breakfast Start-Up Expansion	4200									
193	National School Lunch Program	4210	169,744								
194	Special Milk Program	4215									
195	School Breakfast Program	4220									
196	Summer Food Service Program	4225									
197	Child and Adult Care Food Program	4226									
198	Fresh Fruits & Vegetables	4240									
199	Food Service - Other (Describe & Itemize)	4299									
200	Total Food Service		169,744				0				
201	TITLE I										
202	Title I - Low Income	4300	79,381								
203	Title I - Low Income - Neglected, Private	4305									
204	Title I - Migrant Education	4340									
205	Title I - Other (Describe & Itemize)	4399									
206	Total Title I		79,381	0		0	0				
207	TITLE IV										
208	Title IV - Student Support & Academic Enrichment Grant	4400	9,965								
209	Title IV - Part A - Student Support & Academic Enrichment Grants Safe and Drug Free Schools	4415									
210	Title IV - 21st Century Comm Learning Centers	4421									
211	Title IV - Other (Describe & Itemize)	4499									
212	Total Title IV		9,965	0		0	0				
213	FEDERAL - SPECIAL EDUCATION										
214	Fed - Spec Education - Preschool Flow-Through	4600	2,195								
215	Fed - Spec Education - Preschool Discretionary	4605									
216	Fed - Spec Education - IDEA - Flow Through	4620	142,029								
217	Fed - Spec Education - IDEA - Room & Board	4625									
218	Fed - Spec Education - IDEA - Discretionary	4630									
219	Fed - Spec Education - IDEA - Other (Describe & Itemize)	4699									
220	Total Federal - Special Education		144,224	0		0	0				
221	CTE - PERKINS										
222	CTE - Perkins - Title III E - Tech Prep	4770									
223	CTE - Other (Describe & Itemize)	4799									
224	Total CTE - Perkins		0	0			0				
225	Federal - Adult Education	4810									
226	ARRA - General State Aid - Education Stabilization	4850									
227	ARRA - Title I - Low Income	4851									
228	ARRA - Title I - Neglected, Private	4852									
229	ARRA - Title I - Delinquent, Private	4853									
230	ARRA - Title I - School Improvement (Part A)	4854									
231	ARRA - Title I - School Improvement (Section 1003g)	4855									
232	ARRA - IDEA - Part B - Preschool	4856									
233	ARRA - IDEA - Part B - Flow-Through	4857									
234	ARRA - Title IID - Technology-Formula	4860									
235	ARRA - Title IID - Technology-Competitive	4861									
236	ARRA - McKinney - Vento Homeless Education	4862									
237	ARRA - Child Nutrition Equipment Assistance	4863									
238	Impact Aid Formula Grants	4864									

**STATEMENT OF REVENUES RECEIVED/REVENUES
FOR THE YEAR ENDING JUNE 30, 2023**

1	A	B	C	D	E	F	G	H	I	J	K
2	Description (Enter Whole Dollars)	Acct #	(10)	(20)	(30)	(40)	(50)	(60)	(70)	(80)	(90)
			Educational	Operations & Maintenance	Debt Services	Transportation	Municipal Retirement/ Social Security	Capital Projects	Working Cash	Tort	Fire Prevention & Safety
239	Impact Aid Competitive Grants	4865									
240	Qualified Zone Academy Bond Tax Credits	4866									
241	Qualified School Construction Bond Credits	4867									
242	Build America Bond Tax Credits	4868									
243	Build America Bond Interest Reimbursement	4869									
244	ARRA - General State Aid - Other Govt Services Stabilization	4870									
245	Other ARRA Funds - II	4871									
246	Other ARRA Funds - III	4872									
247	Other ARRA Funds - IV	4873									
248	Other ARRA Funds - V	4874									
249	ARRA - Early Childhood	4875									
250	Other ARRA Funds VII	4876									
251	Other ARRA Funds VIII	4877									
252	Other ARRA Funds IX	4878									
253	Other ARRA Funds X	4879									
254	Other ARRA Funds Ed Job Fund Program	4880									
255	Total Stimulus Programs		0	0	0	0	0	0		0	0
256	Race to the Top Program	4901									
257	Race to the Top - Preschool Expansion Grant	4902									
258	Title III - Immigrant Education Program (IEP)	4905									
259	Title III - Language Inst Program - Limited Eng (LIPLEP)	4909									
260	McKinney Education for Homeless Children	4920									
261	Title II - Eisenhower Professional Development Formula	4930									
262	Title II - Teacher Quality	4932	21,473								
263	Title II - Part A - Supporting Effective Instruction - State Grants	4935									
264	Federal Charter Schools	4960									
265	State Assessment Grants	4981									
266	Grant for State Assessments and Related Activities	4982									
267	Medicaid Matching Funds - Administrative Outreach	4991	15,612								
268	Medicaid Matching Funds - Fee-for-Service Program	4992	65,271								
269	Other Restricted Revenue from Federal Sources (Describe & Itemize)	4998	422,500								
270	Total Restricted Grants-In-Aid Received from the Federal Govt Thru the State		928,170	0	0	0	0	0		0	0
271	Total Receipts/Revenues from Federal Sources	4000	928,170	0	0	0	0	0	0	0	0
272	Total Direct Receipts/Revenues (without Student Activity Funds 1799)		10,531,489	827,231	876,466	663,751	212,639	50,726	139,804	390,340	88,347
273	Total Direct Receipts/Revenues (with Student Activity Funds 1799)		10,841,851	827,231	876,466	663,751	212,639	50,726	139,804	390,340	88,347

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K	L
2	Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
3	10 - EDUCATIONAL FUND (ED)											
4	INSTRUCTION (ED)	1000										
5	Regular Programs	1100	2,918,662	590,610	82,018	125,280		770			3,717,340	4,174,082
6	Tuition Payment to Charter Schools	1115									0	
7	Pre-K Programs	1125									0	
8	Special Education Programs (Functions 1200-1220)	1200	676,919	173,607	3,225	9,611		1,025			864,387	885,835
9	Special Education Programs Pre-K	1225									0	
10	Remedial and Supplemental Programs K-12	1250	60,421	17,562	29,565	511					108,059	74,720
11	Remedial and Supplemental Programs Pre-K	1275									0	
12	Adult/Continuing Education Programs	1300									0	
13	CTE Programs	1400	176,821	37,688	4,300	11,714					230,523	251,673
14	Interscholastic Programs	1500	218,586	27,736	21,128	32,381		13,710			313,541	338,237
15	Summer School Programs	1600									0	
16	Gifted Programs	1650	8,447	1,196							9,643	
17	Driver's Education Programs	1700	67,417	13,270	5,396	1,416					87,499	85,228
18	Bilingual Programs	1800									0	
19	Truant Alternative & Optional Programs	1900									0	
20	Pre-K Programs - Private Tuition	1910									0	
21	Regular K-12 Programs - Private Tuition	1911									0	
22	Special Education Programs K-12 - Private Tuition	1912						317,152			317,152	350,000
23	Special Education Programs Pre-K - Tuition	1913									0	
24	Remedial/Supplemental Programs K-12 - Private Tuition	1914									0	
25	Remedial/Supplemental Programs Pre-K - Private Tuition	1915									0	
26	Adult/Continuing Education Programs - Private Tuition	1916									0	
27	CTE Programs - Private Tuition	1917									0	
28	Interscholastic Programs - Private Tuition	1918									0	
29	Summer School Programs - Private Tuition	1919									0	
30	Gifted Programs - Private Tuition	1920									0	
31	Bilingual Programs - Private Tuition	1921									0	
32	Truants Alternative/Optional Ed Progrms - Private Tuition	1922									0	
33	Student Activity Fund Expenditures	1999									331,700	
34	Total Instruction ¹⁰ (without Student Activity Funds)	1000	4,127,273	861,669	145,632	180,913	0	332,657	0	0	5,648,144	6,159,775
35	Total Instruction ¹⁰ (with Student Activity Funds)	1000	4,127,273	861,669	145,632	180,913	0	664,357	0	0	5,979,844	6,159,775
36	SUPPORT SERVICES (ED)	2000										
37	SUPPORT SERVICES - PUPILS											
38	Attendance & Social Work Services	2110	36,219	11,888		214					48,321	50,294
39	Guidance Services	2120	162,120	35,119	154	1,195		339			198,927	182,329
40	Health Services	2130	75,701	12,926		3,464					92,091	60,611
41	Psychological Services	2140	59,661	15,206		146		220			75,233	77,136
42	Speech Pathology & Audiology Services	2150	76,035	13,375		867		494			90,771	83,940
43	Other Support Services - Pupils (Describe & Itemize)	2190	45,391								45,391	47,327
44	Total Support Services - Pupils	2100	455,127	88,514	154	5,886	0	1,053	0	0	550,734	501,637
45	SUPPORT SERVICES - INSTRUCTIONAL STAFF											
46	Improvement of Instruction Services	2210	18,116	2,257	24,914	350					45,637	38,322
47	Educational Media Services	2220	64,907	15,091	193,652	208,581					482,231	483,721
48	Assessment & Testing	2230									0	
49	Total Support Services - Instructional Staff	2200	83,023	17,348	218,566	208,931	0	0	0	0	527,868	522,043
50	SUPPORT SERVICES - GENERAL ADMINISTRATION											
51	Board of Education Services	2310	7,400		89,426	39,778		12,634			149,238	166,125
52	Executive Administration Services	2320	201,067	47,955	4,930	3,594		2,781			260,327	260,907
53	Special Area Administration Services	2330									0	
54	Tort Immunity Services	2361, 2365									0	
55	Total Support Services - General Administration	2300	208,467	47,955	94,356	43,372	0	15,415	0	0	409,565	427,032

**STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2023**

1	A	B	C	D	E	F	G	H	I	J	K	L
	Description (Enter Whole Dollars)	Funct #	(100) Salaries	(200) Employee Benefits	(300) Purchased Services	(400) Supplies & Materials	(500) Capital Outlay	(600) Other Objects	(700) Non-Capitalized Equipment	(800) Termination Benefits	(900) Total	Budget
56	SUPPORT SERVICES - SCHOOL ADMINISTRATION											
57	Office of the Principal Services	2410	349,489	117,891	2,058	1,513		1,186			472,137	493,286
58	Other Support Services - School Admin (Describe & Itemize)	2490									0	
59	Total Support Services - School Administration	2400	349,489	117,891	2,058	1,513	0	1,186	0	0	472,137	493,286
60	SUPPORT SERVICES - BUSINESS											
61	Direction of Business Support Services	2510									0	
62	Fiscal Services	2520	98,142	16,255		5,570					119,967	118,086
63	Operation & Maintenance of Plant Services	2540				130,834	340,762				471,596	436,126
64	Pupil Transportation Services	2550									0	
65	Food Services	2560	393,678			97,714					491,392	626,290
66	Internal Services	2570									0	
67	Total Support Services - Business	2500	491,820	16,255	0	234,118	340,762	0	0	0	1,082,955	1,180,502
68	SUPPORT SERVICES - CENTRAL											
69	Direction of Central Support Services	2610									0	
70	Planning, Research, Development, & Evaluation Services	2620									0	
71	Information Services	2630	49,160	16,509		204		299			66,172	66,387
72	Staff Services	2640	3,458	575							4,033	
73	Data Processing Services	2660			4,300						4,300	
74	Total Support Services - Central	2600	52,618	17,084	4,300	204	0	299	0	0	74,505	66,387
75	Other Support Services (Describe & Itemize)	2900									127	
76	Total Support Services	2000	1,640,544	305,047	319,434	494,151	340,762	17,953	0	0	3,117,891	3,190,887
77	COMMUNITY SERVICES (ED)	3000			630	2,498					3,128	
78	PAYMENTS TO OTHER DISTRICTS & GOVT UNITS (ED)	4000										
79	PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
80	Payments for Regular Programs	4110									0	
81	Payments for Special Education Programs	4120			140,603						140,603	175,850
82	Payments for Adult/Continuing Education Programs	4130									0	
83	Payments for CTE Programs	4140						28,775			28,775	28,775
84	Payments for Community College Programs	4170									0	
85	Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
86	Total Payments to Other Govt Units (In-State)	4100			140,603			28,775			169,378	204,625
87	Payments for Regular Programs - Tuition	4210						17,990			17,990	20,560
88	Payments for Special Education Programs - Tuition	4220									0	
89	Payments for Adult/Continuing Education Programs - Tuition	4230									0	
90	Payments for CTE Programs - Tuition	4240						96,906			96,906	81,708
91	Payments for Community College Programs - Tuition	4270									0	
92	Payments for Other Programs - Tuition	4280									0	
93	Other Payments to In-State Govt Units	4290									0	
94	Total Payments to Other Govt Units -Tuition (In State)	4200						114,896			114,896	102,268
95	Payments for Regular Programs - Transfers	4310									0	
96	Payments for Special Education Programs - Transfers	4320									0	
97	Payments for Adult/Continuing Ed Programs-Transfers	4330									0	
98	Payments for CTE Programs - Transfers	4340									0	
99	Payments for Community College Program - Transfers	4370									0	
100	Payments for Other Programs - Transfers	4380									0	
101	Other Payments to In-State Govt Units - Transfers	4390									0	
102	Total Payments to Other Govt Units -Transfers (In-State)	4300			0			0			0	0
103	Payments to Other Govt Units (Out-of-State)	4400									0	
104	Total Payments to Other Govt Units	4000			140,603			143,671			284,274	306,893
105	DEBT SERVICES (ED)	5000										
106	DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
107	Tax Anticipation Warrants	5110									0	
108	Tax Anticipation Notes	5120									0	

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K	L
2	Description (Enter Whole Dollars)	Funct #	(100)	(200)	(300)	(400)	(500)	(600)	(700)	(800)	(900)	Budget
109	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
110	State Aid Anticipation Certificates	5140									0	
111	Other Interest on Short-Term Debt	5150									0	
112	Total Interest on Short-Term Debt	5100						0			0	0
113	Debt Services - Interest on Long-Term Debt	5200									0	
114	Total Debt Services	5000						0			0	0
115	PROVISIONS FOR CONTINGENCIES (ED)	6000										100,000
116	Total Direct Disbursements/Expenditures (without Student Activity Funds 1999)		5,767,817	1,166,716	606,299	677,562	340,762	494,281	0	0	9,053,437	9,757,555
117	Total Direct Disbursements/Expenditures (with Student Activity Funds 1999)		5,767,817	1,166,716	606,299	677,562	340,762	825,981	0	0	9,385,137	9,757,555
118	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures (without Student Activity Funds 1999)										1,478,052	
119	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures (with Student Activity Funds 1999)										1,456,714	
120												
121	20 - OPERATIONS & MAINTENANCE FUND (O&M)											
122	SUPPORT SERVICES (O&M)	2000										
123	SUPPORT SERVICES - PUPILS											
124	Other Support Services - Pupils (Func. 2190 Describe & Itemize)	2100									0	
125	SUPPORT SERVICES - BUSINESS											
126	Direction of Business Support Services	2510									0	
127	Facilities Acquisition & Construction Services	2530									0	
128	Operation & Maintenance of Plant Services	2540	241,659	30,585	341,790	88,245					702,279	860,194
129	Pupil Transportation Services	2550									0	
130	Food Services	2560									0	
131	Total Support Services - Business	2500	241,659	30,585	341,790	88,245	0	0	0	0	702,279	860,194
132	Other Support Services (Describe & Itemize)	2900									0	
133	Total Support Services	2000	241,659	30,585	341,790	88,245	0	0	0	0	702,279	860,194
134	COMMUNITY SERVICES (O&M)	3000									0	
135	PAYMENTS TO OTHER DIST & GOVT UNITS (O&M)	4000										
136	PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
137	Payments for Regular Programs	4110									0	
138	Payments for Special Education Programs	4120									0	
139	Payments for CTE Programs	4140									0	
140	Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	3,319
141	Total Payments to Other Govt. Units (In-State)	4100				0		0			0	3,319
142	Payments to Other Govt. Units (Out of State)	4400									0	
143	Total Payments to Other Govt Units	4000				0		0			0	3,319
144	DEBT SERVICES (O&M)	5000										
145	DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
146	Tax Anticipation Warrants	5110									0	
147	Tax Anticipation Notes	5120									0	
148	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
149	State Aid Anticipation Certificates	5140									0	
150	Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
151	Total Debt Service - Interest on Short-Term Debt	5100						0			0	0
152	DEBT SERVICE - INTEREST ON LONG-TERM DEBT	5200									0	
153	Total Debt Services	5000						0			0	0
154	PROVISIONS FOR CONTINGENCIES (O&M)	6000										
155	Total Direct Disbursements/Expenditures		241,659	30,585	341,790	88,245	0	0	0	0	702,279	863,513
156	Excess (Deficiency) of Receipts/Revenues/Over Disbursements/ Expenditures										124,952	

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K	L
2	Description (Enter Whole Dollars)	Funct #	(100)	(200)	(300)	(400)	(500)	(600)	(700)	(800)	(900)	Budget
157	30 - DEBT SERVICES (DS)		Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	Budget
158	30 - DEBT SERVICES (DS)											
159	PAYMENTS TO OTHER DIST & GOVT UNITS (DS)	4000										
160	PAYMENTS TO OTHER DIST & GOVT UNITS (In-State)											
161	Payments for Regular Programs	4110									0	
162	Payments for Special Education Programs	4120									0	
163	Other Payments to In-State Govt Units (Describe & Itemize)	4190									0	
164	Total Payments to Other Districts & Govt Units (In-State)	4000						0			0	0
165	DEBT SERVICES (DS)	5000										
166	DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
167	Tax Anticipation Warrants	5110									0	
168	Tax Anticipation Notes	5120									0	
169	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
170	State Aid Anticipation Certificates	5140									0	
171	Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
172	Total Debt Services - Interest On Short-Term Debt	5100						0			0	0
173	DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200										
	DEBT SERVICES - PAYMENTS OF PRINCIPAL ON LONG-TERM DEBT	5300										
174	(Lease/Purchase Principal Retired) ¹¹							226,368			226,368	226,368
175	DEBT SERVICES - OTHER (Describe & Itemize)	5400						735,000			735,000	735,000
176	Total Debt Services	5000			0			961,368			961,368	961,718
177	PROVISION FOR CONTINGENCIES (DS)	6000										
178	Total Disbursements/ Expenditures				0			961,368			961,368	961,718
179	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										(84,902)	
180												
181	40 - TRANSPORTATION FUND (TR)											
182	SUPPORT SERVICES (TR)											
183	SUPPORT SERVICES - PUPILS											
184	Other Support Services - Pupils (Func. 2190 Describe & Itemize)	2100									0	
185	SUPPORT SERVICES - BUSINESS											
186	Pupil Transportation Services	2550	275,935	20,784	213,391	67,471					577,581	548,491
187	Other Support Services (Describe & Itemize)	2900									0	
188	Total Support Services	2000	275,935	20,784	213,391	67,471	0	0	0	0	577,581	548,491
189	COMMUNITY SERVICES (TR)	3000									0	
190	PAYMENTS TO OTHER DIST & GOVT UNITS (TR)	4000										
191	PAYMENTS TO OTHER GOVT UNITS (IN-STATE)											
192	Payments for Regular Programs	4110									0	
193	Payments for Special Education Programs	4120									0	
194	Payments for Adult/Continuing Education Programs	4130									0	
195	Payments for CTE Programs	4140									0	
196	Payments for Community College Programs	4170									0	
197	Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
198	Total Payments to Other Govt. Units (In-State)	4100			0			0			0	0
199	PAYMENTS TO OTHER GOVT UNITS (OUT-OF-STATE)	4400									0	
200	Total Payments to Other Govt Units	4000			0			0			0	0
201	DEBT SERVICES (TR)	5000										
202	DEBT SERVICE - INTEREST ON SHORT-TERM DEBT											
203	Tax Anticipation Warrants	5110									0	
204	Tax Anticipation Notes	5120									0	
205	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
206	State Aid Anticipation Certificates	5140									0	

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K	L
	Description (Enter Whole Dollars)	Funct #	(100)	(200)	(300)	(400)	(500)	(600)	(700)	(800)	(900)	Budget
207	Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
208	Total Debt Services - Interest On Short-Term Debt	5100						0			0	0
209	DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200									0	
210	DEBT SERVICE - PAYMENTS OF PRINCIPAL ON LONG-TERM DEBT (Lease/Purchase Principal Retired) ¹¹	5300									0	
211	DEBT SERVICES - OTHER (Describe & Itemize)	5400									0	
212	Total Debt Services	5000						0			0	0
213	PROVISION FOR CONTINGENCIES (TR)	6000										25,000
214	Total Disbursements/ Expenditures		275,935	20,784	213,391	67,471	0	0	0	0	577,581	573,491
215	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										86,170	
216												
217	50 - MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND (MR/SS)											
218	INSTRUCTION (MR/SS)	1000										
219	Regular Programs	1100		44,885							44,885	38,964
220	Pre-K Programs	1125									0	
221	Special Education Programs (Functions 1200-1220)	1200		50,417							50,417	57,745
222	Special Education Programs - Pre-K	1225									0	
223	Remedial and Supplemental Programs - K-12	1250		739							739	885
224	Remedial and Supplemental Programs - Pre-K	1275									0	
225	Adult/Continuing Education Programs	1300									0	
226	CTE Programs	1400		2,602							2,602	2,546
227	Interscholastic Programs	1500		7,560							7,560	3,774
228	Summer School Programs	1600									0	
229	Gifted Programs	1650		120							120	
230	Driver's Education Programs	1700		987							987	1,069
231	Bilingual Programs	1800									0	
232	Truants' Alternative & Optional Programs	1900									0	
233	Total Instruction	1000		107,310							107,310	104,983
234	SUPPORT SERVICES (MR/SS)	2000										
235	SUPPORT SERVICES - PUPILS											
236	Attendance & Social Work Services	2110		749							749	758
237	Guidance Services	2120		1,979							1,979	1,780
238	Health Services	2130		4,725							4,725	5,549
239	Psychological Services	2140		1,217							1,217	1,233
240	Speech Pathology & Audiology Services	2150		955							955	981
241	Other Support Services - Pupils (Describe & Itemize)	2190		6,560							6,560	8,606
242	Total Support Services - Pupils	2100		16,185							16,185	18,907
243	SUPPORT SERVICES - INSTRUCTIONAL STAFF											
244	Improvement of Instruction Services	2210		141							141	
245	Educational Media Services	2220		9,683							9,683	11,810
246	Assessment & Testing	2230									0	
247	Total Support Services - Instructional Staff	2200		9,824							9,824	11,810
248	SUPPORT SERVICES - GENERAL ADMINISTRATION											
249	Board of Education Services	2310		763							763	883
250	Executive Administration Services	2320		8,943							8,943	10,759
251	Special Area Administration Services	2330									0	
252	Claims Paid from Self Insurance Fund	2361									0	
253	Risk Management and Claims Services Payments	2365									0	
254	Total Support Services - General Administration	2300		9,706							9,706	11,642
255	SUPPORT SERVICES - SCHOOL ADMINISTRATION											
256	Office of the Principal Services	2410		22,904							22,904	29,969
257	Other Support Services - School Administration (Describe & Itemize)	2490									0	

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K	L
	Description (Enter Whole Dollars)	Funct #	(100)	(200)	(300)	(400)	(500)	(600)	(700)	(800)	(900)	Budget
258	Total Support Services - School Administration	2400		22,904							22,904	29,969
259	SUPPORT SERVICES - BUSINESS											
260	Direction of Business Support Services	2510									0	
261	Fiscal Services	2520		12,895							12,895	17,548
262	Facilities Acquisition & Construction Services	2530									0	
263	Operation & Maintenance of Plant Services	2540		41,121							41,121	49,230
264	Pupil Transportation Services	2550		37,844							37,844	36,685
265	Food Services	2560									0	
266	Internal Services	2570									0	
267	Total Support Services - Business	2500		91,860							91,860	103,463
268	SUPPORT SERVICES - CENTRAL											
269	Direction of Central Support Services	2610									0	
270	Planning, Research, Development, & Evaluation Services	2620									0	
271	Information Services	2630		680							680	1,426
272	Staff Services	2640		49							49	61
273	Data Processing Services	2660									0	
274	Total Support Services - Central	2600		729							729	1,487
275	Other Support Services (Describe & Itemize)	2900									0	
276	Total Support Services	2000		151,208							151,208	177,278
277	COMMUNITY SERVICES (MR/SS)	3000									0	
278	PAYMENTS TO OTHER DIST & GOVT UNITS (MR/SS)	4000										
279	Payments for Regular Programs	4110									0	
280	Payments for Special Education Programs	4120									0	
281	Payments for CTE Programs	4140									0	
282	Total Payments to Other Govt Units	4000		0							0	0
283	DEBT SERVICES (MR/SS)	5000										
284	DEBT SERVICE - INTEREST ON SHORT-TERM DEBT											
285	Tax Anticipation Warrants	5110									0	
286	Tax Anticipation Notes	5120									0	
287	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
288	State Aid Anticipation Certificates	5140									0	
289	Other (Describe & Itemize)	5150									0	
290	Total Debt Services - Interest	5000						0			0	0
291	PROVISION FOR CONTINGENCIES (MR/SS)	6000										
292	Total Disbursements/Expenditures			258,518				0			258,518	282,261
293	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										(45,879)	
294												
295	60 - CAPITAL PROJECTS (CP)											
296	SUPPORT SERVICES (CP)	2000										
297	SUPPORT SERVICES - BUSINESS											
298	Facilities Acquisition and Construction Services	2530			35,471		10,000				45,471	114,434
299	Other Support Services (Describe & Itemize)	2900									0	
300	Total Support Services	2000	0	0	35,471	0	10,000	0	0	0	45,471	114,434
301	PAYMENTS TO OTHER DIST & GOVT UNITS (CP)	4000										
302	PAYMENTS TO OTHER GOVT UNITS (In-State)											
303	Payments to Regular Programs (In-State)	4110									0	
304	Payments for Special Education Programs	4120									0	
305	Payments for CTE Programs	4140									0	
306	Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
307	Total Payments to Other Govt Units	4000			0			0			0	0
308	PROVISION FOR CONTINGENCIES (S&C/CI)	6000										
309	Total Disbursements/ Expenditures		0	0	35,471	0	10,000	0	0	0	45,471	114,434

