

ANNUAL FINANCIAL REPORT

**PROVISO TOWNSHIP
SCHOOL TREASURER'S OFFICE
WESTCHESTER, ILLINOIS**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

**PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
TABLE OF CONTENTS
JUNE 30, 2023**

	<u>Exhibit</u>	<u>Page</u>
Independent Auditor's Report		1
Other Information:		
Management Discussion and Analysis		3
Basic Financial Statements:		
<i>Government-Wide Financial Statements</i>		
Statement of Net Position – Modified Cash Basis	A	8
Statement of Activities – Modified Cash Basis	B	9
<i>Fund Financial Statements</i>		
General Fund:		
Statement of Fiduciary Net Position – Modified Cash Basis	C	10
Statement of Revenues, Expenditures and Changes in Fund Balance – Modified Cash Basis – Budget and Actual	D	12
Fiduciary Fund:		
Statement of Fiduciary Net Position – Modified Cash Basis – Agency Fund	E	14
Notes to Financial Statements		15
Other Information:		
Schedule of Changes in Net Pension Liability and Related Ratios – Illinois Municipal Retirement Fund (IMRF)		26
Multi-Year Schedule of Contributions – Illinois Municipal Retirement Fund (IMRF)		28
	<u>Schedule</u>	
Statement of Cash Received and Cash Disbursed on Behalf of School Districts and Joint Agreements	1	29
Statement of Cash and Investments – Pooled and Restricted	2	33
Statement of Cash and Investment Balances by District	3	35
Statement of Cash Receipts and Disbursements – Township Distributive Fund	4	36
Reconciliation of Fund Balance to Cash and Investment Balance by District	5	37



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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Proviso Township School Treasurer's Office
10114 Gladstone
Westchester, Illinois 60154

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities and the aggregate remaining fund information of the Proviso Township School Treasurer's Office (the "Treasurer") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Treasurer's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and the aggregate remaining fund information of the Treasurer as of June 30, 2023, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Treasurer, 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.

Emphasis of Matter – Basis of Accounting

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. 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 the Treasurer's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Other Information

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

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

Evans, Marshall & Pease, P.C.

Evans, Marshall & Pease, P.C.
Certified Public Accountants

Rolling Meadows, Illinois
October 5, 2023
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OTHER INFORMATION
Management's Discussion and Analysis

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PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023

The management's discussion and analysis of the Proviso Township School Treasurer's Office (the "Treasurer") financial performance provides an overall review of the Treasurer's financial activities for the year ended June 30, 2023. The management of the Treasurer encourages readers to consider the information presented herein in conjunction with the financial statements to enhance their understanding of the Treasurer's financial performance.

Financial Highlights

- Revenues in the amount of \$1,161,103 were collected from school districts and joint agreements.
- Expenditures in the amount of \$1,177,415 were paid for operating costs of the Treasurer's office in the General Fund and expenses on the Statement of Activities.
- In total, net position increased by \$3,624,141 to a net position of \$3,215,065.