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K	L
2	Description (Enter Whole Dollars)	Funct #	(100)	(200)	(300)	(400)	(500)	(600)	(700)	(800)	(900)	Budget
310	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										5,255	
311												
312	70 - WORKING CASH (WC)											
313												
314	80 - TORT FUND (TF)											
315	INSTRUCTION (TF)	1000										
316	Regular Programs	1100									0	
317	Tuition Payment to Charter Schools	1115									0	
318	Pre-K Programs	1125									0	
319	Special Education Programs (Functions 1200 - 1220)	1200	153,904								153,904	172,658
320	Special Education Programs Pre-K	1225									0	
321	Remedial and Supplemental Programs K-12	1250									0	
322	Remedial and Supplemental Programs Pre-K	1275									0	
323	Adult/Continuing Education Programs	1300									0	
324	CTE Programs	1400									0	
325	Interscholastic Programs	1500									0	
326	Summer School Programs	1600									0	
327	Gifted Programs	1650									0	
328	Driver's Education Programs	1700									0	
329	Bilingual Programs	1800									0	
330	Truant Alternative & Optional Programs	1900									0	
331	Pre-K Programs - Private Tuition	1910									0	
332	Regular K-12 Programs Private Tuition	1911									0	
333	Special Education Programs K-12 Private Tuition	1912									0	
334	Special Education Programs Pre-K Tuition	1913									0	
335	Remedial/Supplemental Programs K-12 Private Tuition	1914									0	
336	Remedial/Supplemental Programs Pre-K Private Tuition	1915									0	
337	Adult/Continuing Education Programs Private Tuition	1916									0	
338	CTE Programs Private Tuition	1917									0	
339	Interscholastic Programs Private Tuition	1918									0	
340	Summer School Programs Private Tuition	1919									0	
341	Gifted Programs Private Tuition	1920									0	
342	Bilingual Programs Private Tuition	1921									0	
343	Truants Alternative/Opt Ed Programs Private Tuition	1922									0	
344	Total Instruction¹⁴	1000	153,904	0	0	0	0	0	0	0	153,904	172,658
345	SUPPORT SERVICES (TF)	2000										
346	Support Services - Pupil	2100										
347	Attendance & Social Work Services	2110	15,523								15,523	15,677
348	Guidance Services	2120									0	
349	Health Services	2130									0	
350	Psychological Services	2140	25,569								25,569	25,500
351	Speech Pathology & Audiology Services	2150									0	
352	Other Support Services - Pupils (Describe & Itemize)	2190									0	
353	Total Support Services - Pupil	2100	41,092	0	0	0	0	0	0	0	41,092	41,177
354	Support Services - Instructional Staff	2200										
355	Improvement of Instruction Services	2210									0	
356	Educational Media Services	2220									0	
357	Assessment & Testing	2230									0	
358	Total Support Services - Instructional Staff	2200	0	0	0	0	0	0	0	0	0	0
359	SUPPORT SERVICES - GENERAL ADMINISTRATION	2300										
360	Board of Education Services	2310									0	5,000
361	Executive Administration Services	2320									0	
362	Special Area Administration Services	2330									0	
363	Claims Paid from Self Insurance Fund	2361									0	
364	Risk Management and Claims Services Payments	2365				153,938					153,938	114,984

The notes are an integral part of these financial statements

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K	L
2	Description (Enter Whole Dollars)	Funct #	(100)	(200)	(300)	(400)	(500)	(600)	(700)	(800)	(900)	Budget
			Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Non-Capitalized Equipment	Termination Benefits	Total	
365	Total Support Services - General Administration	2300	0	0	153,938	0	0	0	0	0	153,938	119,984
366	Support Services - School Administration	2400										
367	Office of the Principal Services	2410	97,896								97,896	97,896
368	Other Support Services - School Administration <i>(Describe & Itemize)</i>	2490									0	
369	Total Support Services - School Administration	2400	97,896	0	0	0	0	0	0	0	97,896	97,896
370	Support Services - Business	2500										
371	Direction of Business Support Services	2510									0	
372	Fiscal Services	2520									0	
373	Facilities Acquisition and Construction Services	2530									0	
374	Operation & Maintenance of Plant Services	2540	49,325								49,325	53,580
375	Pupil Transportation Services	2550	7,308								7,308	7,283
376	Food Services	2560									0	
377	Internal Services	2570									0	
378	Total Support Services - Business	2500	56,633	0	0	0	0	0	0	0	56,633	60,863
379	Support Services - Central	2600										
380	Direction of Central Support Services	2610									0	
381	Planning, Research, Development & Evaluation Services	2620									0	
382	Information Services	2630									0	
383	Staff Services	2640									0	
384	Data Processing Services	2660									0	
385	Total Support Services - Central	2600	0	0	0	0	0	0	0	0	0	0
386	Other Support Services <i>(Describe & Itemize)</i>	2900									0	
387	Total Support Services	2000	195,621	0	153,938	0	0	0	0	0	349,559	319,920
388	COMMUNITY SERVICES (TF)	3000									0	
389	PAYMENTS TO OTHER DIST & GOVT UNITS (TF)	4000										
390	Payments to Other Dist & Govt Units (In-State)											
391	Payments for Regular Programs	4110									0	
392	Payments for Special Education Programs	4120									0	
393	Payments for Adult/Continuing Education Programs	4130									0	
394	Payments for CTE Programs	4140									0	
395	Payments for Community College Programs	4170									0	
396	Other Payments to In-State Govt Units <i>(Describe & Itemize)</i>	4190									0	
397	Total Payments to Other Dist & Govt Units (In-State)	4100			0			0			0	0
398	Payments for Regular Programs - Tuition	4210									0	
399	Payments for Special Education Programs - Tuition	4220									0	
400	Payments for Adult/Continuing Education Programs - Tuition	4230									0	
401	Payments for CTE Programs - Tuition	4240									0	
402	Payments for Community College Programs - Tuition	4270									0	
403	Payments for Other Programs - Tuition	4280									0	
404	Other Payments to In-State Govt Units <i>(Describe & Itemize)</i>	4290									0	
405	Total Payments to Other Dist & Govt Units - Tuition (In State)	4200						0			0	0
406	Payments for Regular Programs - Transfers	4310									0	
407	Payments for Special Education Programs - Transfers	4320									0	
408	Payments for Adult/Continuing Ed Programs - Transfers	4330									0	
409	Payments for CTE Programs - Transfers	4340									0	
410	Payments for Community College Program - Transfers	4370									0	
411	Payments for Other Programs - Transfers	4380									0	
412	Other Payments to In-State Govt Units - Transfers <i>(Describe & Itemize)</i>	4390									0	
413	Total Payments to Other Dist & Govt Units-Transfers (In State)	4300			0			0			0	0
414	Payments to Other Dist & Govt Units (Out of State)	4400									0	
415	Total Payments to Other Dist & Govt Units	4000			0			0			0	0
416	DEBT SERVICES (TF)	5000										
417	DEBT SERVICES - INTEREST ON SHORT-TERM DEBT											
418	Tax Anticipation Warrants	5110									0	
419	Tax Anticipation Notes	5120									0	

STATEMENT OF EXPENDITURES DISBURSED/EXPENDITURES, BUDGET TO ACTUAL
FOR THE YEAR ENDING JUNE 30, 2023

1	A	B	C	D	E	F	G	H	I	J	K	L
	Description (Enter Whole Dollars)	Funct #	(100)	(200)	(300)	(400)	(500)	(600)	(700)	(800)	(900)	Budget
420	Corporate Personal Prop. Repl. Tax Anticipation Notes	5130									0	
421	State Aid Anticipation Certificates	5140									0	
422	Other Interest or Short-Term Debt	5150									0	
423	Total Debt Services - Interest on Short-Term Debt	5100						0			0	0
424	DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200									0	
	DEBT SERVICE - PAYMENTS OF PRINCIPAL ON LONG-TERM DEBT	5300									0	
425	(Lease/Purchase Principal Retired) ¹¹										0	
426	DEBT SERVICES - OTHER (Describe & Itemize)	5400									0	
427	Total Debt Services	5000						0			0	0
428	PROVISIONS FOR CONTINGENCIES (TF)	6000										
429	Total Disbursements/Expenditures		349,525	0	153,938	0	0	0	0	0	503,463	492,578
430	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										(113,123)	
432	90 - FIRE PREVENTION & SAFETY FUND (FP&S)											
433	SUPPORT SERVICES (FP&S)	2000										
434	SUPPORT SERVICES - BUSINESS											
435	Facilities Acquisition & Construction Services	2530									0	3,850
436	Operation & Maintenance of Plant Services	2540									0	
437	Total Support Services - Business	2500	0	0	0	0	0	0	0	0	0	3,850
438	Other Support Services (Describe & Itemize)	2900									0	
439	Total Support Services	2000	0	0	0	0	0	0	0	0	0	3,850
440	PAYMENTS TO OTHER DIST & GOVT UNITS (FP&S)	4000										
441	Payments to Regular Programs	4110									0	
442	Payments to Special Education Programs	4120									0	
443	Other Payments to In-State Govt. Units (Describe & Itemize)	4190									0	
444	Total Payments to Other Govt Units	4000						0			0	0
445	DEBT SERVICES (FP&S)	5000										
446	DEBT SERVICES- INTEREST ON SHORT-TERM DEBT											
447	Tax Anticipation Warrants	5110									0	
448	Other Interest on Short-Term Debt (Describe & Itemize)	5150									0	
449	Total Debt Service - Interest on Short-Term Debt	5100						0			0	0
450	DEBT SERVICES - INTEREST ON LONG-TERM DEBT	5200									0	
	Debt Service - Payments of Principal on Long-Term Debt ¹⁵ (Lease/Purchase	5300									0	
451	Principal Retired)										0	
452	Total Debt Service	5000						0			0	0
453	PROVISION FOR CONTINGENCIES (FP&S)	6000										
454	Total Disbursements/Expenditures		0	0	0	0	0	0	0	0	0	3,850
455	Excess (Deficiency) of Receipts/Revenues Over Disbursements/Expenditures										88,347	

	A	B	C	D	E	F
1	SCHEDULE OF AD VALOREM TAX RECEIPTS					
2	Description (Enter Whole Dollars)	Taxes Received 7-1-22 thru 6-30-23 (from 2021 Levy & Prior Levies) *	Taxes Received (from the 2022 Levy)	Taxes Received (from 2021 & Prior Levies)	Total Estimated Taxes (from the 2022 Levy)	Estimated Taxes Due (from the 2022 Levy)
3				(Column B - C)		(Column E - C)
4	Educational	6,339,506	1,459,960	4,879,546	6,846,904	5,386,944
5	Operations & Maintenance	798,638	182,495	616,143	855,863	673,368
6	Debt Services **	869,871	189,671	680,200	883,629	693,958
7	Transportation	246,488	23,472	223,016	110,038	86,566
8	Municipal Retirement	49,394	10,669	38,725	50,023	39,354
9	Capital Improvements	0		0		0
10	Working Cash	79,865	18,249	61,616	85,586	67,337
11	Tort Immunity	374,858	82,144	292,714	385,090	302,946
12	Fire Prevention & Safety	79,865	18,249	61,616	85,586	67,337
13	Leasing Levy	79,865	18,249	61,616	85,586	67,337
14	Special Education	63,893	14,600	49,293	68,469	53,869
15	Area Vocational Construction	0		0		0
16	Social Security/Medicare Only	148,167	32,005	116,162	150,048	118,043
17	Summer School	0		0		0
18	Other (Describe & Itemize)	0		0		0
19	Totals	9,130,410	2,049,763	7,080,647	9,606,822	7,557,059
20						
21	* The formulas in column B are unprotected to be overridden when reporting on an ACCRUAL basis.					
22	** All tax receipts for debt service payments on bonds must be recorded on line 6 (Debt Services).					

	A	B	C	D	E	F	G	H	I	J
1	SCHEDULE OF SHORT-TERM DEBT									
2	Description (Enter Whole Dollars)		Outstanding July 1, 2022	Beginning July 1, 2022 thru June 30, 2023	Issued July 1, 2022 thru June 30, 2023	Retired July 1, 2022 thru June 30, 2023	Outstanding Ending June 30, 2023			
3	CORPORATE PERSONAL PROPERTY REPLACEMENT TAX ANTICIPATION NOTES (CPPRT)									
4	Total CPPRT Notes						0			
5	TAX ANTICIPATION WARRANTS (TAW)									
6	Educational Fund						0			
7	Operations & Maintenance Fund						0			
8	Debt Services - Construction						0			
9	Debt Services - Working Cash						0			
10	Debt Services - Refunding Bonds						0			
11	Transportation Fund						0			
12	Municipal Retirement/Social Security Fund						0			
13	Fire Prevention & Safety Fund						0			
14	Other - (Describe & Itemize)						0			
15	Total TAWs		0	0	0	0	0			
16	TAX ANTICIPATION NOTES (TAN)									
17	Educational Fund						0			
18	Operations & Maintenance Fund						0			
19	Fire Prevention & Safety Fund						0			
20	Other - (Describe & Itemize)						0			
21	Total TANs		0	0	0	0	0			
22	TEACHERS'/EMPLOYEES' ORDERS (T/EO)									
23	Total T/EOs (Educational, Operations & Maintenance, & Transportation Funds)						0			
24	General State Aid/Evidence-Based Funding Anticipation Certificates									
25	Total (All Funds)						0			
26	OTHER SHORT-TERM BORROWING									
27	Total Other Short-Term Borrowing (Describe & Itemize)						0			
28										
29	SCHEDULE OF LONG-TERM DEBT									
30	Part A: GASB 87 Leases Only	Date of Issue (mm/dd/yy)	Amount of Original Issue	Type of Issue *	Outstanding Beginning July 1, 2022	Issued July 1, 2022 thru June 30, 2023	Any differences (Described and Itemize)	Retired July 1, 2022 thru June 30, 2023	Outstanding Ending June 30, 2023	Amount to be Provided for Payment on Long- Term Debt
31	Copier Lease	03/27/19	42,810	7	14,281			11,425	2,856	
32	School Buses	03/11/19	592,379	7	314,547			138,916	175,631	
33	Lenovo 100e Chromebooks	04/01/22	63,345	7	58,812			20,089	38,723	21,051
34	Technology Equipment	05/12/22	81,024	7	81,024				81,024	81,024
35									0	
36									0	
37									0	
38									0	
39									0	
40									0	
41									0	
42									0	
43			779,558		468,664	0	0	170,430	298,234	102,075
44										
45	Part B: Other Long-Term Debt Identification or Name of Issue	Date of Issue (mm/dd/yy)	Amount of Original Issue	Type of Issue *	Outstanding Beginning July 1, 2022	Issued July 1, 2022 thru June 30, 2023	Any differences (Described and Itemize)	Retired July 1, 2022 thru June 30, 2023	Outstanding Ending June 30, 2023	Amount to be Provided for Payment on Long- Term Debt
46	General Obligation Bonds - 2014	12/22/14	2,395,000	1	1,660,000			660,000	1,000,000	1,000,000
47	General Obligation Bonds - 2018	11/06/18	3,660,000	1	3,635,000			5,000	3,630,000	3,630,000
48	General Obligation Bonds - 2020	08/31/20	822,000	1	760,000			70,000	690,000	690,000
49									0	
50									0	
51									0	
52									0	
53									0	
54									0	
55									0	
56									0	
57									0	
58									0	
59									0	
60									0	
61									0	
62									0	
63									0	
64			7,656,558		6,523,664	0	0	905,430	5,618,234	5,422,075
65										
66	* Each type of debt issued must be identified separately with the amount:									
67	1. Working Cash Fund Bonds	4. Fire Prevent, Safety, Environmental and Energy Bonds					GASB 87 Leases		10. Other	
68	2. Funding Bonds	5. Tort Judgment Bonds							11. Other	
69	3. Refunding Bonds	6. Building Bonds							12. Other	

**Schedule of Restricted Local Tax Levies and Selected Revenues Sources
Schedule of Tort Immunity Expenditures**

	A	B	C	D	E	F	G	H	I	J	K	
1	SCHEDULE OF RESTRICTED LOCAL TAX LEVIES AND SELECTED REVENUE SOURCES											
2	Description (Enter Whole Dollars)					Account No	Tort Immunity ^a	Special Education	Area Vocational Construction	School Facility Occupation Taxes ^b	Driver Education	
3	Cash Basis Fund Balance as of July 1, 2022											
4	RECEIPTS:											
5	Ad Valorem Taxes Received by District					10, 20, 40 or 50-1100, 80	374,858	63,893				
6	Earnings on Investments					10, 20, 40, 50 or 60-1500, 80	15,482					
7	Drivers' Education Fees					10-1970					10,406	
8	School Facility Occupation Tax Proceeds					30 or 60-1983						
9	Driver Education					10 or 20-3370					11,170	
10	Other Receipts (Describe & Itemize)					--	0					
11	Sale of Bonds					10, 20, 40 or 60-7200						
12	Total Receipts						390,340	63,893	0	0	21,576	
13	DISBURSEMENTS:											
14	Instruction					10 or 50-1000		63,893			21,576	
15	Facilities Acquisition & Construction Services					20 or 60-2530						
16	Tort Immunity Services					80	503,463					
17	DEBT SERVICE											
18	Debt Services - Interest on Long-Term Debt					30-5200						
19	Debt Services - Principal Payments on Long-Term Debt (Lease/Purchase Principal Retired)					30-5300						
20	Debt Services Other (Describe & Itemize)					30-5400						
21	Total Debt Services									0		
22	Other Disbursements (Describe & Itemize)					--						
23	Total Disbursements						503,463	63,893	0	0	21,576	
24	Ending Cash Basis Fund Balance as of June 30, 2023						(113,123)	0	0	0	0	
25	Reserved Cash Balance					714						
26	Unreserved Cash Balance					730	(113,123)	0	0	0	0	

28	SCHEDULE OF TORT IMMUNITY EXPENDITURES ^a										
29											
30	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Has the entity established an insurance reserve pursuant to 745 ILCS 10/9-103?										
31	If yes, list in the aggregate the following:					Total Claims Payments:	503,463				
32						Total Reserve Remaining:	(113,123)				
34	In the following categories, itemize the Tort Immunity expenditures in line 31 above. Enter total dollar amount for each category.										
35	Expenditures:										
36	Workers' Compensation Act and/or Workers' Occupational Disease Act						38,954				
37	Unemployment Insurance Act						500				
38	Insurance (Regular or Self-Insurance)						114,484				
39	Risk Management and Claims Service						0				
40	Judgments/Settlements						0				
41	Educational, Inspectional, Supervisory Services Related to Loss Prevention and/or Reduction						349,525				
42	Reciprocal Insurance Payments (Insurance Code 72, 76, and 81)						0				
43	Legal Services						0				
44	Principal and Interest on Tort Bonds						0				
45	Other -Explain on Itemization 44 tab						0				
46	Total						0				
47	G31 (Total Tort Expenditures) minus (G36 through G45) must equal 0						OK				
49	Schedules for Tort Immunity are to be completed for the revenues and expenditures reported in the Tort Immunity Fund (80) during the year.										
50	55 ILCS 5/5-1006.7										

CARES, CRRSA, ARP Schedule
(Detailed Schedule of Receipts and Disbursements)

A	B	C	D	E	F	G	H	I	J	K	L
<h1>CARES, CRRSA, and ARP SCHEDULE - FY 2023</h1>											Click below for schedule instructions:
<h2>Please read schedule instructions before completing.</h2>											SCHEDULE INSTRUCTIONS

<i>Did the school district/joint agreement receive/expend CARES, CRRSA, or ARP Federal Stimulus Funds in FY 2023?</i>	x	Yes		No
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If the answer to the above question is "YES", this schedule must be completed.

PLEASE DO NOT REMOVE AND REINSERT THIS SCHEDULE INTO THE AFR. IF THE LINKS ARE BROKEN, THE AFR WILL BE SENT BACK TO THE AUDITOR FOR CORRECTION.

Part 1: CARES, CRRSA, and ARP REVENUE

Revenue Section A	Section A is for revenue recognized in FY 2023 reported on the FY 2023 AFR for FY 2020, FY 2021 and/or FY 2022 EXPENDITURES claimed on July 1, 2022, through June 30, 2023, FRIS grant expenditure reports for expenditures reported in the prior year FY 2020, FY 2021, and/or FY 2022 AFR.
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Description (Enter Whole Dollars) *See instructions for detailed descriptions of revenue	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety	Total
ESSER I (only) (CARES Act) (FRIS SUB PROGRAM CODES: ER, DE, EE, PL)	4998										0
ESSER II (only) (CRRSA Act) (FRIS SUB PROGRAM CODES: E2, FG, SE, PM, CP, D2)	4998	22,770									22,770
ESSER III (only) (ARP) (FRIS SUBPROGRAM CODE: E3, CO, C3, D3, EB, ES, PM, S3)	4998	179,772									179,772
GEER I (only) (CARES Act) (FRIS SUB PROGRAM CODE: DG, EC)	4998										0
GEER II (only) (CRRSA) (FRIS SUBPROGRAM CODE: GO, RC, JK)	4998										0
Other CARES Act Revenue (not accounted for above) (Describe on Itemization tab)	4998										0
Other CRRSA Revenue (not accounted for above) (Describe on Itemization tab)	4998										0
Other ARP Revenue (not accounted for above) (Describe on Itemization tab)	4998										0
Total Revenue Section A		202,542	0		0	0	0			0	202,542

Revenue Section B	Section B is for revenue recognized in FY 2023 reported on the FY 2023 AFR and for FY 2023 EXPENDITURES claimed on July 1, 2022, through June 30, 2023, FRIS grant expenditure reports and reported in the FY 2023 AFR.
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Description (Enter Whole Dollars) *See instructions for detailed descriptions of revenue	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Services	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety	Total
ESSER I (only) (CARES Act) (FRIS SUB PROGRAM CODES: ER, DE, EE, PL)	4998										0
ESSER II (only) (CRRSA Act) (FRIS SUB PROGRAM CODES: E2, FG, SE, PM, CP, D2, HT, ST)	4998	81,865									81,865
GEER I (only) (CARES Act) (FRIS SUB PROGRAM CODE: DG, EC)	4998										0
GEER II (only) (CRRSA) (FRIS SUBPROGRAM CODE: GO, RC, JK)	4998										0
ESSER III (only) (ARP) (FRIS SUBPROGRAM CODE: E3, CO, C3, D3, EB, ES, PM, S3)	4998	138,093									138,093
CRRSA Child Nutrition (CRRSA) (FRIS SUBPROGRAM CODE: SN)	4210										0
ARP Child Nutrition (ARP) (FRIS SUBPROGRAM CODE: BT, SC)	4210										0
ARP IDEA (ARP) (FRIS SUBPROGRAM CODE: ID, EI, PS, CE)	4998										0

CARES, CRRSA, ARP Schedule
(Detailed Schedule of Receipts and Disbursements)

	A	B	C	D	E	F	G	H	I	J	K	L	
263	TOTAL TECHNOLOGY-RELATED SUPPLIES, PURCHASE SERVICES, EQUIPMENT (Total TECHNOLOGY included in all Expenditure Functions)	Total Technology				0	0	0		0		0	
264	Expenditure Section M:												
265	Other ARP Expenditures (not accounted for above)												
266	-----DISBURSEMENTS-----												
267			(100)	(200)	(300)	(400)	(500)	(600)	(700)	(800)	(900)		
268			Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other	Non-Capitalized Equipment	Termination Benefits	Total Expenditures		
269	FUNCTION												
270	1. List the total expenditures for the Functions 1000 and 2000 below												
270	INSTRUCTION Total Expenditures	1000										0	
271	SUPPORT SERVICES Total Expenditures	2000										0	
272	2. List the specific expenditures in Functions: 2530, 2540, & 2560 below (these expenditures are also included in Function 2000 above)												
273													
274	Facilities Acquisition and Construction Services (Total)	2530										0	
275	OPERATION & MAINTENANCE OF PLANT SERVICES (Total)	2540										0	
276	FOOD SERVICES (Total)	2560										0	
277	3. List the technology expenses in Functions: 1000 & 2000 below (these expenditures are also included in Functions 1000 & 2000 above).												
278													
279	TECHNOLOGY-RELATED SUPPLIES, PURCHASE SERVICES, EQUIPMENT (Included in Function 1000)	1000										0	
280	TECHNOLOGY-RELATED SUPPLIES, PURCHASE SERVICES, EQUIPMENT (Included in Function 2000)	2000										0	
281	TOTAL TECHNOLOGY-RELATED SUPPLIES, PURCHASE SERVICES, EQUIPMENT (Total TECHNOLOGY included in all Expenditure Functions)	Total Technology				0	0	0		0		0	
282	Expenditure Section N:												
283	TOTAL EXPENDITURES (from all CARES, CRRSA, & ARP funds)												
284	-----DISBURSEMENTS-----												
285			(100)	(200)	(300)	(400)	(500)	(600)	(700)	(800)	(900)		
286			Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other	Non-Capitalized Equipment	Termination Benefits	Total Expenditures		
287	FUNCTION												
288	INSTRUCTION	1000	55,188	11,797	46,184	2,485	0	0	0			115,654	
289	SUPPORT SERVICES	2000	19,935	4,259	257,735	0	81,865	0	0			363,794	
290	Facilities Acquisition and Construction Services (Total)	2530	0	0	0	0	0	0	0			0	
291	OPERATION & MAINTENANCE OF PLANT SERVICES (Total)	2540	0	0	257,735	0	81,865	0	0			339,600	
292	FOOD SERVICES (Total)	2560	0	0	0	0	0	0	0			0	
293	TOTAL EXPENDITURES											Functions 1000 & 2000 total	479,448
294	Expenditure Section O:												
295	TOTAL TECHNOLOGY EXPENDITURES (from all CARES, CRRSA, & ARP funds)												
296	-----DISBURSEMENTS-----												
297			(100)	(200)	(300)	(400)	(500)	(600)	(700)	(800)	(900)		
298			Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other	Non-Capitalized Equipment	Termination Benefits	Total Expenditures		
299	FUNCTION												
300	TOTAL TECHNOLOGY-RELATED SUPPLIES, PURCHASE SERVICES, EQUIPMENT (Total TECHNOLOGY Expenditures)	Total Technology				0	0	0		0		0	

	A	B	C	D	E	F	G	H	I	J	K	L	
1	SCHEDULE OF CAPITAL OUTLAY AND DEPRECIATION												
2	Description of Assets (Enter Whole Dollars)	Acct #	Cost Beginning July 1, 2022	Add: Additions July 1, 2022 thru June 30, 2023	Less: Deletions July 1, 2022 thru June 30, 2023	Cost Ending June 30, 2023	Life In Years	Accumulated Depreciation Beginning July 1, 2022	Add: Depreciation Allowable July 1, 2022 thru June 30, 2023	Less: Depreciation Deletions July 1, 2022 thru June 30, 2023	Accumulated Depreciation Ending June 30, 2023	Ending Balance Undepreciated June 30, 2023	
3	Works of Art & Historical Treasures	210				0	50				0	0	
4	Land	220											
5	Non-Depreciable Land	221	2,371,484			2,371,484							2,371,484
6	Depreciable Land	222				0						0	0
7	Buildings	230											
8	Permanent Buildings	231	18,059,533	400,620		18,460,153		50	8,452,822	414,966		8,867,788	9,592,365
9	Temporary Buildings	232				0		20				0	0
10	Improvements Other than Buildings (Infrastructure)	240	581,594			581,594		20	300,792	16,282		317,074	264,520
11	Capitalized Equipment	250											
12	10 Yr Schedule	251	1,176,624	11,328		1,187,952		10	865,202	77,217		942,419	245,533
13	5 Yr Schedule	252	647,721			647,721		5	160,905	159,164		320,069	327,652
14	3 Yr Schedule	253				0		3				0	0
15	Construction in Progress	260	23,470		23,470	0		--					0
16	Total Capital Assets	200	22,860,426	411,948	23,470	23,248,904			9,779,721	667,629	0	10,447,350	12,801,554
17	Non-Capitalized Equipment	700				0		10		0			
18	Allowable Depreciation									667,629			

	A	B	C	D	E	F	G	H
1	ESTIMATED OPERATING EXPENSE PER PUPIL (OEPP)/PER CAPITA TUITION CHARGE (PCTC) COMPUTATIONS (2022 - 2023)							
2	<i>This schedule is completed for school districts only.</i>							
4	Fund	Sheet, Row	ACCOUNT NO - TITLE			Amount		
6	OPERATING EXPENSE PER PUPIL							
7	EXPENDITURES:							
8	ED	Expenditures 16-24, L116		Total Expenditures		\$ 9,053,437		
9	O&M	Expenditures 16-24, L155		Total Expenditures		702,279		
10	DS	Expenditures 16-24, L178		Total Expenditures		961,368		
11	TR	Expenditures 16-24, L214		Total Expenditures		577,581		
12	MR/SS	Expenditures 16-24, L292		Total Expenditures		258,518		
13	TORT	Expenditures 16-24, L422		Total Expenditures		503,463		
14				Total Expenditures		\$ 12,056,646		
16	LESS RECEIPTS/REVENUES OR DISBURSEMENTS/EXPENDITURES NOT APPLICABLE TO THE REGULAR K-12 PROGRAM:							
18	TR	Revenues 10-15, L43, Col F	1412	Regular - Transp Fees from Other Districts (In State)		\$ 316		
19	TR	Revenues 10-15, L47, Col F	1421	Summer Sch - Transp. Fees from Pupils or Parents (In State)		0		
20	TR	Revenues 10-15, L48, Col F	1422	Summer Sch - Transp. Fees from Other Districts (In State)		0		
21	TR	Revenues 10-15, L49, Col F	1423	Summer Sch - Transp. Fees from Other Sources (In State)		0		
22	TR	Revenues 10-15, L50 Col F	1424	Summer Sch - Transp. Fees from Other Sources (Out of State)		0		
23	TR	Revenues 10-15, L52, Col F	1432	CTE - Transp Fees from Other Districts (In State)		0		
24	TR	Revenues 10-15, L56, Col F	1442	Special Ed - Transp Fees from Other Districts (In State)		11,680		
25	TR	Revenues 10-15, L59, Col F	1451	Adult - Transp Fees from Pupils or Parents (In State)		0		
26	TR	Revenues 10-15, L60, Col F	1452	Adult - Transp Fees from Other Districts (In State)		0		
27	TR	Revenues 10-15, L61, Col F	1453	Adult - Transp Fees from Other Sources (In State)		0		
28	TR	Revenues 10-15, L62, Col F	1454	Adult - Transp Fees from Other Sources (Out of State)		0		
29	O&M-TR	Revenues 10-15, L151, Col D & F	3410	Adult Ed (from ICCB)		0		
30	O&M-TR	Revenues 10-15, L152, Col D & F	3499	Adult Ed - Other (Describe & Itemize)		0		
31	O&M-TR	Revenues 10-15, L214, Col D,F	4600	Fed - Spec Education - Preschool Flow-Through		0		
32	O&M-TR	Revenues 10-15, L215, Col D,F	4605	Fed - Spec Education - Preschool Discretionary		0		
33	O&M	Revenues 10-15, L225, Col D	4810	Federal - Adult Education		0		
34	ED	Expenditures 16-24, L7, Col K - (G+I)	1125	Pre-K Programs		0		
35	ED	Expenditures 16-24, L9, Col K - (G+I)	1225	Special Education Programs Pre-K		0		
36	ED	Expenditures 16-24, L11, Col K - (G+I)	1275	Remedial and Supplemental Programs Pre-K		0		
37	ED	Expenditures 16-24, L12, Col K - (G+I)	1300	Adult/Continuing Education Programs		0		
38	ED	Expenditures 16-24, L15, Col K - (G+I)	1600	Summer School Programs		0		
39	ED	Expenditures 16-24, L20, Col K	1910	Pre-K Programs - Private Tuition		0		
40	ED	Expenditures 16-24, L21, Col K	1911	Regular K-12 Programs - Private Tuition		0		
41	ED	Expenditures 16-24, L22, Col K	1912	Special Education Programs K-12 - Private Tuition		317,152		
42	ED	Expenditures 16-24, L23, Col K	1913	Special Education Programs Pre-K - Tuition		0		
43	ED	Expenditures 16-24, L24, Col K	1914	Remedial/Supplemental Programs K-12 - Private Tuition		0		
44	ED	Expenditures 16-24, L25, Col K	1915	Remedial/Supplemental Programs Pre-K - Private Tuition		0		
45	ED	Expenditures 16-24, L26, Col K	1916	Adult/Continuing Education Programs - Private Tuition		0		
46	ED	Expenditures 16-24, L27, Col K	1917	CTE Programs - Private Tuition		0		
47	ED	Expenditures 16-24, L28, Col K	1918	Interscholastic Programs - Private Tuition		0		
48	ED	Expenditures 16-24, L29, Col K	1919	Summer School Programs - Private Tuition		0		
49	ED	Expenditures 16-24, L30, Col K	1920	Gifted Programs - Private Tuition		0		
50	ED	Expenditures 16-24, L31, Col K	1921	Bilingual Programs - Private Tuition		0		
51	ED	Expenditures 16-24, L32, Col K	1922	Truants Alternative/Optional Ed Progs - Private Tuition		0		
52	ED	Expenditures 16-24, L77, Col K - (G+I)	3000	Community Services		3,128		
53	ED	Expenditures 16-24, L104, Col K	4000	Total Payments to Other Govt Units		284,274		
54	ED	Expenditures 16-24, L116, Col G	-	Capital Outlay		340,762		
55	ED	Expenditures 16-24, L116, Col I	-	Non-Capitalized Equipment		0		
56	O&M	Expenditures 16-24, L134, Col K - (G+I)	3000	Community Services		0		
57	O&M	Expenditures 16-24, L143, Col K	4000	Total Payments to Other Govt Units		0		
58	O&M	Expenditures 16-24, L155, Col G	-	Capital Outlay		0		
59	O&M	Expenditures 16-24, L155, Col I	-	Non-Capitalized Equipment		0		
60	DS	Expenditures 16-24, L164, Col K	4000	Payments to Other Dist & Govt Units		0		
61	DS	Expenditures 16-24, L174, Col K	5300	Debt Service - Payments of Principal on Long-Term Debt		735,000		
62	TR	Expenditures 16-24, L189, Col K - (G+I)	3000	Community Services		0		
63	TR	Expenditures 16-24, L200, Col K	4000	Total Payments to Other Govt Units		0		
64	TR	Expenditures 16-24, L210, Col K	5300	Debt Service - Payments of Principal on Long-Term Debt		0		
65	TR	Expenditures 16-24, L214, Col G	-	Capital Outlay		0		
66	TR	Expenditures 16-24, L214, Col I	-	Non-Capitalized Equipment		0		
67	MR/SS	Expenditures 16-24, L220, Col K	1125	Pre-K Programs		0		
68	MR/SS	Expenditures 16-24, L222, Col K	1225	Special Education Programs - Pre-K		0		
69	MR/SS	Expenditures 16-24, L224, Col K	1275	Remedial and Supplemental Programs - Pre-K		0		
70	MR/SS	Expenditures 16-24, L225, Col K	1300	Adult/Continuing Education Programs		0		
71	MR/SS	Expenditures 16-24, L228, Col K	1600	Summer School Programs		0		
72	MR/SS	Expenditures 16-24, L277, Col K	3000	Community Services		0		
73	MR/SS	Expenditures 16-24, L282, Col K	4000	Total Payments to Other Govt Units		0		
74	Tort	Expenditures 16-24, L318, Col K - (G+I)	1125	Pre-K Programs		0		
75	Tort	Expenditures 16-24, L320, Col K - (G+I)	1225	Special Education Programs Pre-K		0		
76	Tort	Expenditures 16-24, L322, Col K - (G+I)	1275	Remedial and Supplemental Programs Pre-K		0		
77	Tort	Expenditures 16-24, L323, Col K - (G+I)	1300	Adult/Continuing Education Programs		0		
78	Tort	Expenditures 16-24, L326, Col K - (G+I)	1600	Summer School Programs		0		
79	Tort	Expenditures 16-24, L331, Col K	1910	Pre-K Programs - Private Tuition		0		
80	Tort	Expenditures 16-24, L332, Col K	1911	Regular K-12 Programs - Private Tuition		0		
81	Tort	Expenditures 16-24, L333, Col K	1912	Special Education Programs K-12 - Private Tuition		0		
82	Tort	Expenditures 16-24, L334, Col K	1913	Special Education Programs Pre-K - Tuition		0		
83	Tort	Expenditures 16-24, L335, Col K	1914	Remedial/Supplemental Programs K-12 - Private Tuition		0		
84	Tort	Expenditures 16-24, L336, Col K	1915	Remedial/Supplemental Programs Pre-K - Private Tuition		0		
85	Tort	Expenditures 16-24, L337, Col K	1916	Adult/Continuing Education Programs - Private Tuition		0		
86	Tort	Expenditures 16-24, L338, Col K	1917	CTE Programs - Private Tuition		0		
87	Tort	Expenditures 16-24, L339, Col K	1918	Interscholastic Programs - Private Tuition		0		
88	Tort	Expenditures 16-24, L340, Col K	1919	Summer School Programs - Private Tuition		0		
89	Tort	Expenditures 16-24, L341, Col K	1920	Gifted Programs - Private Tuition		0		
90	Tort	Expenditures 16-24, L342, Col K	1921	Bilingual Programs - Private Tuition		0		
91	Tort	Expenditures 16-24, L343, Col K	1922	Truants Alternative/Optional Ed Progs - Private Tuition		0		

	A	B	C	D	E	F	H
1	ESTIMATED OPERATING EXPENSE PER PUPIL (OEPP)/PER CAPITA TUITION CHARGE (PCTC) COMPUTATIONS (2022 - 2023)						
2	<i>This schedule is completed for school districts only.</i>						
4	Fund	Sheet, Row	ACCOUNT NO - TITLE		Amount		
92	Tort	Expenditures 16-24, L387, Col K - (G+I)	3000	Community Services		0	
93	Tort	Expenditures 16-24, L414, Col K	4000	Total Payments to Other Govt Units		0	
94	Tort	Expenditures 16-24, L422, Col G	-	Capital Outlay		0	
95	Tort	Expenditures 16-24, L422, Col I	-	Non-Capitalized Equipment		0	
96				Total Deductions for OEPP Computation (Sum of Lines 18 - 95)	\$	1,692,312	
97				Total Operating Expenses Regular K-12 (Line 14 minus Line 96)		10,364,334	
98				9 Month ADA from Average Daily Attendance - Student Information System (SIS) in IWAS-preliminary ADA 2022-2023		663.25	
99				Estimated OEPP (Line 97 divided by Line 98)	\$	15,626.59	
100							

	A	B	C	D	E	F	H
1	ESTIMATED OPERATING EXPENSE PER PUPIL (OEPP)/PER CAPITA TUITION CHARGE (PCTC) COMPUTATIONS (2022 - 2023)						
2	<i>This schedule is completed for school districts only.</i>						
4	Fund	Sheet, Row	ACCOUNT NO - TITLE			Amount	
5							
101	PER CAPITA TUITION CHARGE						
103	LESS OFFSETTING RECEIPTS/REVENUES:						
104	TR	Revenues 10-15, L42, Col F	1411	Regular -Transp Fees from Pupils or Parents (In State)		\$ 0	
105	TR	Revenues 10-15, L44, Col F	1413	Regular - Transp Fees from Other Sources (In State)		0	
106	TR	Revenues 10-15, L45, Col F	1415	Regular - Transp Fees from Co-curricular Activities (In State)		0	
107	TR	Revenues 10-15, L46, Col F	1416	Regular Transp Fees from Other Sources (Out of State)		0	
108	TR	Revenues 10-15, L51, Col F	1431	CTE - Transp Fees from Pupils or Parents (In State)		0	
109	TR	Revenues 10-15, L53, Col F	1433	CTE - Transp Fees from Other Sources (In State)		0	
110	TR	Revenues 10-15, L54, Col F	1434	CTE - Transp Fees from Other Sources (Out of State)		0	
111	TR	Revenues 10-15, L55, Col F	1441	Special Ed - Transp Fees from Pupils or Parents (In State)		0	
112	TR	Revenues 10-15, L57, Col F	1443	Special Ed - Transp Fees from Other Sources (In State)		0	
113	TR	Revenues 10-15, L58, Col F	1444	Special Ed - Transp Fees from Other Sources (Out of State)		0	
114	ED	Revenues 10-15, L75, Col C	1600	Total Food Service		228,755	
115	ED-O&M	Revenues 10-15, L83, Col C,D	1700	Total District/School Activity Income (without Student Activity Funds)		35,499	
116	ED	Revenues 10-15, L86, Col C	1811	Rentals - Regular Textbooks		85,893	
117	ED	Revenues 10-15, L89, Col C	1819	Rentals - Other (Describe & Itemize)		0	
118	ED	Revenues 10-15, L90, Col C	1821	Sales - Regular Textbooks		0	
119	ED	Revenues 10-15, L93, Col C	1829	Sales - Other (Describe & Itemize)		0	
120	ED	Revenues 10-15, L94, Col C	1890	Other (Describe & Itemize)		0	
121	ED-O&M	Revenues 10-15, L97, Col C,D	1910	Rentals		12,786	
122	ED-O&M-TR	Revenues 10-15, L100, Col C,D,F	1940	Services Provided Other Districts		0	
123	ED-O&M-DS-TR-MR/SS	Revenues 10-15, L106, Col C,D,E,F,G	1991	Payment from Other Districts		0	
124	ED	Revenues 10-15, L108, Col C	1993	Other Local Fees (Describe & Itemize)		3,413	
125	ED-O&M-TR	Revenues 10-15, L134, Col C,D,F	3100	Total Special Education		249,868	
126	ED-O&M-MR/SS	Revenues 10-15, L143, Col C,D,G	3200	Total Career and Technical Education		37,017	
127	ED-MR/SS	Revenues 10-15, L147, Col C,G	3300	Total Bilingual Ed		0	
128	ED	Revenues 10-15, L148, Col C	3360	State Free Lunch & Breakfast		473	
129	ED-O&M-MR/SS	Revenues 10-15, L149, Col C,D,G	3365	School Breakfast Initiative		0	
130	ED-O&M	Revenues 10-15, L150, Col C,D	3370	Driver Education		11,170	
131	ED-O&M-TR-MR/SS	Revenues 10-15, L157, Col C,D,F,G	3500	Total Transportation		373,544	
132	ED	Revenues 10-15, L158, Col C	3610	Learning Improvement - Change Grants		0	
133	ED-O&M-TR-MR/SS	Revenues 10-15, L159, Col C,D,F,G	3660	Scientific Literacy		0	
134	ED-TR-MR/SS	Revenues 10-15, L160, Col C,F,G	3695	Truant Alternative/Optional Education		0	
135	ED-O&M-TR-MR/SS	Revenues 10-15, L162, Col C,D,F,G	3766	Chicago General Education Block Grant		0	
136	ED-O&M-TR-MR/SS	Revenues 10-15, L163, Col C,D,F,G	3767	Chicago Educational Services Block Grant		0	
137	ED-O&M-DS-TR-MR/SS	Revenues 10-15, L164, Col C,D,E,F,G	3775	School Safety & Educational Improvement Block Grant		0	
138	ED-O&M-DS-TR-MR/SS	Revenues 10-15, L165, Col C,D,E,F,G	3780	Technology - Technology for Success		0	
139	ED-TR	Revenues 10-15, L166, Col C,F	3815	State Charter Schools		0	
140	O&M	Revenues 10-15, L169, Col D	3925	School Infrastructure - Maintenance Projects		0	
141	ED-O&M-DS-TR-MR/SS-Tort	Revenues 10-15, L170, Col C-G,J	3999	Other Restricted Revenue from State Sources		1,452	
142	ED	Revenues 10-15, L179, Col C	4045	Head Start (Subtract)		0	
143	ED-O&M-TR-MR/SS	Revenues 10-15, L183, Col C,D,F,G	-	Total Restricted Grants-In-Aid Received Directly from Federal Govt		0	
144	ED-O&M-TR-MR/SS	Revenues 10-15, L190, Col C,D,F,G	4100	Total Title V		0	
145	ED-MR/SS	Revenues 10-15, L200, Col C,G	4200	Total Food Service		169,744	
146	ED-O&M-TR-MR/SS	Revenues 10-15, L206, Col C,D,F,G	4300	Total Title I		79,381	
147	ED-O&M-TR-MR/SS	Revenues 10-15, L211, Col C,D,F,G	4400	Total Title IV		9,965	
148	ED-O&M-TR-MR/SS	Revenues 10-15, L216, Col C,D,F,G	4620	Fed - Spec Education - IDEA - Flow Through		142,029	
149	ED-O&M-TR-MR/SS	Revenues 10-15, L217, Col C,D,F,G	4625	Fed - Spec Education - IDEA - Room & Board		0	
150	ED-O&M-TR-MR/SS	Revenues 10-15, L218, Col C,D,F,G	4630	Fed - Spec Education - IDEA - Discretionary		0 #	
151	ED-O&M-TR-MR/SS	Revenues 10-15, L219, Col C,D,F,G	4699	Fed - Spec Education - IDEA - Other (Describe & Itemize)		0	
152	ED-O&M-MR/SS	Revenues 10-15, L222, Col C,D,G	4700	Total CTE - Perkins		0 #	
177	ED-O&M-DS-TR-MR/SS-Tort	Revenue Adjustments (C225 thru J254)	4800	Total ARRA Program Adjustments		0	
178	ED	Revenues 10-15, L256, Col C	4901	Race to the Top		0	
179	ED-O&M-TR-MR/SS	Revenues 10-15, L257, Col C,D,F,G	4902	Race to the Top-Preschool Expansion Grant		0	
180	ED-TR-MR/SS	Revenues 10-15, L258, Col C,F,G	4905	Title III - Immigrant Education Program (IEP)		0 #	
181	ED-TR-MR/SS	Revenues 10-15, L259, Col C,F,G	4909	Title III - Language Inst Program - Limited Eng (LIPLEP)		0	
182	ED-O&M-TR-MR/SS	Revenues 10-15, L260, Col C,D,F,G	4920	McKinney Education for Homeless Children		0	
183	ED-O&M-TR-MR/SS	Revenues 10-15, L261, Col C,D,F,G	4930	Title II - Eisenhower Professional Development Formula		0	
184	ED-O&M-TR-MR/SS	Revenues 10-15, L262, Col C,D,F,G	4932	Title II - Teacher Quality		21,473	
185	ED-O&M-TR-MR/SS	Revenues 10-15, L263, Col C,D,F,G	4935	Title II - Part A - Supporting Effective Instruction - State Grants		0	
186	ED-O&M-TR-MR/SS	Revenues 10-15, L264, Col C,D,F,G	4960	Federal Charter Schools		0	
187	ED-O&M-TR-MR/SS	Revenues 10-15, L265, Col C,D,F,G	4981	State Assessment Grants		0	
188	ED-O&M-TR-MR/SS	Revenues 10-15, L266, Col C,D,F,G	4982	Grant for State Assessments and Related Activities		0	
189	ED-O&M-TR-MR/SS	Revenues 10-15, L267, Col C,D,F,G	4991	Medicaid Matching Funds - Administrative Outreach		15,612 #	
190	ED-O&M-TR-MR/SS	Revenues 10-15, L268, Col C,D,F,G	4992	Medicaid Matching Funds - Fee-for-Service Program		65,271	
191	ED-O&M-TR-MR/SS	Revenues 10-15, L269, Col C,D,F,G	4998	Other Restricted Revenue from Federal Sources (Describe & Itemize)		422,500	
		Federal Stimulus Revenue		Adjusting for FY20, FY21, or FY22 revenue received in FY23 for FY20, FY21, or FY22 Expenses			
192						(202,542)	
193	ED-TR-MR/SS	Revenues (Part of EBF Payment)	3100	Special Education Contributions from EBF Funds **		279,292	
194	ED-MR/SS	Revenues (Part of EBF Payment)	3300	English Learning (Bilingual) Contributions from EBF Funds **		0	
196				Total Deductions for PCTC Computation (Line 104 through Line 193)	\$	2,042,595	
197				Net Operating Expense for Tuition Computation (Line 97 minus Line 195)		8,321,739	
198				Total Depreciation Allowance (from page 36, Line 18, Col I)		667,629	
199				Total Allowance for PCTC Computation (Line 196 plus Line 197)		8,989,368	
200				9 Month ADA from Average Daily Attendance - Student Information System (SIS) in IWAS-preliminary ADA 2022-2023		663.25	
201				Total Estimated PCTC (Line 198 divided by Line 199) * \$		13,553.51 #	
202							#
203	*The total OEPP/PCTC may change based on the data provided. The final amounts will be calculated by ISBE. The 9-month ADA listed on the this tab is NOT the final 9-month ADA.						
204	**Go to the Evidence-Based Funding Distribution Calculation webpage.						
205	Under Reports, open the FY 2023 Special Education Funding Allocation Calculation Details and the FY 2023 English Learner Education Funding Allocation Calculation Details. Use the respective Excel file to locate the amount in column X for the Special Education Contribution and column V for the English Learner Contribution for the selected school district. <i>Please enter "0" if the district does not have allocations for lines 192 and 193.</i>						

Current Year Payment on Contracts For Indirect Cost Rate Computation

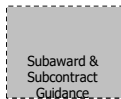
Please do not remove and reinsert this tab from the workbook or paste into this tab. The AFR will be returned to the auditor if this tab is completed incorrectly.

This schedule is to calculate the amount allowed on contracts obligated by the school district for the Indirect Cost Rate calculation. The contracts should be only for purchase services and not for salary contracts. Do not include contracts for Capital Outlay (500) or Non-Capitalized Equipment (700) on this schedule. They are excluded from the Indirect Cost Rate calculation.

To determine the applicable contracts for this schedule, they must meet ALL three qualifications below:

1. The contract must be coded to one of the combinations listed on the icon below.
2. The contract must meet the qualifications below on the "Subaward & Subcontract Guidance" and the "Indirect Cost Rate Plan" (Sub-agreement for Services).
3. Only list contracts that were paid over \$25,000 for the fiscal year.

Use the resources to the right to determine if the contract should be listed below.



[Indirect Cost Rate Plan](#)

Column A, B, C, D below must be completed for each contract. Enter Column B without hypens. Ex) 101000600

Column (E) and (F) are calculated automatically based on the information provided in Columns (A through D).

The amount in column (E) is the amount allowed on each contract in the Indirect Cost Rate calculation. The amount in column (F) is the amount that will be deducted from the base in the indirect cost rate (tab 41) for Program Year 2025.

Enter Fund-Function-Object Name, Where the Expenditure was Recorded (Column A)	Fund- Function- Object Number (Column B)	Enter Contracted Company Name (Column C)	Enter Current Year Amount Paid on Contract <small>(must be less than or equal to amount reported in the AFR's "Expenditures 16-24" tab)</small> (Column D)	Contract Amount Applied to the Indirect Cost Rate Base (Column E)	Contract Amount deducted from the Indirect Cost Rate Base (Column F)
<i>Enter as shown here: ED-Instruction-Other</i>	<i>10-1000-600</i>	<i>Company Name</i>	<i>500,000</i>	<i>25,000</i>	<i>475,000</i>
ED-Food Services-Purchased Services	10-2560-300	Arbor Management, Inc	392,784	25,000	367,784
ED-Instruction-Other	10-1000-600	Lighted Way Association, Inc	58,310	25,000	33,310
ED-Instruction-Other	10-1000-600	S.E.A.L. South, Inc	55,120	25,000	30,120
ED-Instruction-Other	10-1000-600	Little Friends, Inc	75,172	25,000	50,172
ED-Instruction-Other	10-1000-600	Camelot Therapeutic Schools Inc	61,656	25,000	36,656
ED-Instruction-Other	10-1000-600	C.O.R.E. Academy	34,459	25,000	9,459
ED-Instruction-Other	10-1000-600	Fox Tech Transition Program	32,436	25,000	7,436
ED-Instruction-Purchased Services	10-1000-300	Imagine Learning	37,060	25,000	12,060
ED-Instruction-Purchased Services	10-1000-300	Northwestern Illinois University	35,247	25,000	10,247
ED-Support Services-Purchased Services	10-2200-300	Dyopath	119,700	25,000	94,700
O&M - O&M of Plant Services - Purchased Services	20-2540-300	Ross Mechanical Group, Inc	29,811	25,000	4,811
O&M - O&M of Plant Services - Purchased Services	20-2540-300	Olsson Roofing Company	27,567	25,000	2,567
				0	0
Total			959,322	0	659,322

ESTIMATED INDIRECT COST DATA

	A	B	C	D	E	F	G	H
1	ESTIMATED INDIRECT COST RATE DATA							
2	SECTION I							
3	Financial Data To Assist Indirect Cost Rate Determination							
4	<i>(Source document for the computation of the Indirect Cost Rate is found in the "Expenditures" tab.)</i>							
5	<p>ALL OBJECTS EXCLUDE CAPITAL OUTLAY. With the exception of line 11, enter the disbursements/expenditures included within the following functions charged directly to and reimbursed from federal grant programs. Also, include all amounts paid to or for other employees within each function that work with specific federal grant programs in the same capacity as those charged to and reimbursed from the same federal grant programs. For example, if a district received funding for a Title I clerk, all other salaries for Title I clerks performing like duties in that function must be included. Include any benefits and/or purchased services paid on or to persons whose salaries are classified as direct costs in the function listed.</p>							
6	Support Services - Direct Costs							
7	Direction of Business Support Services (10, 50, and 80 -2510)							
8	Fiscal Services (10, 50, & 80 -2520)							
9	Operation and Maintenance of Plant Services (10, 20, 50, and 80 -2540)							
10	Food Services (10 & 80 -2560) <i>Must be less than (P16, Col E-F, L65) *Only include food costs.</i>							
11	Value of Commodities Received for Fiscal Year 2023 (Include the value of commodities when determining if a Single Audit is required).				34,001			
12	Internal Services (10, 50, and 80 -2570)							
13	Staff Services (10, 50, and 80 -2640)							
14	Data Processing Services (10, 50, & 80 -2660)							
15	SECTION II							
16	Estimated Indirect Cost Rate for Federal Programs							
17				Restricted Program		Unrestricted Program		
18		Function		Indirect Costs	Direct Costs	Indirect Costs	Direct Costs	
19	Instruction	1000			5,909,358		5,909,358	
20	Support Services:							
21	Pupil	2100			608,011		608,011	
22	Instructional Staff	2200			537,692		537,692	
23	General Admin.	2300			573,209		573,209	
24	School Admin	2400			592,937		592,937	
25	Business:							
26	Direction of Business Spt. Srv.	2510		0	0	0	0	
27	Fiscal Services	2520		132,862	0	132,862	0	
28	Oper. & Maint. Plant Services	2540			923,559	923,559	0	
29	Pupil Transportation	2550			622,733		622,733	
30	Food Services	2560			491,392		491,392	
31	Internal Services	2570		0	0	0	0	
32	Central:							
33	Direction of Central Spt. Srv.	2610			0		0	
34	Plan, Rsrch, Dvlp, Eval. Srv.	2620			0		0	
35	Information Services	2630			66,852		66,852	
36	Staff Services	2640		4,082	0	4,082	0	
37	Data Processing Services	2660		4,300	0	4,300	0	
38	Other:	2900			127		127	
39	Community Services	3000			3,128		3,128	
40	Contracts Paid in CY over the allowed amount for ICR calculation (from page 40)				(659,322)		(659,322)	
41	Total			141,244	9,669,676	1,064,803	8,746,117	
42				Restricted Rate		Unrestricted Rate		
43				Total Indirect Costs:	141,244	Total Indirect Costs:	1,064,803	
44				Total Direct Costs:	9,669,676	Total Direct Costs:	8,746,117	
45				= 1.46%		= 12.17%		
46								

	A	B	C	D	E	F
1	REPORT ON SHARED SERVICES OR OUTSOURCING					
2	School Code, Section 17-1.1 (Public Act 97-0357)					
3	Fiscal Year Ending June 30, 2023					
5	Complete the following for attempts to improve fiscal efficiency through shared services or outsourcing in the prior, current and next fiscal years.					
6	Somonauk CUSD 432			16-019-4320-26_AFR22 Somonauk CUSD 432		
7	16019432026					
8	<i>Check box if this schedule is not applicable.....</i>	<input type="checkbox"/>	Prior Fiscal Year	Current Fiscal Year	Next Fiscal Year	Name of the Local Education Agency (LEA) Participating in the Joint Agreement, Cooperative or Shared Service.
9	Indicate with an (X) If Deficit Reduction Plan Is Required in the Budget ➔					
10	Service or Function (Check all that apply)			Barriers to Implementation	(Limit text to 200 characters, for additional space use line 33 and 38)	
11	Curriculum Planning					
12	Custodial Services					
13	Educational Shared Programs			X	X	Agricultural Ed-Leland CUSD #1 and Sandwich CUSD #430
14	Employee Benefits					
15	Energy Purchasing			X	X	Illinois Energy Consortium and Onyx Asset Services Group
16	Food Services			X	X	Arbor Management
17	Grant Writing					
18	Grounds Maintenance Services					
19	Insurance			X	X	ISDA & IL Counties Risk Management Trust & Northern IL Employee Benefits Trust
20	Investment Pools			X	X	ISLDAF+ and Illinois School District Liquid Asset Fund
21	Legal Services					
22	Maintenance Services					
23	Personnel Recruitment					
24	Professional Development					
25	Shared Personnel			X	X	Leland CUSD #1
26	Special Education Cooperatives					
27	STEM (science, technology, engineering and math) Program Offerings					
28	Supply & Equipment Purchasing					
29	Technology Services			X	X	Dyopath
30	Transportation					
31	Vocational Education Cooperatives			X	X	Indian Valley Vocational Center
32	All Other Joint/Cooperative Agreements					
33	Other					
34						
35	<i>Additional space for Column (D) - Barriers to Implementation:</i>					
36						
37						
38						
40	<i>Additional space for Column (E) - Name of LEA :</i>					
41						
42						
43						

ILLINOIS STATE BOARD OF EDUCATION
 School Business Services Department (N-330)
 100 North First Street
 Springfield, IL 62777-0001

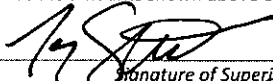
LIMITATION OF ADMINISTRATIVE COSTS WORKSHEET
 (Section 17-1.5 of the School Code)

School District Name: Somonauk CUSD 432
 RCDT Number: 16019432026

Description	Funct. No.	Actual Expenditures, Fiscal Year 2023				Budgeted Expenditures, Fiscal Year 2024			
		(10) Educational Fund	(20) Operations & Maintenance Fund	(80) Tort Fund *	Total	(10) Educational Fund	(20) Operations & Maintenance Fund	(80) Tort Fund	Total
1. Executive Administration Services	2320	260,327		0	260,327	276,044			276,044
2. Special Area Administration Services	2330	0		0	0				0
3. Other Support Services - School Administration	2490	0		0	0				0
4. Direction of Business Support Services	2510	0	0	0	0				0
5. Internal Services	2570	0		0	0				0
6. Direction of Central Support Services	2610	0		0	0				0
7. Deduct - Early Retirement or other pension obligations required by state law and included above.					0				0
8. Totals		260,327	0	0	260,327	276,044	0	0	276,044
9. Percent Increase (Decrease) for FY2024 (Budgeted) over FY2023 (Actual)									6%

CERTIFICATION

I certify that the amounts shown above as Actual Expenditures, Fiscal Year 2023, agree with the amounts on the district's Annual Financial Report for Fiscal Year 2023.
 I also certify that the amounts shown above as Budgeted Expenditures, Fiscal Year 2024, agree with the amounts on the budget adopted by the Board of Education.



 Signature of Superintendent
Jay Streicher

 Contact Name (for questions)

11/6/23

 Date
815-498-2315

 Contact Telephone Number

If line 9 is greater than 5% please check one box below.

- The district is ranked by ISBE in the lowest 25th percentile of like districts in administrative expenditures per student (4th quartile) and will waive the limitation by board action, subsequent to a public hearing.
- The district is unable to waive the limitation by board action and will be requesting a waiver from the General Assembly pursuant to the procedures in Chapter 105 ILCS 5/2-3.25g. Waiver applications must be postmarked by August 15, 2023, to ensure inclusion in the fall 2023 report or postmarked by January 15, 2024, to ensure inclusion in the spring 2024 report. Information on the waiver process can be found at the waiver's webpage below.
<https://www.isbe.net/Pages/Waivers.aspx>
- The district will amend their budget to become in compliance with the limitation.

This page is provided for detailed itemizations as requested within the body of the report.

Type Below.

<u>ACCT</u>	<u>Page</u>	<u>Fund</u>	<u>Line #</u>	<u>Description</u>	<u>Amount</u>
1690	11	10	74	Rebates - Leland School District	\$95,218
1993	11	10	108	Credit Card Convenience Fees	\$3,413
1999	11	10	109	Used Chromebook Sales	\$4,460
				Pcard Reimbursement	\$3,377
				Miscellaneous	\$813
					<u>\$8,650</u>
1999.	11	20	109	Miscellaneous	\$80
3299.	12	10	142	VALEES Mini Grant	\$2,966
3999.	12	10	170	County Fair - Horse Racing Premium	\$1,452
4998.	14	10	269	ESSER II	\$104,635
				ESSER III	\$317,865
					<u>\$422,500</u>
2190.	16	10	43	Playground & Crossing Guard Salaries	\$45,391
2660.	17	10	75	Title I Homeless Supplies	\$127

Long-term debt retired on page 19 does not equal long-term debt retired on page 26 because lease payments are made out of fund 10 and 40.

Reference Pages.

- ¹ Do not enter negative numbers. Reports with negative numbers will be returned for correction.
- ² GASB Statement No. 24; Accounting and Financial Reporting for Certain Grants and Other Financial Assistance. The "On Behalf of" Payments should only be reflected on this page.
- ³ Equals Line 8 minus Line 17
- ⁴ May require notification to the county clerk to abate an equal amount from taxes next extended. Refer to Section 17-2.11 for the applicable provisions and other "limited" transfer authority to O&M through June 30, 2013
- ⁵ Requires notification to the county clerk to abate an equal amount from taxes next extended. See Section 10-22.14
- ⁶ Use of proceeds from the sale of school sites buildings, or other real estate is limited. See Sections 5-22 and 10-22.8 of the School Code.
- ⁷ Include revenue accounts 1110 through 1115, 1117, 1118 & 1120. Include taxes for bonds sold that are in addition to those identified separately.
- ⁸ Educational Fund (10) - Computer Technology only.
- ⁹ Corporate personal property replacement tax revenue must be first applied to the Municipal Retirement/Social Security Fund to replace tax revenue lost due to the abolition of the corporate personal property tax (30 ILCS 115/12). This provision does not apply to taxes levied for Medicare-Only purposes.
- ¹⁰ Include only tuition payments made to private facilities. See Function 4200 or 4400 for public facility disbursements/expenditures.
- ¹¹ Payment towards the retirement of lease/purchase agreements or bonded/other indebtedness (principal only) otherwise reported within the fund—e.g. alternate revenue bonds(Describe & Itemize).
- ¹² Only abolishment of Working Cash Fund must transfer its funds directly to the Educational Fund upon adoption of a resolution and at the close of the current school Year (see 105 ILCS 5/20-8 for further explanation)
Only abatement of working cash fund can transfer its funds to any fund in most need of money (see 105 ILCS 5/20-10 for further explanation)
- ¹³ GASB Statement No. 87; all leases (both operational and capital) should be reflected on this line.

Embed signed Audit Questionnaire below:

[Please insert files above]

Instructions to insert word doc or pdf files:

Choose: Insert - Select: Object - Select Create from File tab - Select Browse - Select file that you want to embed - Check Display as icon - Select OK.

Note: If you have trouble inserting pdf files, submit as a separate attachments and they will be inserted for you.

	A	B	C	D	E	F
1	DEFICIT ANNUAL FINANCIAL REPORT (AFR) SUMMARY INFORMATION Provisions per Illinois School Code, Section 17-1 (105 ILCS 5/17-1)					
2	<i>Instructions: If the Annual Financial Report (AFR) reflects that a Deficit Reduction Plan is required as calculated below, then the school district is to complete the Deficit Reduction Plan in the annual budget and submit the plan to Illinois State Board of Education (ISBE) within 30 days after accepting the audit report. This may require the FY2024 annual budget to be amended to include a Deficit Reduction Plan and narrative.</i>					
3	The "Deficit Reduction Plan" is developed using ISBE guidelines and is included in the School District Budget Form 50-36, beginning with page 22. A plan is required when the operating funds listed below result in direct revenues (cell F8) being less than direct expenditures (cell F9) by an amount equal to or greater than one-third (1/3) of the ending fund balance (cell f11). That is, if the ending fund balance is less than three times the deficit spending, the district must adopt and submit an original budget/amended budget with ISBE that provides a "deficit reduction plan" to balance the shortfall within the next three years.					
4	- If the FY2024 school district budget already requires a Deficit Reduction Plan, and one was submitted, an updated (amended) budget is not required.					
5	- If the Annual Financial Report requires a deficit reduction plan even though the FY2024 budget does not, a completed deficit reduction plan is still required.					
6	DEFICIT AFR SUMMARY INFORMATION - Operating Funds Only <i>(All AFR pages must be completed to generate the following calculation)</i>					
7	Description	EDUCATIONAL FUND (10)	OPERATIONS & MAINTENANCE FUND (20)	TRANSPORTATION FUND (40)	WORKING CASH FUND (70)	TOTAL
8	Direct Revenues	10,531,489	827,231	663,751	139,804	12,162,275
9	Direct Expenditures	9,053,437	702,279	577,581		10,333,297
10	Difference	1,478,052	124,952	86,170	139,804	1,828,978
11	Fund Balance - June 30, 2023	7,653,424	536,889	1,216,256	2,373,291	11,779,860
12	Balanced - no deficit reduction plan is required.					
13						
14						
15						

FY 2023 Audit Checklist

RCDT: 16019432026
School District/Joint Agreement Name: Somonauk CUSD 432
Auditor Name: ANDREA MEYER
License #: 066-004656 License Expiration Date (below): 11/30/2024
16-019-4320-26_AFR22 Somonauk CUSD 432

All entries must balance within the individual fund statements and schedules as instructed below. Any error messages left unresolved below, will be returned to the auditor for correction.

1. The auditor's Opinion and Notes to the Financial Statements and the Corrective Action Plan(s) on LEA letterhead are embedded in the "Opinion-Notes" tab.
2. Student Activity Funds, Convenience Accounts, and other agency funds are included, if applicable.
3. All audit questions on page 2 are answered appropriately by checking all that apply. This page must also be certified with the signature of the CPA firm. Comments and explanations are included for all checked items at the bottom of page 2.
4. All **Other** accounts and functions labeled "(describe & itemize)" are properly noted on the "Itemization" tab.
5. Tuition paid to another school district or to a joint agreement (in state) is coded to Function 4200, and Other Objects (600).
6. Business Manager/Bookkeeper Costs are charged to the proper Function (No. 2510/2520).
7. If district is subject to PTELL on tab "Aud Quest 2", line 21 be sure to check the box and enter the effective date.
8. All entries were entered to the nearest whole dollar amount.

Balancing Schedule

Check this Section for Error Messages

The following assures that various entries are in balance. Any out of balance condition is followed by an error message in **RED** and must be resolved before submitting to ISBE. One or more errors detected may cause this AFR to be returned for corrections and resubmission. If impossible for entries to balance, please explain on the itemization page.

Description:	Error Message
1. Cover Page: The Accounting Basis must be Cash or Accrual. Choose School District or Joint Agreement.	
What Basis of Accounting is used?	CASH
Choose School District or Joint Agreement.	SCHOOL DISTRICT
Accounting for late payments (Audit Questionnaire Section D)	OK
Is Budget Deficit Reduction Plan Required?	Congratulations! You have a balanced AFR.
2. Page 2: Audit Questionnaire, Part C - Other Issues #22	
School districts are required to catalogue and report unpaid fees from students that result from the high school's inability to withhold student grades, transcripts, and diplomas.	OK
3. Page 3: Financial Information must be completed.	
Section A: Tax rates are not entered in the following format: [1.50 should be .0150]. Please enter with the correct decimal point.	OK
Section A: Tax Rates are not entered. Cells D10, F10, H10, L10 on tab 3 must have a tax rate or 0 entered.	OK
Section D: Check a or b that agrees with the school district type.	OK
Section E: Is there a material impact on the entity's financial position?	NO
4. Page 5: Cells C4:L4 Acct 111-115 - Cash Balances cannot be negative.	
Fund (10) ED: Cash balances cannot be negative.	OK
Fund (20) O&M: Cash balances cannot be negative.	OK
Fund (30) DS: Cash balances cannot be negative.	OK
Fund (40) TR: Cash balances cannot be negative.	OK
Fund (50) MR/SS: Cash balances cannot be negative.	OK
Fund (60) CP: Cash balances cannot be negative.	OK
Fund (70) WC: Cash balances cannot be negative.	OK
Fund (80) Tort: Cash balances cannot be negative.	OK
Fund (90) FP&S: Cash balances cannot be negative.	OK
5. Page 5 & 6: Total Current & Capital Assets must = Total Liabilities & Fund Balance.	
Fund 10, Cell C13 must = Cell C41.	OK
Fund 20, Cell D13 must = Cell D41.	OK
Fund 30, Cell E13 must = Cell E41.	OK
Fund 40, Cell F13 must = Cell F41.	OK
Fund 50, Cell G13 must = Cell G41.	OK
Fund 60, Cell H13 must = Cell H41.	OK
Fund 70, Cell I13 must = Cell I41.	OK
Fund 80, Cell J13 must = Cell J41.	OK
Fund 90, Cell K13 must = Cell K41.	OK
Agency Fund, Cell L13 must = Cell L41.	OK
General Fixed Assets, Cell M23 must = Cell M41.	OK
General Long-Term Debt, Cell N23 must = Cell N41.	OK
6. Page 5: Sum of Reserved & Unreserved Fund Balance must = Page 8, Ending Fund Balance.	
Fund 10, Cells C38+C39 must = Cell C81.	OK
Fund 20, Cells D38+D39 must = Cell D81.	OK
Fund 30, Cells E38+E39 must = Cell E81.	OK
Fund 40, Cells F38+F39 must = Cell F81.	OK
Fund 50, Cells G38+G39 must = Cell G81.	OK
Fund 60, Cells H38+H39 must = Cell H81.	OK
Fund 70, Cells I38+I39 must = Cell I81.	OK
Fund 80, Cells J38+J39 must = Cell J81.	OK
Fund 90, Cells K38+K39 must = Cell K81.	OK
8. Page 26: Schedule of Long-Term Debt	
Note: Explain any unreconcilable differences in the Itemization sheet.	
Total Long-Term Debt Issued (P26, Cell F49) must = Principal on Long-Term Debt Sold (P7, Cells C33:K33).	OK
Total Long-Term Debt (Principal) Retired (P19, Cell H174) must = Debt Service - Long-Term Debt (Principal) Retired (P26, Cell H49).	ERROR!
9. Page 7-9: Other Sources of Funds must = Other Uses of Funds	
Acct 7130 - Transfer Among Funds, Cells C27:K27 must = Acct 8130 Transfer Among Funds, Cells C49:K49	OK
Acct 7140 - Transfer of Interest, Cells C28:K28 must = Acct 8140 Transfer of Interest, Cells C50:K50.	OK
Acct 7900 - ISBE Loan Proceeds (Cells C42:K42) must = Acct 8910 - Transfers to Debt Service Fund to Pay Principal on ISBE Loans (Cells C74:K74)	OK
10. Restricted Tax Levies Page 27, Line 25 must = Reserved Fund Balance, Pages 5 & 6, Line 38.	
Reserved Fund Balance, Page 5, Cells C38:H38 must => Reserve Fund Balance Cell G25:K25.	OK
Unreserved Fund Balance, Page 5, Cells C39:H39 must be > 0	OK
11. Page 7: "On behalf" payments to the Educational Fund	
Fund (10) ED: Account 3998, cell C9 must be entered or Explain why this is zero on Itemization sheet.	OK
12. Page 37-39: The 9 Month ADA must be entered on Line 98.	OK
13. Page 37-39: The Special Education Contributions from EBF Funds (line 192) must be entered.	OK
14. Page 37-39: The English Learning (Bilingual) Contributions from EBF Funds (line 193) must be entered.	OK
15. Page 40: Contracts Paid in Current Year (CY) MUST be completed. If there are no contracts, state "no contracts" in cell A20 on Contacts Paid in CY tab.	OK
16. Page 42: SHARED OUTSOURCED SERVICES, Completed.	OK
17. Page 43: LIMITATION OF ADMINISTRATIVE COST, Budget Information must be completed and submitted to ISBE.	OK
18. Page 27: Rest Tax Levies-Tort Im 27, G31 (Total Tort Expenditures) minus (G36 through G45) must equal 0	OK
19. Assets-Liab (C45,C48, C49), Acct Summary (C85), Revenues (C82), Expenditures (H33) -Enter Student Activity Funds	OK
20. Page 28-35: CARES CRRSA ARP Schedule - Revenue 4998 listed on schedule must equal Revenue 4998 listed on Revenue tab	OK
21. Page 28-35: CARES CRRSA ARP Schedule -check box yes or no if district/joint agreement received/expended funds	OK

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Somonauk Community Unit School District No. 432
Somonauk, Illinois

Opinions

We have audited the accompanying financial statements of Somonauk Community Unit School District No. 432, which comprise the Statement of Assets and Liabilities Arising from Cash Transactions as of June 30, 2023, and the related Statement of Revenues Received and Expenditures Paid for the year then ended, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of Somonauk Community Unit School District No. 432, as of June 30, 2023, and the revenues it received and expenditures it paid for the year then ended, in accordance with the financial reporting provisions prescribed by the Illinois State Board of Education as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Somonauk Community Unit School District No. 432, as of June 30, 2023, or changes in financial position for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Somonauk Community Unit School District No. 432, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 1, the financial statements are prepared by Somonauk Community Unit School District No. 432, on the basis of the financial reporting provisions prescribed or permitted by the Illinois State Board of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Illinois State Board of Education. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Somonauk Community Unit School District No. 432's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Somonauk Community Unit School District No. 432's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Somonauk Community Unit School District No. 432's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Schedule of Expenditures of Federal Awards

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Somonauk Community Unit School District No. 432's basic financial statements. The schedule of federal awards is presented for the purposes of additional analysis as required by 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

The 2022 comparative information shown in the Schedule of Expenditures of Federal Awards was subjected to auditing procedures by us and our report dated September 20, 2022 expressed an unqualified opinion that such information was fairly stated in all material respects in relation to the 2022 financial statements as a whole.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Somonauk Community Unit School District No. 432's basic financial statements. The supplementary schedules on pages 25 through 35, statistical section on pages 37 through 41 and the itemization schedule on page 44, and Appendix I are presented for the purposes of additional analysis and are not a required part of the financial statements of Somonauk Community Unit School District No. 432. Such information, except for the average daily attendance figure, included in the computation of operating expense per pupil on page 37 and per capita tuition charge on page 39, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole. The information on pages 37 through 47 is propagated from information in the audited financial statements, but we take no responsibility for the accuracy of those calculations.

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the information on pages 2 through 4, and page 36. Also, the Report on Shared Services or Outsourcing on page 42 contains unaudited information concerning prior, current, and future year expenditures which was provided by the District. In addition, the Administrative Cost Worksheet on page 43 contains unaudited information concerning the current year budget which was provided by the District. The actual expenditure information on this page is fairly stated in all material respects in relation to the financial statements as a whole. The average daily attendance figure, included in the computation of operating expense per pupil on pages 37 and 38 and per capita tuition charge on page 39, have not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2023, on our consideration of Somonauk Community Unit School District No. 432's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Somonauk Community Unit School District No. 432's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Somonauk Community Unit School District No. 432's internal control over financial reporting and compliance.

Newkirk & Associates, Inc

Plano, Illinois
November 6, 2023

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*

To the Board of Education
Somonauk Community Unit School District No. 432
Somonauk, Illinois

We have audited, in accordance with the 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 financial statements of Somonauk Community Unit School District No. 432 (District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Somonauk Community Unit School District No. 432's basic financial statements and have issued our report thereon dated November 6, 2023. Our opinion was adverse because the financial statements are not prepared in accordance with generally accepted accounting principles. However, the financial statements were found to be fairly presented on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles, in accordance with the financial reporting provisions prescribed by the Illinois State Board of Education.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity'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.

Our consideration of internal control 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 material weaknesses or significant deficiencies. 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 instances 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 that testing, and not to provide an opinion on the effectiveness of the entity'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.

Newkirk & Associates, Inc

Plano, Illinois
November 6, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Education
Somonauk Community Unit School District No. 432
Somonauk, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Somonauk Community Unit School District No. 432's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Somonauk Community Unit School District No. 432's major federal programs for the year ended June 30, 2023. Somonauk Community Unit School District No. 432's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Somonauk Community Unit School District No. 432 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 major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Somonauk Community Unit School District No. 432 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Somonauk Community Unit School District No. 432's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Somonauk Community Unit School District No. 432's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Somonauk Community Unit School District No. 432's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Somonauk

Community Unit School District No. 432's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Somonauk Community Unit School District No. 432's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Somonauk Community Unit School District No. 432's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Somonauk Community Unit School District No. 432's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Somonauk Community Unit School District No. 432's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Somonauk Community Unit School District No. 432's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities For the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures to Somonauk Community Unit School District No. 432's response to the internal control over compliance findings identified in our compliance audit described in the accompany schedule of findings and questioned costs. Somonauk Community Unit School District No. 432's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Newkirk & Associates, Inc

Plano, Illinois
November 6, 2023

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

June 30, 2023

(1) Summary of Significant Accounting Policies

The financial statements of Somonauk Community Unit School District No. 432 (the District) have been prepared in conformity with accounting policies of the cash basis of accounting as defined 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 serve pupils from numerous districts, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships.

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

These financial statements comply with the regulatory basis of reporting as prescribed by the Illinois State Board of Education.

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 paid. The District maintains individual funds required by the State of Illinois. These funds are presented on the regulatory basis as required for reporting filed with the Illinois State Board of Education. District resources are allocated to and accounted for in individual funds based on 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 Funds

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

The Educational Fund is effectively the District's general fund. This fund is used to account for all financial resources except those required to be accounted for in another fund. Special education levies (except those related to transportation and bond issues) are reported in this fund.

The Operations and Maintenance and Transportation funds are accounts used to account for specific tax levies and functions related to building maintenance and transportation of pupils.

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(1) Summary of Significant Accounting Policies (Continued)

(b) Basis of Presentation – Fund Accounting (continued)

Governmental Funds (continued)

The Debt Service Fund is required if taxes are levied to retire bond principal or to pay bond interest, or if other revenue, including revenue from School Facilities Occupation Tax proceeds, is pledged to pay principal, interest, or service charges on other long-term debt instruments. A separate fund is established for each issue, and the funds are aggregated for reporting purposes.

The Transportation Fund is required if a district pays for transporting pupils for any purpose. All costs of transportation, other than those authorized by statute to be paid from another fund, are paid from this fund. Any funds received for transportation purposes are deposited into this fund, with amounts due other funds appropriately transferred thereafter.

IMRF/Social Security and Tort funds are special revenue funds used to account for resources restricted by the Illinois School Code for specified purposes.

The Capital Projects Fund is used to account for bond proceeds, property tax revenues or other revenues and the disbursement of monies the use of which is restricted by the Illinois School Code for acquiring new school sites, buildings, and equipment for major remodeling and repairs. The funds are retained until the purpose for which the funds were created has been accomplished.

The Working Cash Fund is used for temporary interfund loans to any fund of the District and transfers may be used for purposes that support the District's operations.

The Fire Prevention and Safety Fund is required if a tax is levied or bonds are issued for purposes of fire prevention, safety, energy conservation, or school security. A separate fund is created for each project or bond issue, and the funds are aggregated for reporting purposes.

General Fixed Assets and General Long-term Debt Account Groups

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The General Fixed Assets account group records all the District's fixed assets, regardless of which fund provided the cash at the time of purchase. The General Long-term Debt account group records all the District's outstanding bonds and other long-term debt.

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

Governmental Funds – Measurement Focus

The financial statements of all governmental 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 the statements of assets and liabilities arising from cash transactions/statement of position.

The reported fund balance 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). Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(1) Summary of Significant Accounting Policies (Continued)

(c) Basis of Accounting

Basis of accounting refers to when receipts and disbursements are recognized in the accounts and how they are reported on 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.

The cash basis presentation has been modified to include on-behalf employer pension contributions made by the State of Illinois directly to TRS for the District's TRS-covered employees.

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

Expenditures for capital assets are reported as capital outlay in the appropriate fund on the date paid. Capital assets are recorded at the same time in the General Fixed Assets Account Group.

Proceeds from the sale of bonds are included as other financing sources in the appropriate fund on the date received. Related bond principal payable in the future is recorded at the same time in the General Long-term Debt Account Group.

The presentation of the basic financial statements as required by the Illinois State Board of Education (ISBE) in the Annual Financial Report is not in accordance with the standards of the Governmental Accounting Standards Board (GASB). The presentation differs from these standards primarily in the combining of funds and the identification of fund types. GASB standards also require the presentation of Management's Discussion and Analysis which is not required by ISBE.

(d) Budgets and Budgetary Accounting

The budget for all Governmental Fund Types is prepared on the cash basis of accounting, which is the same basis used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with 105 ILCS 5/17-1. The budget was passed on September 19, 2022. The budget lapses at the end of each fiscal year.

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

1. The Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on July 1. The operating budget includes proposed expenditures and 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 various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(1) Summary of Significant Accounting Policies (Continued)

(d) Budgets and Budgetary Accounting (continued)

6. The Board of Education may amend the budget by the same procedures required of its adoption.

(e) Cash and Investments

Cash and cash equivalents consist of demand deposits, savings accounts, and money market accounts in a local financial institution. Cash and cash equivalents are carried at market value.

The District uses common bank accounts to hold the monies of more than one fund. Interest earned on these common accounts is credited to each participating fund based on its approximate share of the account prior to the payment of interest.

Investments consist of certificates of deposit, shares in Illinois School District Liquid Asset Funds and shares in the Illinois Institutional Investors Trust. Investments are stated at cost.

(f) General Capital Assets

General capital assets with expected useful lives of more than one year and an original cost of more than \$5,000 are recorded as current expenditures in the governmental funds and capitalized at cost in the general fixed assets account group. General fixed assets acquired prior to June 30, 1950, are stated at estimated original cost as of the date appraised. Donated capital assets are recorded at estimated fair market value as of the date of acquisition. Depreciation accounting is not considered applicable (except to determine the per capita tuition charge).

Depreciation is computed using the straight line method over estimated lives ranging from three to fifty years. Estimated lives are determined based on the policies prescribed by the Illinois State Board of Education.

(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 19, 2022. Property taxes attach as an enforceable lien on property as of January 1 and are generally payable in two installments on approximately June 1 and September 1. The District received significant distributions of tax receipts during July, August, September, October, November, and the following June. Taxes recorded in these financial statements are from the 2022, 2021 and prior tax levies.

The following are the tax rate limits permitted by the *Illinois Compiled Statutes* and by local referendum, and the actual rates levied per \$100 of assessed valuation:

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(2) Property Taxes (Continued)

Fund	Limit	Actual 2022 Levy	Actual 2021 Levy
Education	4.00000	4.00000	3.98790
Tort	As needed	0.22492	0.23682
Special Education	0.04000	0.04000	0.03988
Building (O&M)	0.50000	0.50000	0.49849
Transportation	0.20000	0.06427	0.18043
Municipal Retirement	As needed	0.02922	0.03133
Social Security	As needed	0.08764	0.09398
Bond & Interest	As needed	0.51419	0.54925
Working Cash	0.05000	0.05000	0.04985
Fire Prevention/Safety	0.05000	0.05000	0.04985
Leasing/Technology	0.05000	0.05000	0.04985
Total		<u>5.61024</u>	<u>5.76763</u>

(3) Cash and Investments

The District is allowed to invest in securities as authorized by the Illinois Public Funds Investment Act – 30 ILCS 235/2 and 6; and the Illinois School Code – 105 ILCS 5/8-7.

(a) Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District's deposits may not be returned to it. All of the District's deposits were insured or collateralized as of June 30, 2023, therefore, the District is not exposed to custodial credit risk.

(b) Investments

Safety of principal is the foremost objective of the District's investment policy. The District is allowed to invest in securities as authorized by the Illinois School Code. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the District's overall portfolio. The objective is to mitigate credit risk and interest rate risk.

Custodial credit risk does not apply to indirect investments in securities through the use of mutual funds or governmental investment pools, such as, Illinois funds and ISDLAF+. As of June 30, 2023 the District had investments of \$3,450,000 in term series, \$1,657,550 in certificates of deposit, \$3,450,000 in US Treasury Notes, and \$4,378,489 in Illinois School District Liquid Asset Funds.

ISDLAF+ is rated AAAM by Standard & Poor. Concentration risk is not applicable because of the underlying investments and diversity of ISDLAF+. ISDLAF+ is a liquid asset fund with no interest rate risk. U.S. Treasury Notes have a AAA rating. They make up 23.92% of the District's investments. For U.S. Treasury Notes, \$1,981,916 matures on June 30, 2024, and \$1,000,568 matures on June 30, 2025. The certificates of deposit make up 13.29% of the District's investments. The certificates of deposit have maturity dates of May 17, 2024 and July 16, 2024. The term series make up 27.67% of the District's investments. They have maturity dates ranging from July 28, 2023 through March 5, 2025.

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(4) Retirement Fund Commitments

The District participates in multiple retirement funds to provide retirement benefits to its employees which are described below. It should be noted that actuarial accrued liabilities, deferred inflows of resources, and deferred outflows of resources are not recorded on the financial statements, because the District uses the regulatory basis of accounting as prescribed by the Illinois State Board of Education described in Note 1.

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

Plan Description

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

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

Benefits Provided

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 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.

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(4) Retirement Fund Commitments (Continued)

(a) Teachers' Retirement System of the State of Illinois (continued)

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2023, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer is submitted to TRS by the employer. The District paid \$485,180 for these contributions in the year ending June 30, 2023.

- **On-behalf contributions to TRS.** The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2023 the 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 \$2,820,729 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, 2023 were \$31,267 and are deferred because they were paid after the June 30, 2022 measurement date.
- **Federal and special trust fund contributions.** When TRS members are paid from federal and special trust funds administered by the employer, there is a statutory requirement for the employer to pay an employer pension contribution from those funds. Under Public Act 1000-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

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

For the year ended June 30, 2023 the employer contribution was 10.49 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2023, salaries totaling \$254,272 were paid from federal and special trust funds that required employer contributions of \$26,673. These contributions are deferred because they were paid after the June 30, 2022 measurement date.

- **Employer Retirement Cost Contributions.** Under GASB 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, 2023, the employer made no payments to TRS for employer contributions due on salary increases in excess of 6 percent and no payments for sick leave days granted in excess of the normal annual allotment.

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(4) Retirement Fund Commitments (Continued)

(b) Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for non-certified employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is affiliated with 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 financial report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

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

All three IMRF benefit plans have two tiers. Employees hired **before** January 1, 2011 are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earning. 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 their 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 Benefit Terms – As of December 31, 2022, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	62
Inactive Plan Members entitled to but not yet receiving benefits	55
Active Plan Members	<u>41</u>
Total	158

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(4) Retirement Fund Commitments (Continued)

(b) *Illinois Municipal Retirement Fund (continued)*

Contributions

As set by statute, the Employer's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Employer's annual contribution rate for calendar year 2022 and 2023 was 8.85% and 6.15%, respectively. For the fiscal year ended June 30, 2023, the Employer contributed \$89,574 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.

(c) *Aggregate Pension Expense*

The aggregate pension payments made by the District in the year ending June 30, 2023 were \$632,694. Aggregate on-behalf pension expense recognized was \$2,820,729. Total pension expense recognized for the year ending June 30, 2023 was \$3,453,423.

(5) Other Post-Employment Benefits

(a) *Teacher Health Insurance Security (THIS) Fund*

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage plans.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012 in accordance with Executive Order 12-01, the plan is administered by CMS with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to THIS Fund.

The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

- **On-behalf contributions.** The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were .90 percent of pay during the year ended June 30, 2023. State of Illinois contributions were \$48,522, and the District recognized revenue and expenditures of this amount during the year.

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(5) Other Post-Employment Benefits (continued)

(a) Teacher Health Insurance Security (THIS) Fund (continued)

- **Employer contributions to the THIS Fund.** The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the years ended June 30, 2023. For the year ended June 30, 2023, the District paid \$36,122 to the THIS Fund.

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

(b) Post-Retirement Health Care Plan

The District provides post-retirement healthcare benefits for the retirees and their dependents. All retirees are eligible to continue their health coverage under the District's health insurance plan. The retirees are responsible for the entire premium payment to secure coverage. The District finances the plan on a pay-as-you-go basis. The Unfunded Actuarial Liability has not been determined as of June 30, 2023.

Plan Description

The District administers a single-employer defined benefit healthcare plan. The Educational support employees who contribute to IMRF are eligible for post-employment medical coverage. The plan does not issue a separate publicly available financial report.

Funding Policy

The contribution requirements of the District may be amended by the School Board. Current policy is to pay for post-retirement medical coverage and insurance benefits or premiums as they occur. The District requires retirees to contribute 100% of the premium for their desired coverage. The premiums are established for the employee/retiree group annually. Although, with regard to retirees, this amount contains an implied rate subsidy by the District through the blended premium covering all current employees and retirees, there is no actuarial valuation performed to determine the amount of such subsidy.

Contributions Made

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

(6) Legal Debt Limit

The Illinois School Code limits the amount of indebtedness to 13.8% of \$171,172,594, the most recent available equalized assessed valuation of the District. The District has \$5,618,234 indebtedness subject to the limit. The District's remaining debt margin as of June 30, 2023, is \$18,003,584.

(7) Contingencies

The District has received funding from state and federal grants in the current and prior years, which are subject to audits by the granting agencies. The Board of Education believes any adjustments that may arise from these audits will be insignificant to District operations.

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(8) Changes in General Fixed Assets

Under the regulatory basis of accounting, assets and depreciation are not recorded, and therefore, the financial statements do not reflect the amounts below.

	Beginning Balance	Increases	Decreases	Ending Balance
Land	2,371,484	-	-	2,371,484
Construction in Progress	23,470	-	23,470	-
Buildings	18,059,533	400,620	-	18,460,153
Building Improvements	581,594	-	-	581,594
Other Equipment	1,824,346	11,327	-	1,835,673
Total depreciable capital assets at cost	<u>20,465,473</u>	<u>411,947</u>	<u>-</u>	<u>20,877,420</u>
Less accumulated depreciation for				
Buildings	8,452,822	414,966	-	8,867,788
Building Improvements	300,792	16,282	-	317,074
Other Equipment	1,026,107	236,381	-	1,262,488
Total accumulated depreciation	<u>9,779,721</u>	<u>667,629</u>	<u>-</u>	<u>10,447,350</u>
TOTAL CAPITAL ASSETS, NET	<u>\$ 13,080,706</u>	<u>\$ (255,682)</u>	<u>\$ 23,470</u>	<u>\$ 12,801,554</u>

(9) Fund Balance Reporting

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

(a) Nonspendable Fund Balance

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

(b) Restricted Fund Balance

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

1. Special Education

Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the Education Fund and Transportation Fund. At June 30, 2023, expenditures exceeded revenues, resulting in no restricted fund balances.

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(9) Fund Balance Reporting (Continued)

(b) Restricted Fund Balance (continued)

2. State Grants
Proceeds from state grants and the related expenditures have been included in the Educational, Operations and Maintenance, Capital Projects, and Transportation Funds. A state maintenance grant was received and not fully expended, resulting in a restricted fund balance of \$39,341. For purposes of regulatory reporting at June 30, 2023, \$27,292 is classified as reserved in the Capital Projects Fund and \$12,049 is reserved in the Educational Fund.
3. Federal Grants
Proceeds from federal grants and the related expenditures have been included in the Educational Fund. At June 30, 2023 expenditures exceeded revenues, resulting in no restricted fund balance.
4. IMRF/Social Security
Cash disbursed and the related cash receipts of these restricted tax levies are accounted for in the Municipal Retirement/Social Security Fund. Revenue received exceeded expenditures disbursed for these purposes, resulting in a restricted fund balance of \$349,704. For purposes of regulatory reporting, the Social Security portion of the fund balance is \$9,423 and will be classified as reserved and the Municipal Retirement portion of the tax levies, \$340,281 will be classified as unreserved.
5. Leasing/Technology Tax Levy
Cash receipts and the related cash disbursements of this restricted tax levy, authorized by 105 ILCS 5/17-2.2c, are accounted for in the Educational Fund. Cumulative disbursements have exceeded cumulative receipts in the Educational Fund for this restricted tax levy at June 30, 2023 resulting in no restricted fund balance.
6. Food Service
Proceeds from federal grants and the related cash disbursements have been included in the Educational Fund. At June 30, 2023, cumulative disbursements have exceeded cumulative receipts in the Educational Fund, resulting in no restricted fund balance.

(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 Board of Education). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

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

Employee contracts for services rendered during the school year for employees electing twelve month pay schedules are recorded as disbursements in the fiscal year when such checks are drawn. At June 30, 2023, the total amount of unpaid contracts for services performed during the fiscal year ended June 30, 2023 amounted to \$650,212. This amount is shown as Unreserved in the Educational Fund.

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(9) Fund Balance Reporting (Continued)

(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 nor committed. Intent may be expressed by (a) the Board of Education itself or (b) the finance committee who has been delegated the authority to assign amounts to be used for specific purposes.

Property taxes from the 2022 levy collected prior to July 1, 2023 are assigned as the levy is meant to fund the next fiscal year.

(e) Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds. Unassigned Fund Balance amounts are shown in the financial statements as Unreserved Fund Balances in the Education, Operations and Maintenance, and Working Cash Funds.

(f) Regulatory - Fund Balance Definitions

Reserved Fund Balances are those balances that are reserved for a specific 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 four columns of the following table represent Fund Balance Reporting according to generally accepted accounting principles. The last two columns represent Fund Balance Reporting under the regulatory basis of accounting utilized in preparation of the financial statements.

Fund	Generally Accepted Accounting Principles				Regulatory Basis	
	Restricted	Committed	Assigned	Unassigned	Financial Statements - Reserved	Financial Statements - Unreserved
Education	361,753	650,285	1,492,809	8,134,195	12,049	7,641,375
Operations & Maintenance	-	-	182,494	354,395	-	536,889
Debt Service	196,159	-	-	-	-	196,159
Transportation	-	-	23,472	1,192,784	-	1,216,256
IMRF/ Social Security	349,704	-	-	-	9,423	340,281
Capital Projects	27,292	-	-	-	27,292	-
Working Cash	-	-	18,249	2,355,042	-	2,373,291
Tort	559,415	-	-	-	-	559,415
Fire Prevention & Safety	351,292	-	-	-	-	351,292

(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.

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(10) Long-Term Debt

As of June 30, 2023, the District had long-term debt outstanding in the amount of \$5,618,234. The long-term debt is reported in the General Long-Term Debt Group and consists of the following:

Bonded indebtedness requirements for principal and interest expenditures are payable from future revenues of the Debt Service Fund. The revenues consist principally of property taxes collected by the District and interest earnings. Bonded indebtedness consists of the following:

Bonded indebtedness

1. A general obligation working cash and refunding bond issue dated December 22, 2014, in the original amount of \$2,395,000, is due in annual principal installments of \$230,000 to \$690,000 beginning February 1, 2020 through February 1, 2025. Interest is payable semi-annually on these bonds August 1 and February 1 at 4% on the unpaid balance.
2. A general obligation working cash and refunding bond issue dated November 6, 2018, in the original amount of \$3,660,000, is due in annual principal installments of \$5,000 to \$515,000 beginning February 1, 2020 through February 1, 2032. Interest is payable semi-annually on these bonds August 1 and February 1 at 3% and 4% on the unpaid balance.
3. A general obligation working cash and refunding bond issue dated August 31, 2020, in the original amount of \$822,000, is due in annual principal installments of \$62,000 to \$83,000 beginning February 1, 2022 through February 1, 2032. Interest is payable semi-annually on these bonds August 1 and February 1 at 1.93% on the unpaid balance.

Leases

The District is obligated under certain leases accounted for as operating and capital leases. Leases are accounted for as a component of long-term debt. Lease requirements for principal and interest expenditures are payable from future revenues of the Educational and Transportation Fund. Leases consist of the following:

1. On March 27, 2019 the District entered into a five year operating lease with Gordon Flesch Company, Inc. for copiers in the original amount of \$42,810. Payments are due monthly in the amount of \$952 through September 2023.
2. On March, 11, 2019 the District entered into a five year lease for ten school buses. The lease runs from July 15, 2019 to July 15, 2024. Payments are due annually ranging from ranges from \$138,916 to \$175,631. Ownership of the buses will transfer to the District at the completion of the lease. The lease cost of \$592,379 was included in the General Fixed Asset Account Group in the year ended June 30, 2022.
3. On April 1, 2022 the District entered into a three year lease for 174 Lenovo 100e Chromebooks. Lease payments are due annually in the amount of \$21,115 beginning July 15, 2022. The lease cost of \$63,345 was included in the General Fixed Asset Account Group in the year ended June 30, 2022.
4. On May 12, 2022 the District entered into a four year lease for technology equipment. Lease payments are due annually in the amount of \$23,737 beginning on July 15, 2023.

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(10) Long-Term Debt (Continued)

Long-term liability activity for the year ended June 30, 2023 was as follows:

	Balances, July 1, 2022	Additions	Reductions	Balances, June 30, 2023	Current Portion
General Obligation Bonds, 2014	1,660,000	-	660,000	1,000,000	690,000
General Obligation Bonds, 2018	3,635,000	-	5,000	3,630,000	5,000
General Obligation Bonds, 2020	760,000	-	70,000	690,000	71,000
Leases	468,664	-	170,430	298,234	215,071
TOTAL LONG-TERM DEBT	\$ 6,523,664	\$ -	\$ 905,430	\$ 5,618,234	\$ 981,071

Future cash flow requirements of the District for retirement of principal and interest by fiscal year are as follows:

Fiscal Year Ending June 30,	General Obligation Bonds, 2014		
	Principal	Interest	Total
2024	690,000	40,000	730,000
2025	310,000	12,400	322,400
TOTAL	\$ 1,000,000	\$ 52,400	\$ 1,052,400

Fiscal Year Ending June 30,	GO W.C. and Refunding Bonds, 2018			General Obligation Bonds, 2020		
	Principal	Interest	Total	Principal	Interest	Total
2024	5,000	145,150	150,150	71,000	13,317	84,317
2025	410,000	145,000	555,000	72,000	11,947	83,947
2026	405,000	128,600	533,600	74,000	10,557	84,557
2027	425,000	112,400	537,400	75,000	9,129	84,129
2028	440,000	95,400	535,400	77,000	7,681	84,681
2029-2032	1,945,000	198,200	2,143,200	321,000	15,652	336,652
TOTAL	\$ 3,630,000	\$ 824,750	\$ 4,454,750	\$ 690,000	\$ 68,283	\$ 758,283

Fiscal Year Ending June 30,	Leases		
	Principal	Interest	Total
2024	215,071	8,268	223,339
2025	39,753	5,100	44,853
2026	21,055	2,683	23,738
2027	22,355	1,382	23,737
TOTAL	\$ 298,234	\$ 17,433	\$ 315,667

SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO. 432

Notes to the Financial Statements

(11) Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In order to handle such risks of loss, the District purchases commercial insurance coverage for all major programs except for worker's compensation. The deductibles in effect for these policies as of June 30, 2023 ranged from \$250 to \$5,000. For worker's compensation the District participates in the Illinois Counties Risk Management Trust.

Estimated payments are made annually to the Trust to cover claims, however, additional assessments could be required if the Trust has a deficit. For all insured programs, there have been no significant changes in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the past three years.

(12) Joint Agreements

The District is a member of Indian Valley Vocational Center located at 600 Lions Road, Sandwich, Illinois 60548 along with other area school districts to provide vocational. The District pays tuition to the Vocational Center based on the budgeted expenditures and the District's student and special education enrollment. The District made payments to Indian Valley Vocational Center during fiscal year 2023 in the amount of \$125,681.

The District's pupils benefit from programs administered under this joint agreement, and the District benefits from jointly administered grants and programming. The District does not have any equity interest in this joint agreement. The joint agreement is separately audited and is not included in these financial statements. The financial information about the joint agreement can be obtained by contacting them at the address given above.

(13) Over Expenditure of Budget

The District over expended its budget in the following funds during the fiscal year ended June 30, 2023.

<u>Fund</u>	<u>Expenditures</u>	<u>Budget</u>
Transportation	577,581	573,491
Tort	503,463	492,578

All other funds were operated within the legal confines of their budgets during the fiscal year ended June 30, 2023.

ANNUAL FEDERAL FINANCIAL COMPLIANCE REPORT (COVER SHEET)
DISTRICT/JOINT AGREEMENT
Year Ending June 30, 2023

DISTRICT/JOINT AGREEMENT NAME SOMONAUK CUSD NO. 432	RCDT NUMBER 16-019-4320-26	CPA FIRM 9-DIGIT STATE REGISTRATION NUMBER 066-004656	
ADMINISTRATIVE AGENT IF JOINT AGREEMENT (as applicable)		NAME AND ADDRESS OF AUDIT FIRM NEWKIRK & ASSOCIATES, INC. 2 W. MAIN STREET PLANO, IL 60545	
ADDRESS OF AUDITED ENTITY <i>(Street and/or P.O. Box, City, State, Zip Code)</i> 501 W MARKET ST SOMONAUK, IL 60552		E-MAIL ADDRESS: AMEYER@NEWKIRKCPAS.COM	
		NAME OF AUDIT SUPERVISOR ANDREA MEYER	
		CPA FIRM TELEPHONE NUMBER 630-552-1040	FAX NUMBER 630-552-7399

THE FOLLOWING INFORMATION MUST BE INCLUDED IN THE SINGLE AUDIT REPORT:

- A copy of the CPA firm's most recent peer review report and acceptance letter has been submitted to the GATA Portal (either with the audit or under separate cover).
- Financial Statements including footnotes (Title 2 CFR §200.510 (a))
- Schedule of Expenditures of Federal Awards including footnotes (Title 2 CFR §200.510 (b))
- Independent Auditor's Report on the Financial Statements (Title 2 CFR §200.515 (a))
- Independent Auditor's Report on Internal Control Over Financial Reporting and Compliance Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* (Title 2 CFR §200.515 (b))
- Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by Uniform Guidance (Title 2 CFR §200.515 (c))
- Schedule of Findings and Questioned Costs (Title 2 CFR §200.515 (d))
- Summary Schedule of Prior Audit Findings (Title 2 CFR §200.511 (b))
- Corrective Action Plan(s) (Title 2 CFR §200.511 (c))

THE FOLLOWING INFORMATION IS HIGHLY RECOMMENDED TO BE INCLUDED:

- A Copy of the Federal Data Collection Form (Title 2 CFR §200.512 (b))
- A Copy of each Management Letter
- A copy of the Consolidated Year-end Financial Report (CYEFR) and In-relation to opinion

SINGLE AUDIT INFORMATION CHECKLIST

The following checklist is **OPTIONAL**; it is not a required form for completion of Single Audit information. The purpose of the checklist is to assist in determining if appropriate information has been correctly completed within the Annual Financial Report (AFR). This is not a complete listing of all Single Audit requirements, but highlights some of the more common errors found during ISBE reviews.

GENERAL INFORMATION

- 1. **Signed** and **dated** copies of audit opinion letters have been included with audit package submitted to ISBE.
- 2. All opinion letters use the **most current audit language and formatting** as mandated in SAS 115/SAS 117 and other pronouncements.
- 3. **ALL** Single Audit forms within the AFR Excel workbook have been completed, where appropriate.
 - For those forms that are not applicable, "N/A" or similar language has been indicated.
- 4. **ALL** Federal revenues reported in FRIS Report 0053 (Summary of Payments) are accounted for in the Schedule of Expenditures of Federal Awards (SEFA).
- 5. Federal revenues reported on the AFR reconcile to Federal revenues reported on the SEFA.
 - Verify or reconcile on reconciliation worksheet.
- 6. Complete audit package (Data Collection Form, audit reports, etc.) has been submitted electronically to the Federal Audit Clearinghouse <https://harvester.census.gov/facweb/Default.aspx>

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

- 8. All prior year's projects are included and reconciled to final FRIS report amounts.
 - Including receipt/revenue and expenditure/disbursement amounts.
- 9. All current year's projects are included and reconciled to most recent FRIS report filed.
 - Including receipt/revenue and expenditure/disbursement amounts.
- 10. Differences in reported spending amounts on the SEFA and the final FRIS reports should be detailed and/or documented in a finding, - discrepancies should be reported as Questioned Costs.
- 11. The total amount provided to subrecipients from each Federal program is included.
- 12. Prior-year and Current-year Child Nutrition Programs (CNP) are included on the SEFA (with prior-year program showing total cash received):
Project year runs from October 1 to September 30, so projects will cross fiscal years;
This means that audited year revenues will include funds from both the prior year and current year projects.
- 13. Each CNP project should be reported on a separate line (one line per project year per program).
- 14. Total CNP Revenue amounts are consistent with grant amounts awarded by ISBE for each program by project year.
- 15. Total CNP Expenditure amounts are consistent with grant amounts awarded by ISBE for each program by project year.
- 16. Exceptions should result in a finding with Questioned Costs.
- 17. The total value of non-cash **COMMODITIES** has been reported on the SEFA (CFDA 10.555).
 - The value is determined from the following, **with each item on a separate line:**
 - * **Non-Cash Commodities:** Monthly Commodities Bulletin for April (From the Illinois Commodities System accessed through ISBE web site)
Total commodities = A PAL Allocated + B PAL Allocated + Processing Deductions + Total Bonus Allocated
[Verify Non-Cash Commodities amount on ISBE web site: https://www.isbe.net/Pages/School-Nutrition-Programs-Food-Distribution.aspx](https://www.isbe.net/Pages/School-Nutrition-Programs-Food-Distribution.aspx)
 - * **Non-Cash Commodities:** Commodities information for non-cash items received through **Other Food Services**
Districts should track separately through year; no specific report available from ISBE
Verify Non-Cash Commodities amount through Other Food Services on ISBE web site:
<https://www.isbe.net/Pages/School-Nutrition-Programs-Food-Distribution.aspx>
 - * **Department of Defense Fresh Fruits and Vegetables** (District should track through year)
- **The two commodity programs should be reported on separate lines on the SEFA.**
Verify Non-Cash Commodities amount through DoD Fresh Fruits and Vegetables on ISBE web site:
<https://www.isbe.net/Pages/School-Nutrition-Programs-Food-Distribution.aspx>
 - * Amounts verified for **Fresh Fruits and Vegetables** cash grant program (ISBE code 4240)
CFDA number: 10.582
- 18. **TOTALS** have been calculated for Federal revenue and expenditure amounts (Column totals).
- 19. Obligations and Encumbrances are included where appropriate.
- 20. **FINAL STATUS** amounts are calculated, where appropriate.
- 21. Medicaid Fee-for-Service funds, E-Rate reimbursements and Build America Bond interest subsidies have **not** been included on the SEFA.
- 22. **All** programs tested (not just Type A programs) are indicated by either an * or (M) on the SEFA.
- 23. **NOTES TO THE SEFA** within the AFR Excel workbook (SEFA NOTES) have been completed.
Including, but not limited to:
 - 24. Basis of Accounting
 - 25. Name of Entity
 - 26. Type of Financial Statements
 - 27. Subrecipient information (**Mark "N/A" if not applicable**)

SINGLE AUDIT INFORMATION CHECKLIST

* ARRA funds are listed separately from "regular" Federal awards

SUMMARY OF AUDITOR'S RESULTS/FINDINGS/CORRECTIVE ACTION PLAN

- 28. Audit opinions expressed in opinion letters **match** opinions reported in Summary.
- 29. **All** Summary of Auditor Results questions have been answered.
- 30. All tested programs **and** amounts are listed.
- 31. Correct testing threshold has been entered. (Title 2 CFR §200.518)

Findings have been filled out completely and correctly (if none, mark "N/A").

- 32. Financial Statement and/or Federal Award Findings information has been completely filled out for each finding, with finding numbers in correct format.
- 33. Finding completed for each **Significant Deficiency** and for each **Material Weakness** noted in opinion letters.
- 34. Separate finding for each Federal program (i.e., don't report same finding for multiple programs on one sheet).
- 35. Separate finding sheet for each finding on programs (e.g., excess interest earned and unallowable expenditures are two findings and should be reported separately, even if both are on same program).
- 36. Questioned Costs have been calculated where there are questioned costs.
- 37. Questioned Costs are separated by project year **and** by program (and sub-project, if necessary).
- 38. Questioned Costs have been calculated for Interest Earned on **Excess Cash on Hand**.
 - Should be based on actual amount of interest earned
 - Questioned Cost amounts are broken out between programs if multiple programs are listed on the finding
- 39. **A CORRECTIVE ACTION PLAN, on the LEA's letterhead** has been completed for each finding.
 - Including Finding number, action plan details, projected date of completion, name and title of contact person

SOMONAUK CUSD NO. 432

16-019-4320-26

RECONCILIATION OF FEDERAL REVENUES

Year Ending June 30, 2023

Annual Financial Report to Schedule of Expenditures of Federal Awards

TOTAL FEDERAL REVENUE IN AFR

Account Summary 7-9, Line 7	Account 4000	\$ 928,170
Flow-through Federal Revenues		
Revenues 10-15, Line 115	Account 2200	-
Value of Commodities		
ICR Computation 37, Line 11		34,001
Less: Medicaid Fee-for-Service Program		
Revenues 10-15, Line 266	Account 4992	(65,271)
AFR TOTAL FEDERAL REVENUES:		\$ 896,900

ADJUSTMENTS TO AFR FEDERAL REVENUE AMOUNTS:

Reason for Adjustment:

-----	-----
-----	-----
-----	-----
-----	-----
-----	-----
-----	-----
-----	-----

ADJUSTED AFR FEDERAL REVENUES	\$ 896,900
--------------------------------------	-------------------

Total Current Year Federal Revenues Reported on SEFA:		
Federal Revenues	Column D	\$ 896,900

Adjustments to SEFA Federal Revenues:

Reason for Adjustment:

-----	-----
-----	-----
-----	-----
-----	-----
-----	-----
-----	-----

ADJUSTED SEFA FEDERAL REVENUE:	\$ 896,900
--------------------------------	------------

DIFFERENCE:	\$ -
-------------	------

SOMONAUK CUSD NO. 432
16-019-4320-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2023

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 7/1/21-6/30/22 (C)	Year 7/1/22-6/30/23 (D)	Year 7/1/21-6/30/22 (E)	Year 7/1/21-6/30/22 Pass through to Subrecipients	Year 7/1/22-6/30/23 (F)			
U.S. DEPT. OF AGRICULTURE PASSED THROUGH									0	
ILLINOIS STATE BOARD OF EDUCATION									0	
NATIONAL SCHOOL LUNCH PROGRAM	10.555	22-4210	235,395	24,191	239,722		19,864		259,586	
NATIONAL SCHOOL LUNCH PROGRAM	10.555	23-4210	0	112,778	0		112,778		112,778	
COMMODITIES	10.555	2023	0	19,920	0		19,920		19,920	
COMMODITIES	10.555	2022	13,737	0	13,737		0		13,737	
DEPT OF DEFENSE FRUITS AND VEG	10.555	2023	0	14,081	0		14,081		14,081	
DEPT OF DEFENSE FRUITS AND VEG	10.555	2022	16,999	0	16,999		0		16,999	
NATIONAL SCHOOL BREAKFAST	10.553	22-4220	98,071	0	98,071		0		98,071	
NATIONAL SCHOOL LUNCH PROGRAM	10.555	22-4210-SC	0	18,059	0		18,059		18,059	
NATIONAL SCHOOL LUNCH PROGRAM	10.555	23-4210-SC	0	14,088	0		14,088		14,088	
TOTAL CHILD NUTRITION CLUSTER			364,202	203,117	368,529		198,790		567,319	
NATIONAL SCHOOL LUNCH PROGRAM	10.649	22-4210-BT	0	628	614		14		628	
TOTAL U.S. DEPT. OF AGRICULTURE			364,202	203,745	369,143		198,804		567,947	
									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.

SOMONAUK CUSD NO. 432
16-019-4320-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2023

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 7/1/21-6/30/22 (C)	Year 7/1/22-6/30/23 (D)	Year 7/1/21-6/30/22 (E)	Year 7/1/21-6/30/22 Pass through to Subrecipients	Year 7/1/22-6/30/23 (F)	Year 7/1/22-6/30/23 Pass through to Subrecipients			
U.S. DEPT OF EDUCATION PASSED THROUGH										0	
ILLINOIS STATE BOARD OF EDUCATION										0	
TITLE I-LOW INCOME	84.010A	22-4300-00	52,011	14,009	66,020			0		66,020	
TITLE I-LOW INCOME	84.010A	23-4300-00	0	65,372	0			74,848		74,848	
SUBTOTAL 84.010A			52,011	79,381	66,020			74,848		140,868	
TITLE II -TEACHER QUALITY	84.367A	22-4932-00	14,161	9,903	24,064			0		24,064	
TITLE II -TEACHER QUALITY	84.367A	23-4932-00	0	11,570	0			11,570		11,570	
SUBTOTAL 84.367A			14,161	21,473	24,064			11,570		35,634	
TITLE IV - SSAE	84.424A	22-4300-00	13,715	0	13,715			0		13,715	
TITLE IV - SSAE	84.424A	23-4300-00	0	9,965	0			9,965		9,965	
SUBTOTAL 84.424A			13,715	9,965	13,715			9,965		23,680	
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF GRANT (M)	84.425	23-4998-E2	0	81,865	0			81,865		81,865	
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF GRANT (M)	84.425	21-4998-E2	0	22,770	0			0		574,869	
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF GRANT (M)	84.425	22-4998-E3	0	317,865	179,772			395,097		656,734	
SUBTOTAL 84.425 (M)			0	422,500	179,772			476,962		#REF!	
										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.

SOMONAUK CUSD NO. 432
16-019-4320-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2023

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 7/1/21-6/30/22 (C)	Year 7/1/22-6/30/23 (D)	Year 7/1/21-6/30/22 (E)	Year 7/1/21-6/30/22 Pass through to Subrecipients	Year 7/1/22-6/30/23 (F)	Year 7/1/22-6/30/23 Pass through to Subrecipients			
U.S. DEPT OF EDUCATION PASSED THROUGH										0	
ILLINOIS STATE BOARD OF EDUCATION										0	
FED. SP. ED.- IDEA -THROUGH	84.027	22-4620-00	148,614	289	149,323			0		149,323	
FED. SP. ED.- IDEA -THROUGH	84.027	23-4620-00	0	141,740	0			158,520		158,520	
FED. SP. ED.- PRESCHOOL FLOW- THROUGH	84.173	23-4600-00	0	1,030	0			1,108		1,108	
FED. SP. ED.- PRESCHOOL FLOW- THROUGH	84.173	22-4600-00	2,816	1,165	3,981			0		3,981	
ARPA-IDEA	84.027X	22-4998-ID	0	0	0			35,247		35,247	
ARPA-PS	84.173X	22-4998-PS	0	0	0			2,485		2,485	
SUBTOTAL SPEC. ED. CLUSTER (IDEA)			151,430	144,224	153,304			197,360		350,664	
										0	
VALEES										0	
CTE-PERKINS SECONDARY	84.048A	2023	0	0				5,758		5,758	
										0	
TOTAL US DEPT OF EDUCATION			231,317	677,543	436,875			776,463		1,213,338	
										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.

SOMONAUK CUSD NO. 432
16-019-4320-26
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending June 30, 2023

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 7/1/21-6/30/22 (C)	Year 7/1/22-6/30/23 (D)	Year 7/1/21-6/30/22 (E)	Year 7/1/21-6/30/22 Pass through to Subrecipients	Year 7/1/22-6/30/23 (F)	Year 7/1/22-6/30/23 Pass through to Subrecipients			
DEPARTMENT OF HEALTH AND HUMAN SERVICES										0	
HEALTH CARE FINANCING ADMINISTRATION										0	
IL DEPT OF HEALTHCARE & FAMILY SERVICES										0	
MEDICAID MATCHING/ADMINISTRATIVE OUTREACH	93.778	22-4991-00	13,525		10,571			0		10,571	
MEDICAID MATCHING/ADMINISTRATIVE OUTREACH	93.778	23-4991-00	0	15,612	0			16,111		16,111	
TOTAL DEPT OF HEALTH AND HUMAN SERVICES			13,525	15,612	10,571			16,111		26,682	
TOTAL FEDERAL FINANCIAL ASSISTANCE			609,044	896,900	816,589			991,378		1,807,967	
										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.

SOMONAUK CUSD NO. 432
16-019-4320-26
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2023

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Adverse
 (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)? X YES 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)? X YES NO

IDENTIFICATION OF MAJOR PROGRAMS:⁸

CFDA NUMBER(S) ⁹	NAME OF FEDERAL PROGRAM or CLUSTER ¹⁰	AMOUNT OF FEDERAL PROGRAM
84.425	Education Stabilization Fund	476,962
	Total Amount Tested as Major	\$476,962

Total Federal Expenditures for 7/1/22-6/30/23 \$991,378

% tested as Major 48.11%

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.00

Auditee qualified as low-risk auditee? YES X 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.

SOMONAUK CUSD NO. 432
16-019-4320-26
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2023

SECTION II - FINANCIAL STATEMENT FINDINGS

1. FINDING NUMBER:¹¹ 2023 - n/a 2. THIS FINDING IS: New Repeat from Prior Year?
Year originally reported? _____

3. Criteria or specific requirement

4. Condition

5. Context¹²

6. Effect

7. Cause

8. Recommendation

9. Management's response¹³

¹¹ A suggested format for assigning reference numbers is to use the digits of the fiscal year being audited followed by a numeric sequence of findings. For example, findings identified and reported in the audit of fiscal year **2021** would be assigned a reference number of **2021-001**, **2021-002**, etc. The sheet is formatted so that only the number need be entered (1, 2, etc.).

¹² Provide sufficient information for judging the prevalence and consequences of the finding, such as relation to universe of costs and/or number of items examined and quantification of audit findings in dollars.

¹³ See §200.521 *Management decision* for additional guidance on reporting management's response.

SOMONAUK CUSD NO. 432
16-019-4320-26
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ending June 30, 2023

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

1. FINDING NUMBER:¹⁴ **2023 - 001** **2. THIS FINDING IS:** New Repeat from Prior year?
 Year originally reported? _____

3. Federal Program Name and Year: Elementary and Secondary School Relief

4. Project No.: 22-4998-E3 **5. CFDA No.:** 84.425

6. Passed Through: Illinois State Board of Education

7. Federal Agency: U.S. Department of Education

8. Criteria or specific requirement (including statutory, regulatory, or other citation)
 Expenditure reports are due by the 20th day after the end of each quarter.

9. Condition¹⁵
 During our audit we noted the expenditures report for ESSER III for the period ending June 30, 2023 was submitted late.

10. Questioned Costs¹⁶
 None

11. Context¹⁷
 The expenditure report for the period ending June 30, 2023 was submitted late

12. Effect
 Late filed expenditure reports are not in compliance with grant requirements.

13. Cause
 Due to the amount of grants and strains of the pandemic the report was not filed timely.

14. Recommendation
 Our recommendation is that the District evaluate roles and responsibilities to ensure grant expenditure reports are submitted timely. We further recommend the District insititute internal controls for review and accountability to ensure someone other than person submitting the reports is reviewing and approving the reports and ensuring they are filed timely.

15. Management's response¹⁸
 Management agrees with this comment and will follow the corrective action plan.

¹⁴ See footnote 11.
¹⁵ Include facts that support the deficiency identified on the audit finding (§200.516 (b)(3)).
¹⁶ Identify questioned costs as required by §200.516 (a)(3 - 4).
¹⁷ See footnote 12.
¹⁸ To the extent practical, indicate when management does not agree with the finding, questioned cost, or both.

SOMONAUK CUSD NO. 432
16-019-4320-26
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS¹⁹
Year Ending June 30, 2023

[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
2022-001	During our audit we noted the Food Service program had excess revenue over expenditures in total for the year ended June 30, 2022.	Finding resolved and not repeated in FY23

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.



Somonauk Community Unit School District #432

Jay Streicher - Superintendent
501 W Market Street, Somonauk, IL 60552
815.498.2315, ext 1246
Fax: 815.498.9523
streicherj@somonauk.net

Somonauk CUSD No. 432

16-019-4320-26

Corrective Action Plan for Current Year Audit Findings

Year Ending June 30, 2023

Corrective Action Plan

Finding No.: 2023-001

Condition: During our audit it was noted that the expenditure report for ESSER for the period ending June 30, 2023 was filed late.

Plan: The District will create procedures to ensure that the expenditure reports are submitted timely.

Anticipated Date of Completion: June 30, 2024

Name of Contact Person: Jay Streicher, Superintendent

Management Response: We agree with the comment and will implement a corrective action plan.

JRW Elementary
Christy Pruski, Principal
320 S Maple Street
Somonauk, IL 60552
815.498.2338, ext 1322
Fax: 815.498.9361
pruskic@somonauk.net

Somonauk Middle School
Justin Snider, Principal
510 W LaSalle Street
Somonauk, IL 60552
815.498.1866, ext 1401
Fax: 815.498.1647
sniderj@somonauk.net

Somonauk High School
Eric Benson, Principal
500 W LaSalle Street
Somonauk, IL 60552
815.498.2314, ext 1226
Fax: 815.498.9841
bensone@somonauk.net

Director of Student Services
Kate Lippoldt
501 W Market Street
Somonauk, IL 60552
815.498.2314, ext 1233
Fax: 815.498.9523
lippoldtk@somonauk.net

Assistant Principal/AD
Elizabeth Ness
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Somonauk, IL 60552
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SOMONAUK COMMUNITY UNIT SCHOOL DISTRICT NO 432
 Illinois Grant Accountability and Transparency Act
 Audit Consolidated Year-End Financial Report
 June 30, 2023

<u>CSFA #</u>	<u>Program Name</u>	<u>State</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>
478-00-0251	Medical Assistance Program	\$ -	\$ 16,111	\$ -	\$ 16,111
586-18-0407	National School Lunch Program	\$ -	\$ 198,804	\$ -	\$ 198,804
586-18-0410	Summer Food Service	\$ -	\$ -	\$ -	\$ -
586-00-1581	Agricultural Education	\$ 17,882	\$ -	\$ -	\$ 17,882
586-18-1015	Agricultural Education	\$ 7,515	\$ -	\$ -	\$ 7,515
586-43-2427	Federal Programs - Emergency Relief	\$ -	\$ 476,962	\$ -	\$ 476,962
586-53-2590	Federal Programs - ARP IDEA Consolidated	\$ -	\$ 37,732	\$ -	\$ 37,732
586-57-0420	Fed. - Sp. Ed. - Preschool Flow Through	\$ -	\$ 1,108	\$ -	\$ 1,108
586-62-0414	Title I - Low Income	\$ -	\$ 74,848	\$ -	\$ 74,848
586-62-0430	Title II - Improving Teacher Quality	\$ -	\$ 11,570	\$ -	\$ 11,570
586-62-1588	Titlie IVA SSAE	\$ -	\$ 9,965	\$ -	\$ 9,965
586-64-0417	Fed - Sp. Ed. - IDEA Flow Through	\$ -	\$ 158,520	\$ -	\$ 158,520
586-69-0418	CTE - Perkins Secondary	\$ -	\$ 5,758	\$ -	\$ 5,758
	Other grant programs and activities	\$ -	\$ -	\$ -	\$ -
	All other costs not allocated	\$ -	\$ -	\$ 11,451,043	\$ 11,451,043
		\$ 25,397	\$ 991,378	\$ 11,451,043	\$ 12,467,818

SOMONAUK C.U.S.D. NO. 432

AVERAGE DAILY ATTENDANCE, OPERATING
EXPENSE PER PUPIL AND TOTAL OPERATING EXPENSE
Last Ten Years

Year Ended June 30,	<u>Average Daily Attendance</u>	<u>Operating Expense Per Pupil</u>	<u>Total Operating Expense</u>
2014	786	9,794	7,698,117
2015	751	10,537	7,915,049
2016	753	11,027	8,298,469
2017	777	10,988	8,539,403
2018	761	11,691	8,893,423
2019	721	12,628	9,104,717
2020	722	12,238	8,830,701
2021	643	13,824	8,882,004
2022	668	14,863	9,928,350
2022	663	15,632	10,364,334

SOMONAUK C.U.S.D. NO. 432

DIRECT REVENUE RECEIVED AND DIRECT EXPENDITURES DISBURSED
Last Ten Years

Direct Revenue Received					
Year Ended June 30,	Total	Local Sources	Flow Through	State Sources	Federal Sources
2014	9,547,698	7,089,100	-	2,063,824	394,774
2015	9,791,196	7,543,279	-	1,788,653	459,264
2016	9,941,436	7,576,081	-	1,964,169	401,186
2017	9,970,650	7,885,354	900	1,788,127	296,269
2018	10,981,153	8,156,977	-	2,336,131	488,045
2019	11,063,985	8,422,736	-	2,238,485	402,764
2020	11,340,065	8,622,133	-	2,328,976	388,956
2021	11,936,859	8,844,127	-	2,260,835	831,897
2022	12,931,298	9,631,602	-	2,428,589	871,107
2023	13,780,793	10,407,774	-	2,444,849	928,170

Direct Expenditures Disbursed									
Year Ended June 30,	Total	Salaries	Employee Benefits	Purchased Services	Supplies & Materials	Capital Outlay	Other Objects	Transfers	Tuition/ Termination Benefits
2014	9,134,188	4,821,188	1,204,102	593,524	619,000	381,553	1,514,821	-	-
2015	9,117,070	4,845,996	1,290,697	661,695	551,830	292,097	1,474,755	-	-
2016	9,388,455	4,838,048	1,373,268	683,667	812,164	119,727	1,561,581	-	-
2017	9,716,785	4,893,768	1,389,431	1,048,154	666,965	352,035	1,366,432	-	-
2018	10,145,041	4,871,991	1,362,155	1,538,579	584,446	310,389	1,477,481	-	-
2019	12,966,445	5,088,912	1,440,333	1,398,952	548,669	229,883	4,259,696	-	-
2020	10,328,573	5,359,969	1,450,655	1,133,246	636,000	111,339	1,637,364	-	-
2021	13,045,584	5,319,782	1,371,181	1,614,662	721,722	2,561,537	1,456,700	-	-
2022	11,609,394	5,929,415	1,474,110	1,765,197	711,101	101,739	1,627,832	-	-
2023	12,102,117	6,634,936	1,476,603	1,350,889	833,278	350,762	1,455,649	-	-

SOMONAUK C.U.S.D. NO. 432

TOTAL TAXED ASSESSED VALUATIONS,
TAX RATES, AND EXTENSIONS
Last Ten Years

<u>Levy Year</u>	<u>Taxed Assessed Valuation *</u>	<u>Total Tax Rate</u>	<u>Taxes Extended</u>
2013	129,422,741	4.35381	5,634,814
2014	125,867,625	4.47444	5,631,874
2015	123,477,363	4.64118	5,730,803
2016	121,993,938	4.87837	5,951,320
2017	127,417,249	4.80133	6,117,725
2018	134,432,561	4.62549	6,218,163
2019	143,975,583	4.56161	6,567,605
2020	152,806,595	4.56034	6,968,496
2021	159,619,417	3.62647	5,788,554
2022	171,172,594	3.52725	6,037,678

* Net of Enterprise Zone Abatement and TIF Zone increase

SOMONAUK C.U.S.D. NO. 432

PROPERTY TAX RATES, EXTENSIONS AND COLLECTIONS BY LEVY
Last Five Years

	<u>Rate</u>	<u>Extension</u>	<u>Received Through 6/30/2022</u>	<u>Received Current Year</u>	<u>Uncollected (Over collected) Balance</u>
2022 LEVY - Taxable Assessed Valuation					\$ 171,172,594
Less Enterprise Zone Assessed Valuation Abated					-
Less TIF Zone Assessed Valuation Increase					-
Taxed Assessed Valuation					<u>\$ 171,172,594</u>
Educational	4.00000	\$ 6,846,904	\$ -	\$ 1,459,960	\$ 5,386,944
Oper. & Maint.	0.50000	855,863	-	182,494	673,368.97
Debt Services	0.51419	880,152	-	189,671	690,481.36
Transportation	0.06427	110,013	-	23,472	86,540.63
Municipal Retirement	0.02922	50,017	-	10,669	39,347.63
Social Security	0.08764	150,016	-	32,005	118,010.66
Working Cash	0.05000	85,586	-	18,249	67,337.30
Rent/Facilities Leasing	0.05000	85,586	-	18,249	67,337.30
Tort Immunity	0.22492	385,001	-	82,144	302,857.40
Special Education	0.04000	68,469	-	14,600	53,869.04
Fire Prev. & Safety	<u>0.05000</u>	<u>85,586</u>	<u>-</u>	<u>18,249</u>	<u>67,337.30</u>
	<u>5.6102</u>	<u>\$ 9,603,193</u>	<u>\$ -</u>	<u>\$ 2,049,762</u>	<u>\$ 7,553,431</u>
2021 LEVY - Taxable Assessed Valuation					\$ 159,619,417
Less Enterprise Zone Assessed Valuation Abated					-
Less TIF Zone Assessed Valuation Increase					-
Taxed Assessed Valuation					<u>\$ 159,619,417</u>
Educational	3.98790	\$ 6,365,463	\$ 1,323,476	\$ 4,879,546	\$ 162,441
Oper. & Maint.	0.49849	795,687	174,502	616,143	5,042
Debt Services	0.54925	876,710	194,196	680,200	2,314
Transportation	0.18043	288,001	63,162	223,016	1,823
Municipal Retirement	0.03133	50,009	10,968	38,725	316
Social Security	0.09398	150,010	32,899	116,162	949
Working Cash	0.04985	79,570	17,450	61,616	504
Rent/Facilities Leasing	0.04985	79,570	17,450	61,616	504
Tort Immunity	0.23682	378,011	82,901	292,714	2,396
Special Education	0.03988	63,656	13,960	49,293	403
Fire Prev. & Safety	<u>0.04985</u>	<u>79,570</u>	<u>17,450</u>	<u>61,616</u>	<u>504</u>
	<u>5.7676</u>	<u>\$ 9,206,257</u>	<u>\$ 1,948,414</u>	<u>\$ 7,080,647</u>	<u>\$ 177,196</u>

SOMONAUK C.U.S.D. NO. 432

PROPERTY TAX RATES, EXTENSIONS AND COLLECTIONS BY LEVY
Last Five Years

	<u>Rate</u>	<u>Extension</u>	<u>Received Through 6/30/2022</u>	<u>Received Current Year</u>	<u>Uncollected (Over collected) Balance</u>
2020 LEVY - Taxable Assessed Valuation					\$ 152,806,595
Less Enterprise Zone Assessed Valuation Abated					-
Less TIF Zone Assessed Valuation Increase					-
Taxed Assessed Valuation					<u>\$ 152,806,595</u>
Educational	3.99789	\$ 6,109,040	\$ 5,987,566	\$ -	\$ 121,474
Oper. & Maint.	0.37481	572,734	569,163	-	3,571
Debt Services	0.57497	878,592	945,641	-	(67,049)
Transportation	0.19990	305,460	303,555	-	1,905
Municipal Retirement	0.04909	75,013	124,167	-	(49,154)
Social Security	0.09817	150,010	160,795	-	(10,785)
Working Cash	0.04998	76,373	75,893	-	480
Rent/Facilities Leasing	0.04998	76,373	75,893	-	480
Tort Immunity	0.28365	433,436	464,592	-	(31,156)
Special Education	0.03998	61,092	60,710	-	382
Fire Prev. & Safety	<u>0.04998</u>	<u>76,373</u>	<u>75,893</u>	<u>-</u>	<u>480</u>
	<u>5.7684</u>	<u>\$ 8,814,496</u>	<u>\$ 8,843,868</u>	<u>\$ -</u>	<u>\$ (29,372)</u>
2019 LEVY - Taxable Assessed Valuation					\$ 143,975,583
Less Enterprise Zone Assessed Valuation Abated					-
Less TIF Zone Assessed Valuation Increase					-
Taxed Assessed Valuation					<u>\$ 143,975,583</u>
Educational	3.99917	\$ 5,757,830	\$ 5,718,180	\$ -	\$ 39,650
Oper. & Maint.	0.37493	539,808	537,534	-	2,274
Debt Services	0.61080	879,403	893,250	-	(13,847)
Transportation	0.19996	287,894	286,685	-	1,209
Municipal Retirement	0.09169	132,011	133,578	-	(1,567)
Social Security	0.06460	93,008	94,116	-	(1,108)
Working Cash	0.00834	12,008	12,152	-	(144)
Rent/Facilities Leasing	0.04999	71,973	71,671	-	302
Tort Immunity	0.29519	425,002	430,063	-	(5,061)
Special Education	0.04000	57,590	57,345	-	245
Fire Prev. & Safety	<u>0.04515</u>	<u>65,005</u>	<u>65,777</u>	<u>-</u>	<u>(772)</u>
	<u>5.7798</u>	<u>\$ 8,321,532</u>	<u>\$ 8,300,351</u>	<u>\$ -</u>	<u>\$ 21,181</u>

SOMONAUK C.U.S.D. NO. 432

PROPERTY TAX RATES, EXTENSIONS AND COLLECTIONS BY LEVY
Last Five Years

	<u>Rate</u>	<u>Extension</u>	<u>Received Through 6/30/2022</u>	<u>Received Current Year</u>	<u>Uncollected (Over collected) Balance</u>
2018 LEVY - Taxable Assessed Valuation					\$ 143,062,521
Less Enterprise Zone Assessed Valuation Abated					-
Less TIF Zone Assessed Valuation Increase					-
Taxed Assessed Valuation					<u>\$ 143,062,521</u>
Educational	3.96669	\$ 5,674,847	\$ 5,315,166	\$ -	\$ 359,681
Oper. & Maint.	0.37500	536,484	502,491	-	33,993
Debt Services	0.65390	935,486	879,376	-	56,110
Transportation	0.17851	255,381	239,179	-	16,202
Municipal Retirement	0.09820	140,487	131,572	-	8,915
Social Security	0.06918	98,971	92,694	-	6,277
Working Cash	0.03967	56,753	53,150	-	3,603
Rent/Facilities Leasing	0.04959	70,945	66,446	-	4,499
Tort Immunity	0.31615	452,292	423,596	-	28,696
Special Education	0.03967	56,753	53,150	-	3,603
Fire Prev. & Safety	<u>0.04959</u>	<u>70,945</u>	<u>66,446</u>	<u>-</u>	<u>4,499</u>
	<u>5.8362</u>	<u>\$ 8,349,343</u>	<u>\$ 7,823,266</u>	<u>\$ -</u>	<u>\$ 526,077</u>

SOMONAUK C.U.S.D. NO. 432

FUND BALANCES (EXCLUDING CAPITAL PROJECTS FUNDS) ADJUSTED FOR EARLY TAX RECEIPTS
Last Five Years

	Total	Educational Fund	Oper. & Maint. Fund	Debt Services Fund	Transportation Fund	Municipal Retirement/ Social Security Fund	Working Cash Fund	Tort Fund
Fund Balance, 6-30-19	\$ 8,249,756	\$ 3,104,710	\$ 373,262	\$ 262,975	\$ 594,782	\$ 402,825	\$ 2,859,197	\$ 652,005
Less "early tax distribution"	(1,616,343.00)	(1,131,644)	(104,651)	(184,269)	(49,805)	(46,700)	(11,067)	(88,207)
Adjusted Fund balance	<u>\$ 9,866,099</u>	<u>\$ 4,236,354</u>	<u>\$ 477,913</u>	<u>\$ 447,244</u>	<u>\$ 644,587</u>	<u>\$ 449,525</u>	<u>\$ 2,870,264</u>	<u>\$ 740,212</u>
Fund Balance, 6-30-20	\$ 9,299,206	\$ 3,826,860	\$ 392,781	\$ 279,635	\$ 758,846	\$ 411,419	\$ 2,956,396	\$ 673,269
Less "early tax distribution"	(1,739,685)	(1,229,105)	(112,692)	(193,532)	(60,104)	(49,028)	(2,617)	(92,607)
Adjusted Fund balance	<u>\$ 11,038,891</u>	<u>\$ 5,055,965</u>	<u>\$ 505,473</u>	<u>\$ 473,167</u>	<u>\$ 818,950</u>	<u>\$ 460,447</u>	<u>\$ 2,959,013</u>	<u>\$ 765,876</u>
Fund Balance, 6-30-21	\$ 10,053,922	\$ 5,038,090	\$ 461,445	\$ 330,573	\$ 969,872	\$ 418,003	\$ 2,144,735	\$ 691,204
Less "early tax distribution"	(1,929,122)	(1,327,463)	(121,712)	(228,932)	(64,913)	(58,053)	(16,228)	(111,821)
Adjusted Fund balance	<u>\$ 11,983,044</u>	<u>\$ 6,365,553</u>	<u>\$ 583,157</u>	<u>\$ 559,505</u>	<u>\$ 1,034,785</u>	<u>\$ 476,056</u>	<u>\$ 2,160,963</u>	<u>\$ 803,025</u>
Fund Balance, 6-30-22	\$ 11,300,064	\$ 6,175,372	\$ 411,937	\$ 281,061	\$ 1,130,086	\$ 395,583	\$ 2,233,487	\$ 672,538
Less "early tax distribution"	(1,930,964)	(1,354,886)	(174,502)	(194,196)	(63,162)	(43,867)	(17,450)	(82,901)
Adjusted Fund balance	<u>\$ 13,231,028</u>	<u>\$ 7,530,258</u>	<u>\$ 586,439</u>	<u>\$ 475,257</u>	<u>\$ 1,193,248</u>	<u>\$ 439,450</u>	<u>\$ 2,250,937</u>	<u>\$ 755,439</u>
Fund Balance, 6-30-23	\$ 12,885,138	\$ 7,653,424	\$ 536,889	\$ 196,159	\$ 1,216,256	\$ 349,704	\$ 2,373,291	\$ 559,415
Less "early tax distribution"	(2,031,513)	(1,492,809)	(182,494)	(189,671)	(23,472)	(42,674)	(18,249)	(82,144)
Adjusted Fund balance	<u>\$ 14,916,651</u>	<u>\$ 9,146,233</u>	<u>\$ 719,383</u>	<u>\$ 385,830</u>	<u>\$ 1,239,728</u>	<u>\$ 392,378</u>	<u>\$ 2,391,540</u>	<u>\$ 641,559</u>

The fund balances in the basic financial statements reflect all property tax distributions received by the district during each year ended June 30th, in accordance with the cash basis method of accounting used by the district. These balances have been adjusted to exclude property tax distributions of the current year's levy received prior to June 30th of that year. These balances should not be construed to reflect the financial position of any fund.

Form of Continuing Disclosure Undertaking

**CONTINUING DISCLOSURE UNDERTAKING
FOR THE PURPOSE OF PROVIDING
CONTINUING DISCLOSURE INFORMATION
UNDER SECTION (b)(5) OF RULE 15c2-12**

This Continuing Disclosure Undertaking (this “*Agreement*”) is executed and delivered by Community Unit School District Number 432, DeKalb and LaSalle Counties, Illinois (the “*District*”), in connection with the issuance of \$_____ General Obligation School Bonds, Series 2024 (the “*Bonds*”). The Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on the 22nd day of January, 2024 (as supplemented by a notification of sale, the “*Resolution*”).

In consideration of the issuance of the Bonds by the District and the purchase of such Bonds by the beneficial owners thereof, the District covenants and agrees as follows:

1. PURPOSE OF THIS AGREEMENT; CERTIFICATIONS. This Agreement is executed and delivered by the District as of the date set forth below, for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with the requirements of the Rule (as defined below). This Agreement is prepared in compliance with paragraph (d)(2) of the Rule.

The District represents that:

(a) it will be the only obligated person with respect to the Bonds at the time the Bonds are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Bonds; and

(b) at the time of the delivery of the Bonds to the Participating Underwriters, the District will be an “obligated person” (as such term is defined in the Rule) with respect to less than \$10,000,000 in aggregate amount of outstanding municipal securities, including the Bonds and excluding municipal securities that were offered in a transaction exempt from the Rule pursuant to paragraph (d)(1) of the Rule.

2. DEFINITIONS. The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

Commission means the Securities and Exchange Commission.

Dissemination Agent means any agent designated as such in writing by the District and which has filed with the District a written acceptance of such designation, and such agent’s successors and assigns.

EMMA means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

Exchange Act means the Securities Exchange Act of 1934, as amended.

Financial Information means the financial information and operating data described in *Exhibit I*.

Financial Information Disclosure means the dissemination of disclosure concerning Financial Information as set forth in Section 4.

Financial Obligation means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; *provided* that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

MSRB means the Municipal Securities Rulemaking Board.

Official Statement means the Official Statement, dated _____, 2024, and relating to the Bonds.

Participating Underwriter means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Bonds.

Reportable Event means the occurrence of any of the Events with respect to the Bonds set forth in *Exhibit II*.

Reportable Events Disclosure means dissemination of a notice of a Reportable Event as set forth in Section 5.

Rule means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

State means the State of Illinois.

Undertaking means the obligations of the District pursuant to Sections 4 and 5.

3. CUSIP NUMBERS. The CUSIP Numbers of the Bonds are set forth in *Exhibit III*. The District will include CUSIP Numbers in all disclosure materials described in Sections 4 and 5 of this Agreement.

4. FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate its Financial Information at least annually to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

5. REPORTABLE EVENTS DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. References to “material” in Exhibit II refer to materiality as it is interpreted under the Exchange Act. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds or defeasance of any Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Resolution.

6. CONSEQUENCES OF FAILURE OF THE DISTRICT TO PROVIDE INFORMATION. In the event of a failure of the District to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the District to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default under the Resolution, and the sole remedy under this Agreement in the event of any failure of the District to comply with this Agreement shall be an action to compel performance.

7. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement, the District by resolution authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the District, or type of business conducted;

(b) This Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined by parties unaffiliated with the District (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Financial Information Disclosure or Reportable Events Disclosure to be made to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the District shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

8. **TERMINATION OF UNDERTAKING.** The Undertaking of the District shall be terminated hereunder if the District shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Resolution.

9. **FUTURE CHANGES TO THE RULE.** As set forth in Section 1 of this Agreement, the District has executed and delivered this Agreement solely and only to assist the Participating Underwriters in complying with the requirements of the Rule. Therefore, notwithstanding anything in this Agreement to the contrary, in the event the Commission, the MSRB or other regulatory authority shall approve or require changes to the requirements of the Rule, the District shall be permitted, but shall not be required, to unilaterally modify the covenants in this Agreement, without complying with the requirements of Section 7 of this Agreement, in order to comply with, or conform to, such changes. In the event of any such modification of this Agreement, the District shall file a copy of this Agreement, as revised, on EMMA in a timely manner.

10. **DISSEMINATION AGENT.** The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

11. **ADDITIONAL INFORMATION.** Nothing in this Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Financial Information Disclosure or notice of occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the District chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Agreement, the District shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

12. **BENEFICIARIES.** This Agreement has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the District, the Dissemination Agent, if any, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

13. **RECORDKEEPING.** The District shall maintain records of all Financial Information Disclosure and Reportable Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

14. **ASSIGNMENT.** The District shall not transfer its obligations under the Resolution unless the transferee agrees to assume all obligations of the District under this Agreement or to execute an Undertaking under the Rule.

15. CONTACT INFORMATION. Specific questions or inquiries relating to Financial Information Disclosure and Reportable Events Disclosure should be directed to:

Mr. Jay Streicher
Superintendent
Somonauk CUSD 432
500 West LaSalle Street
Somonauk, Illinois 60552
(815) 498-2315

16. GOVERNING LAW. This Agreement shall be governed by the laws of the State.

COMMUNITY UNIT SCHOOL DISTRICT
NUMBER 432, DEKALB AND LASALLE
COUNTIES, ILLINOIS

By _____
President, Board of Education

Date: _____, 2024

EXHIBIT I
FINANCIAL INFORMATION

“*Financial Information*” means the District’s annual audited financial statements prepared in accordance with accounting principles mandated by the Illinois State Board of Education. The Financial Information will be submitted to EMMA by 210 days after the last day of the District’s fiscal year (currently June 30), beginning with the fiscal year ending June 30, 2024. If audited financial statements are not available when the Financial Information is required to be filed, the District will submit the Financial Information to EMMA within 30 days after availability to the District. There shall be specified the date as of which such information was prepared. All or a portion of the Financial Information may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available on EMMA; the Final Official Statement need not be available from the Commission. The District shall clearly identify each such item of information included by reference.

EXHIBIT II
EVENTS WITH RESPECT TO THE BONDS FOR WHICH
REPORTABLE EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the District*
13. The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material
15. Incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties

* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

**EXHIBIT III
CUSIP NUMBERS**

YEAR OF MATURITY	CUSIP NUMBER (240407)
2026	
2027	
2028	
2029	
2033	
2034	
2035	
2036	
2037	

Official Notice of Sale and Bid Form

OFFICIAL NOTICE OF SALE

AND

BID FORM

FOR

COMMUNITY UNIT SCHOOL DISTRICT NUMBER 432

DEKALB AND LASALLE COUNTIES, ILLINOIS

\$2,955,000* GENERAL OBLIGATION SCHOOL BONDS, SERIES 2024

DATE AND TIME:

May 14, 2024
10:00 a.m.
Central Daylight Saving Time

PLACE:

PMA Securities, LLC
2135 CityGate Lane, 7th Floor
Naperville, Illinois 60563
Attention: Jasen Pinkerton
Phone: (630) 657-6442
E-mail: compbidIL@pmanetwork.com

FORM OF BIDDING:

Electronic or via e-mail, as described herein

*Preliminary, subject to change.

OFFICIAL NOTICE OF SALE

**COMMUNITY UNIT SCHOOL DISTRICT NUMBER 432
DEKALB AND LASALLE COUNTIES, ILLINOIS
\$2,955,000* GENERAL OBLIGATION SCHOOL BONDS, SERIES 2024**

NOTICE IS HEREBY GIVEN that the Board of Education (the “Board”) of Community Unit School District Number 432, DeKalb and LaSalle Counties, Illinois (the “District”), will receive bids either (i) electronically via **Parity®** or (ii) sent via e-mail to compbidIL@pmanetwork.com (each as more fully described below), for the purchase of its \$2,955,000* General Obligation School Bonds, Series 2024 (the “Bonds”), on an all or none basis at the following time and place:

DATE AND TIME: 10:00 a.m.
Central Daylight Saving Time
May 14, 2024

PLACE: Offices of the District’s Municipal Advisor:
PMA Securities, LLC (the “Municipal Advisor”)
2135 CityGate Lane, 7th Floor
Naperville, Illinois 60563

AWARD OF BONDS: Bids will be publicly announced at the above time and place. Unless all bids are rejected, award will be made by the designated officials of the Board and the District to the bidder offering the *lowest true interest cost* (“TIC”) to the District.

The Bonds

The Bonds are issued pursuant to the School Code of the State of Illinois, the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and a bond resolution adopted by the Board of the District on January 22, 2024, as supplemented by a notification of sale (together, the “Bond Resolution”). Proceeds of the Bonds will be used to (i) increase the Working Cash Fund of the District, (ii) pay interest on the Bonds through February 1, 2025, and (iii) pay costs associated with the issuance of the Bonds.

The Bonds, in the opinion of Chapman and Cutler LLP, Chicago, Illinois (“Bond Counsel”), are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

The Bond Resolution provides for the levy of ad valorem taxes, unlimited as to rate or amount, upon all taxable property within the District in amounts sufficient to pay, as and when due, all principal of and interest on the Bonds, except for the interest due on the Bonds on

*Preliminary, subject to change.

August 1, 2024, and February 1, 2025, which will be paid from Bond proceeds. The Bond Resolution will be filed with the County Clerks of The Counties of DeKalb and LaSalle, Illinois (the “County Clerks”), and will serve as authorization to the County Clerks to extend and collect the property taxes as set forth in the Bond Resolution to pay the Bonds.

The proposed form of opinion of Bond Counsel regarding the Bonds is set forth in Appendix A to the Preliminary Official Statement.

Bidding Instructions

Each proposal must be submitted on the Official Bid Form without alteration or change until 10:00 a.m. Central Daylight Saving Time either:

(i) via **Parity**® in accordance with this Official Notice of Sale. To the extent any instructions or directions set forth in **Parity**® conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. For further information about **Parity**®, potential bidders may contact the Municipal Advisor or i-Deal LLC at 1359 Broadway, New York, NY 10018, telephone (212) 849-5021; or

(ii) via e-mail to compbidIL@pmanetwork.com.

The bidder bears all risk of transmission failure.

Any bidder intending to bid via e-mail shall notify the Municipal Advisor of such intention no later than the close of business on May 13, 2024.

Determination of Winning Bid

The Bonds will be awarded to the single and best bidder (the “Purchaser”) whose bid will be determined upon the basis of the **lowest TIC** at the rates designated in said bid from the dated date to the respective maturity dates after deducting the bid premium or adding the bid discount, if any. The TIC will be calculated as the rate which, when used in computing the present value of all payments of principal and interest to be paid on the Bonds (commencing on August 1, 2024 and semiannually on each February 1 and August 1 thereafter), produces an amount on the date of the Bonds (expected to be June 4, 2024) equal to the purchase price set forth in the bid. In the event of more than one proposal specifying the lowest TIC, the Bonds will be awarded to the bidder whose proposal is selected by lot from among all such proposals.

Bidding Parameters

The Bonds will be dated the date of issuance thereof and will mature on the dates and in the amounts as described in the Official Bid Form attached hereto.

The Bonds are subject to optional redemption prior to maturity as set forth in the Preliminary Official Statement.

Any bidder electing to designate any maturities as term bonds shall so specify on the affirmed bid form. The term bonds shall be subject to mandatory sinking fund redemption by lot

in the amounts currently specified for the serial bonds, at a redemption price of 100% of the principal amount thereof.

All interest rates must be in multiples of one-eighth or one-twentieth of one percent (1/8 or 1/20 of 1%), and not more than one rate for a single maturity shall be specified. The rate bid for each maturity shall not exceed 6.00%. The minimum rate of interest is 5.00% on the February 1, 2033 maturity and all maturities thereafter. All bids must be for all of the Bonds and must be for not less than 105.40% and not more than 110.00% of the par amount thereof.

Attorneys' fees, rating agency fees, Municipal Advisor fees, the cost of preparing and printing the Bonds, the fees of the registrar and paying agent for the Bonds, the cost of distributing this Official Notice of Sale, the Preliminary Official Statement and the Official Statement and miscellaneous expenses of the District incurred in connection with the offering and delivery of the Bonds shall all be the obligation of the District. The costs of issuance of the Bonds may be distributed by the Purchaser on behalf of the District from proceeds of the Bonds and by submitting a bid, the Purchaser agrees to send (an) additional wire(s) at closing to distribute such costs if so requested by the District.

A good faith deposit will not be required prior to bid opening. The Purchaser is required to submit a certified or cashier's check on a solvent bank or trust company or a wire transfer for TWO PERCENT OF PAR payable to the School Treasurer who receives the taxes of the District as evidence of good faith of the Purchaser (the "Deposit") not later than 3:30 P.M. Central Daylight Saving Time on the Sale Date (as hereinafter defined). The Deposit will be retained by the District pending delivery of the Bonds. The District may hold the proceeds of the Deposit or invest the same (at the District's risk) in obligations that mature at or before the delivery of the Bonds, until applied as follows: (a) at the delivery of the Bonds and upon compliance with the Purchaser's obligation to take up and pay for the Bonds, the full amount of the Deposit held by the District, without adjustment for interest, shall be applied toward the purchase price of the Bonds at that time, and the full amount of any interest earnings thereon shall be retained by the District; and (b) if the Purchaser fails to take up and pay for the Bonds when tendered, the full amount of the Deposit plus any interest earnings thereon will be forfeited to the District as liquidated damages.

Establishment of Issue Price

(a) The Purchaser shall assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public (as hereinafter defined) or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Purchaser, the District and Bond Counsel. All actions to be taken by the District under this Official Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the District by the Municipal Advisor, identified herein, and any notice or report to be provided to the District may be provided to the Municipal Advisor. Within one hour of the award, the Purchaser will provide the District and the Municipal Advisor the expected initial offering price of the Bonds, which the Purchaser used to formulate its bid.

(b) The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds)

will apply to the initial sale of the Bonds (the “Competitive Sale Requirements”) because:

- (1) the District will disseminate this Official Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
- (2) all bidders will have an equal opportunity to bid;
- (3) the District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the District anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest TIC, as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(c) In the event that the Competitive Sale Requirements are not satisfied, the District shall so advise the Purchaser. In such event, any bid proposal submitted will not be subject to cancellation or withdrawal, and the District agrees to use the rules selected by the Purchaser on its bid form to determine the issue price for the Bonds. On the bid form, each bidder must select one of the following rules to establish the issue price of the Bonds: (i) the “10% Test” which will establish the issue price of a maturity of the Bonds as the first price at which 10% of such maturity of the Bonds is sold to the Public and/or (ii) the “Hold-the-Offering-Price Rule” which will establish the issue price of a maturity of the Bonds as the initial offering price of that maturity, in each case applied on a maturity-by-maturity basis. If the Purchaser selects the Hold-the-Offering-Price Rule, the Purchaser shall promptly advise the District, at or before the time of award of the Bonds, which maturities of the Bonds have not satisfied the 10% Test and will be subject to the Hold-the-Offering-Price Rule. ***Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the Hold-the-Offering-Price Rule or the 10% Test, as selected on the bid form, in order to establish the issue price of the Bonds. In addition if the 10% Test has not been satisfied with respect to any maturity of the Bonds prior to closing, then the Purchaser shall provide the District with a representation as to the price or prices as of the date of closing at which the Purchaser reasonably expects to sell the remaining Bonds of such maturity.***

(d) **If the Competitive Sale Requirements are not satisfied and the Purchaser selects the Hold-the-Offering-Price Rule**, then the Purchaser shall (i) confirm that the Underwriters (as hereinafter defined) have offered or will offer the Bonds to the Public on or before the date of award at the offering price or prices (the “Initial Offering Price”), or at the corresponding yield or yields set forth in the bid submitted by the Purchaser and (ii) agree, on behalf of the Underwriters participating in the purchase of the Bonds, that the Underwriters will neither offer nor sell unsold Bonds of any maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or

- (2) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public.

The Purchaser will advise the District promptly after the close of the fifth (5th) business day after the Sale Date whether it has sold 10% of that maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public. Within one hour of the award, the Purchaser will inform the District of the Initial Offering Price for each maturity of the Bonds.

(e) **If the Competitive Sale Requirements are not satisfied and the Purchaser selects the 10% Test**, then until the 10% Test has been satisfied as to each maturity of the Bonds, the Purchaser agrees to promptly report to the District the prices at which the unsold Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the Purchaser's reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the District or Bond Counsel. In addition if the 10% Test has not been satisfied with respect to any maturity of the Bonds prior to closing, then the Purchaser shall provide the District with a representation as to the price or prices as of the date of closing at which the Purchaser reasonably expects to sell the remaining Bonds of such maturity.

(f) The District acknowledges that, in making the representations set forth above, the Purchaser will rely on (i) the agreement of each Underwriter to comply with requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing the issue price of the Bonds including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The District further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule if applicable to the Bonds.

(g) By submitting a bid, each bidder confirms that:

- (i) any agreement among Underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale

of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

- (A)(i) to report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold to the Public or it is notified by the Purchaser that the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the Purchaser and (ii) to comply with the Hold-the-Offering-Price Rule, if applicable, if and for so long as directed by the Purchaser and as set forth in the related pricing wires, which shall be until the 10% Test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth (5th) business day following the date of award,
- (B) to promptly notify the Purchaser of any sales of Bonds that, to its knowledge, are made to a purchaser who is a Related Party to an Underwriter participating in the initial sale of the Bonds to the Public, and
- (C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Purchaser shall assume that each order submitted by the Underwriter is a sale to the Public.

(ii) any agreement among Underwriters or selling group agreement relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold or until it is notified by the Purchaser or such Underwriter that the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the Purchaser or such Underwriter and (B) comply with the Hold-the-Offering-Price Rule, if applicable, if and for so long as directed by the Purchaser or the Underwriter and as set forth in the related pricing wires, which shall be at least until the 10% Test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth (5th) business day following the date of the award.

(h) Sales of any Bonds to any person that is a Related Party to an Underwriter participating in the initial sale of the Bonds to the Public shall not constitute sales to the Public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

- (i) “Public” means any person other than an Underwriter or a Related Party,
- (ii) a purchaser of any of the Bonds is a “Related Party” to an Underwriter if the Underwriter and the Purchaser are subject, directly or indirectly, to

(A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other),

- (iii) “Sale Date” means the date that the Bonds are awarded by the District to the Purchaser, and
- (iv) “Underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

Closing Transcript

At the time of delivery, the District will furnish to the Purchaser the approving legal opinion of Bond Counsel and, in due course, a complete certified transcript of all proceedings in connection with the issuance of the Bonds which shall include a non-litigation certificate showing that there is no litigation pending or threatened as to the validity or security of the Bonds.

Bond Insurance at Purchaser’s Option

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment thereof, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the Purchaser. The Purchaser, upon being advised of the successful bid, shall notify the Municipal Advisor of its intent to obtain bond insurance. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the Purchaser. Any other rating agency fees shall be the responsibility of the Purchaser. Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the Purchaser shall not constitute cause for failure or refusal by the Purchaser to accept delivery of the Bonds.

Tax Exemption

Subject to compliance by the District with certain covenants, in the opinion of Bond Counsel, under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Interest on the Bonds is not exempt

from present State of Illinois income taxes. See “TAX EXEMPTION” in the Preliminary Official Statement for a more complete discussion.

Qualified Tax-Exempt Obligations

Subject to the District’s compliance with certain covenants, in the opinion of Bond Counsel, the Bonds are “qualified tax-exempt obligations” under the small issuer exception provided under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code.

Book-Entry Only

The Bonds will be issued as fully-registered bonds without coupons and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Bonds. A single Bond certificate for each maturity will be issued to DTC and immobilized in its custody. Individual purchases may be made in book-entry-only form only through DTC participants, in the principal amount of \$5,000 and integral multiples thereof. Individual purchasers will not receive certificates evidencing their ownership of the Bonds purchased. The Purchaser shall be required to deposit the Bond certificates with DTC as a condition to delivery of the Bonds. The District will make payments of principal and interest on the Bonds to DTC or its nominee as registered owner of the Bonds in same-day funds. Transfer of those payments to participants of DTC will be the responsibility of DTC; transfer of the payments to beneficial owners by DTC participants will be the responsibility of such participants and other nominees of beneficial owners all as required by DTC rules and procedures. No assurance can be given by the District that DTC, its participants and other nominees of beneficial owners will make prompt transfer of the payments as required by DTC rules and procedures. The District assumes no liability for failures of DTC, its participants or other nominees to promptly transfer payments to beneficial owners of the Bonds.

In the event that the securities depository relationship with DTC for the Bonds is terminated and the District does not appoint a successor depository, the District will prepare, authenticate and deliver, at its expense, fully-registered Bond certificates in the denominations of \$5,000 or an integral multiple thereof in the aggregate principal amount of the Bonds of the same maturity then outstanding to the beneficial owners of the Bonds.

CUSIP Numbers

It is intended that CUSIP numbers will be printed on the Bonds, but neither the failure to print or type such number on any Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the Purchaser to accept delivery of and make payment for the Bonds. All expenses in relation to the printing of CUSIP numbers, including CUSIP Service Bureau charges for the assignment of said numbers, shall be the responsibility of and shall be paid by the Purchaser.

Continuing Disclosure

The District covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the “Undertaking”) to provide ongoing disclosure about the District for the benefit of the beneficial owners of the Bonds on or before the date of delivery of the Bonds as required under Section (b)(5) of Rule 15c2-12 (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The form of the Undertaking is set forth in Appendix C in the Preliminary Official Statement. Please see the section entitled “LIMITED CONTINUING DISCLOSURE” in the Preliminary Official Statement for a description of the District’s compliance during the last five years with undertakings previously entered into by it pursuant to the Rule.

The Purchaser’s obligation to purchase the Bonds shall be conditional upon the District delivering the Undertaking on or before the date of delivery of the Bonds.

Official Statement

The District declares the Preliminary Official Statement provided in connection with the sale of the Bonds to be final as of its date for purposes of the Rule, except for the omission of the offering prices or yields, the interest rates, any other terms or provisions required by the District specified in the bid, ratings, other terms of the Bonds depending on such matters, and the identity of the Purchaser. Upon the sale of the Bonds, the District will publish an Official Statement in substantially the same form as the Preliminary Official Statement, subject to minor additions, deletions and revisions as required to complete the Preliminary Official Statement. By submission of its bid, the Purchaser will be deemed to have certified that it has obtained and reviewed the Preliminary Official Statement. Promptly after the Sale Date, but in no event later than seven business days after the Sale Date, the District will provide the Purchaser with an electronic copy of the final Official Statement. The Purchaser agrees to supply to the District all information necessary to complete the Official Statement within 24 hours after the award of the Bonds.

Conditions of Closing

The District reserves the right to reject any or all bids and to determine the best bid in its sole discretion, and to waive any informality in any bid. Additionally, the District reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Bonds and any such modification or amendment will be announced on the Amendments Page of the Parity® webpage and through *Thompson Municipal News*.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the District in the Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the District in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

The Bonds will be delivered to the Purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be June 4, 2024. Should

delivery, however, be delayed beyond forty-five (45) days from the Sale Date for any reason beyond the control of the District except failure of performance by the Purchaser, the District may cancel the award or the Purchaser may withdraw the Deposit and thereafter the Purchaser's interest in and liability for the Bonds will cease.

Additional Information

The Preliminary Official Statement and the Official Bid Form, together with other pertinent information, may be obtained from the District, Attention: Jay Streicher, Superintendent, 500 West LaSalle Street, Somonauk, Illinois 60552-9795, Telephone: (815) 498-2315, or from the Municipal Advisor, Attention: Jasen Pinkerton, 2135 CityGate Lane, 7th Floor, Naperville, Illinois 60563, Telephone: (630) 657-6442.

By order of the Board of Education of the District, dated this 7th day of May, 2024.

/s/ Jay Streicher

Superintendent
Community Unit School District Number 432,
DeKalb and LaSalle Counties, Illinois

OFFICIAL BID FORM

Board of Education
 Community Unit School District Number 432
 DeKalb and LaSalle Counties, Illinois

May 14, 2024

Ladies and Gentlemen:

Subject to all the provisions of the Official Notice of Sale, which is expressly made a part of this bid, we offer to purchase the General Obligation School Bonds, Series 2024 (the “Bonds”), as described below:

Par amount of Bonds: \$ _____*
 Dated date: Date of Issuance
 Purchase price: \$ _____
 (not less than 105.40% and not more than 110.00% of the par amount of the Bonds)

The Bonds shall bear interest as follows (each rate (i) a multiple of 1/8 or 1/20 of 1%; (ii) not exceeding 6.00% and (iii) a minimum of 5.00% on the February 1, 2033 maturity and all maturities thereafter):

<u>Maturity</u> <u>(February 1)</u>	<u>Amount (\$)*</u>	<u>Rate</u>	<u>Term Bonds</u> <u>(Year)</u>
2026	120,000	_____	_____
2027	130,000	_____	_____
2028	145,000	_____	_____
2029	160,000	_____	_____
****	****	****	****
2033	505,000	_____	_____
2034	530,000	_____	_____
2035	555,000	_____	_____
2036	585,000	_____	_____
2037	225,000	_____	_____

*Preliminary, subject to change. The District reserves the right to increase or decrease the principal amount of the individual maturities of the Bonds on the day of sale in increments of \$5,000. If the principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000 portion of a Bond.

If insured, please insert the name of insurer _____ and amount of the premium \$ _____. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the successful bidder (the “Purchaser”). Any other rating agency fees shall be the responsibility of the Purchaser. Failure of the municipal bond insurer to issue the policy after the Bonds have been awarded to the Purchaser shall not constitute cause for failure or refusal by the Purchaser to accept delivery of the Bonds.

Any bidder electing to designate a maturity as a term bond shall so specify on the bid form. The term bond shall be subject to mandatory sinking fund redemption by lot in the amounts currently specified for the serial bonds, at a redemption price of 100% of the principal amount thereof.

The Bonds are subject to optional redemption prior to maturity as set forth in the Preliminary Official Statement.

The Bonds are to be accompanied by the unqualified approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, and a certificate evidencing that no litigation is pending against the District which will affect the validity or security of the Bonds.

Attorneys' fees, rating agency fees, Municipal Advisor fees, the cost of preparing and printing the Bonds, the fees of the registrar and paying agent for the Bonds, the cost of distributing the Official Notice of Sale, the Preliminary Official Statement and the Official Statement and miscellaneous expenses of the District incurred in connection with the offering and delivery of the Bonds shall all be the obligation of the District. The costs of issuance of the Bonds may be distributed by the Purchaser on behalf of the District from proceeds of the Bonds and by submitting this bid, we agree to send (an) additional wire(s) at closing to distribute such costs if so requested by the District.

If the net interest cost or the true interest cost stated below is incorrectly computed, the undersigned agrees that the purchase price and interest rates above shall prevail.

Net Interest Cost: \$ _____
True Interest Cost: _____ %

This bid is a firm offer for the purchase of the Bonds identified in the Official Notice of Sale, on the terms set forth in this bid form and the Official Notice of Sale, and is not subject to any conditions, except as permitted by the Official Notice of Sale. If the Competitive Sale Requirements are not met, the bidder selects the following rule to establish the issue price of the maturities of the Bonds for which 10% is not sold to the Public on the date hereof applied on a maturity-by-maturity basis (mark one):

_____ 10% Test: the first price at which 10% of a maturity of the Bonds is sold to the Public for the following maturities: _____

_____ Hold-the-Offering-Price Rule: the initial offering price of that maturity for the following maturities: _____

By submitting this bid, we confirm that we have an established industry reputation for underwriting new issuances of municipal bonds. *[If the bidder cannot confirm an established industry reputation for underwriting new issuances of municipal bonds, the preceding sentence should be crossed out.]*

We understand that if we are the winning bidder, we will deposit with the School Treasurer who receives the taxes of the District not later than 3:30 P.M. CDT on the Sale Date a certified or cashier's check or a wire in the amount of two percent (2%) of the par amount of the Bonds payable to said District as a guarantee of good faith, to be applied in accordance with the Official Notice of Sale.

Managing Underwriter Signature

Name of Firm: _____

Direct Contact: _____

Address: _____

Phone Number: _____

E-Mail Address: _____

—PLEASE ATTACH A LIST OF ACCOUNT MEMBERS—

The foregoing offer is hereby accepted this 14th day of May, 2024, by the Board of Education of Community Unit School District Number 432, DeKalb and LaSalle Counties, Illinois, and in recognition thereof is signed by the officials of the District empowered and authorized to make such acceptance.

President, Board of Education
Community Unit School District Number 432,
DeKalb and LaSalle Counties, Illinois

Superintendent
Community Unit School District Number 432,
DeKalb and LaSalle Counties, Illinois

Form of Issue Price Certificate

CERTIFICATE OF PURCHASER

The undersigned, on behalf of _____ (the “*Purchaser*”), hereby certifies as set forth below with respect to the sale and issuance of the \$_____ General Obligation School Bonds, Series 2024 (the “*Bonds*”), of Community Unit School District Number 432, DeKalb and LaSalle Counties, Illinois (the “*District*”).

I. General

On the Sale Date the Purchaser purchased the Bonds from the District by submitting electronically an “Official Bid Form” responsive to an “Official Notice of Sale” and having its bid accepted by the District. The Purchaser has not modified the terms of the purchase since the Sale Date.

II. Price

[Competitive Sale – 3 Bids Received]

Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed in *Schedule A* (the “*Expected Offering Prices*”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as *Schedule B* is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(b) The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

[3 Bids Not Received – At Least 10% of Each Maturity Sold by Closing]

As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Schedule A* (the “*First Sale Price*”).

[3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Expected First Sale Price]

1. As of the date of this certificate, for each of the _____ Maturities of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Schedule A* (the “*First Sale Price*”).

2. Expected First Sale Price.

With respect to each of the _____ Maturities of the Bonds:

(a) As of the date of this certificate, the Purchaser has not sold at least 10% of the Bonds of this Maturity at any price.

(b) As of the date of this certificate, the Purchaser reasonably expects that the first sale to the Public of an amount of Bonds of this Maturity equal to 10% or more of this Maturity will be at or below the Expected Sale Price listed on the attached *Schedule A* (the “*Expected First Sale Price*”).

[3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Hold-the-Offering-Price Rule]

1. As of the date of this certificate, for each of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Schedule A* (the “*First Sale Price*”).

2. (a) The Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in *Schedule A* (the “*Initial Offering Prices*”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Schedule B*.

(b) As set forth in the Official Notice of Sale and the Official Bid Form, the Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “*Hold-the-Offering-Price Rule*”), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement would contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the Hold-the-Offering-Price Rule.

(c) No Underwriter (as defined below) has offered or sold any Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.

III. Defined Terms

[1. “*General Rule Maturities*” means those Maturities of the Bonds not listed in *Schedule A* hereto as the “Hold-the-Offering-Price Maturities.”]

[2. “*Hold-the-Offering-Price Maturities*” means those Maturities of the Bonds listed in *Schedule A* hereto as the “Hold-the-Offering-Price Maturities.”]

3. “ *Holding Period* ” means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (said fifth business day being _____, 2024), or (ii) the date on which the Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

4. “ *Maturity* ” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

5. “ *Public* ” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

6. A person is a “ *Related Party* ” to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

7. “ *Sale Date* ” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2024.

8. “ *Underwriter* ” means (i) any person that agrees pursuant to a written contract with the District (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

IV. Use of Representations

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in its documents and with respect to compliance with the federal income tax rules affecting the Bonds, and by Chapman and Cutler LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

IN WITNESS WHEREOF, I hereunto affix my signature, this ____ day of _____, 2024.

By: _____

Title: _____

SCHEDULE A

The Bonds are dated _____, 2024, and are due on February 1 of the years and in the amounts, bear interest at the rates and were sold and offered to the Public as described in the attached Certificate of Purchaser at the prices, in percentages and dollars, as follows:

HOLD-THE- OFFERING-PRICE MATURITY IF MARKED (*)	YEAR	PRINCIPAL AMOUNT (\$)	INTEREST RATE (%)	[[EXPECTED OFFERING]	[INITIAL OFFERING]	[[EXPECTED OFFERING]	[FIRST SALE PRICE OF AT LEAST 10% (% OF PAR)]	[FIRST SALE PRICE OF AT LEAST 10% (\$)]	TOTAL ISSUE PRICE (\$)
				[EXPECTED OFFERING]	[INITIAL OFFERING]	[EXPECTED OFFERING]	[FIRST SALE PRICE OF AT LEAST 10% (% OF PAR)]	[FIRST SALE PRICE OF AT LEAST 10% (\$)]	

Total

SCHEDULE B

PRICING WIRE