Overview of the Financial Statements

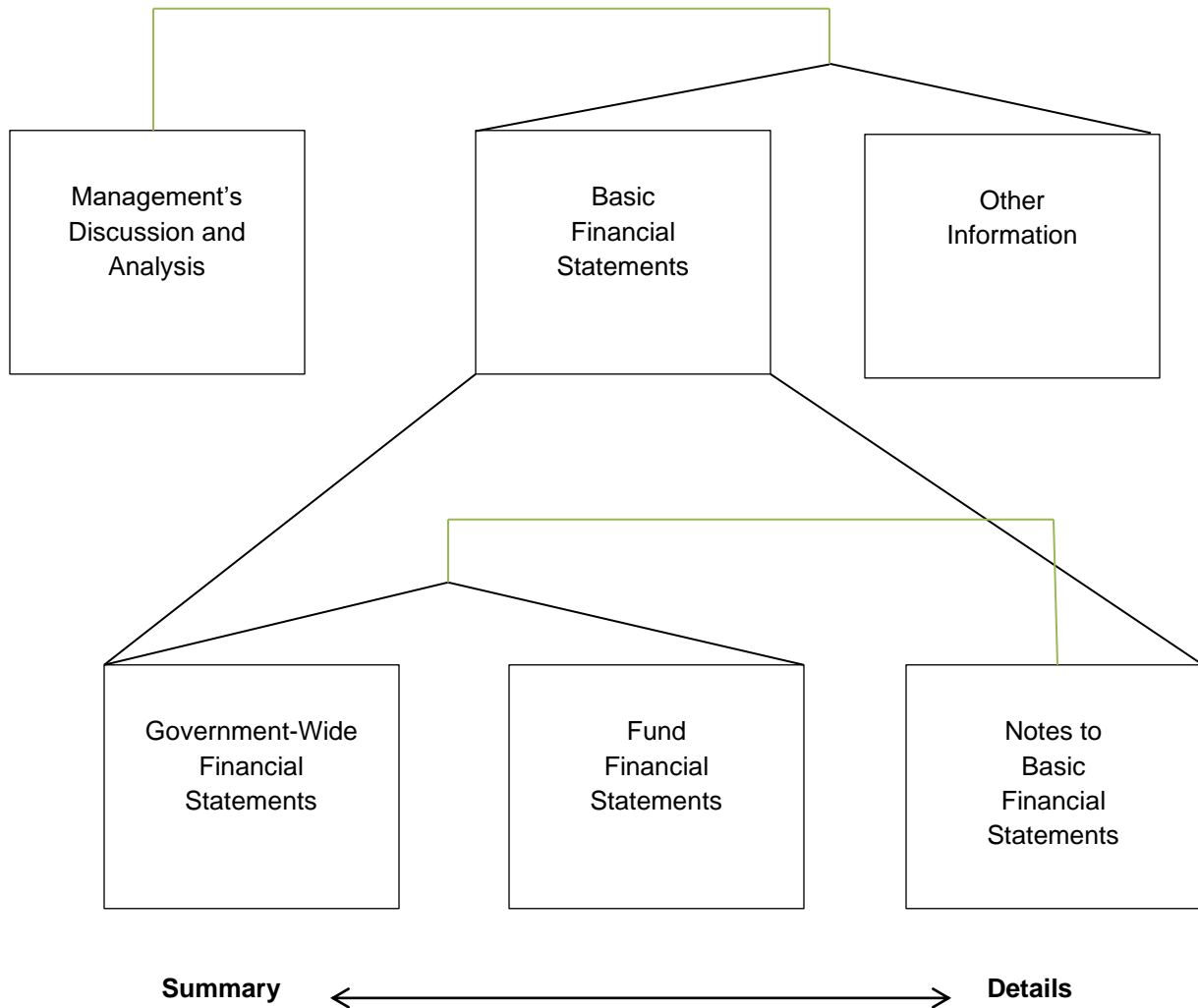
This discussion and analysis are intended to serve as an introduction to the Treasurer's basic financial statements. The basic financial statements are comprised of three components:

- Government-Wide financial statements.
- Fund financial statements.
- Notes to basic financial statements.

This report also contains other information in addition to the basic financial statements.

Figure A-1 shows how the various parts of this annual report are arranged and relate to one another.

Figure A-1
Organization of Proviso Township School Treasurer's Office Annual Financial Report



Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broader overview of the Treasurer's finances.

The Statement of Net Position – modified cash basis presents information on certain assets and liabilities of the Treasurer with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Treasurer is improving or deteriorating.

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023

The Statement of Activities – modified cash basis presents information showing how the government's net position changed during the fiscal year being reported. Most changes in net position are reported when cash is received and disbursed. Additionally, activity related to the acquisition, depreciation and year-end balances of capital assets are reported.

The government-wide financial statements present the functions of the Treasurer that are principally supported by intergovernmental revenues (governmental activities). All of the Treasurer's basic services are included here. Charges to the school districts and joint agreements finance all of these activities. The Treasurer has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. The Treasurer's governmental activities include Treasurer's office services.

Fund Financial Statements

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the governments' near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between the governmental fund and governmental activities. The Treasurer maintains one individual governmental fund – the General (Distributive) Fund, which the Treasurer considers to be a major fund.

The Treasurer adopts an annual budget for the General (Distributive) Fund listed above. A budgetary comparison schedule has been provided for the fund to demonstrate compliance with this budget.

Fiduciary funds are used to account for resources held for the benefit of parties outside the Treasurer. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Treasurer's own programs. The accounting used for fiduciary funds is much like that for the government-wide financial statements.

Notes to Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other information.

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023

Government-Wide Financial Analysis

Net Position. The Treasurer's net position increased compared to the prior year. Total net position was \$3,215,065 and \$(624,392) as of June 30, 2023, and 2022, respectively (see Table 1).

Table 1
Condensed Statement of Net Position (Deficit)

	2023	2022
Current Assets		
Cash	\$ 3,215,065	\$ -
Total Assets	<u>\$ 3,215,065</u>	<u>\$ -</u>
Liabilities		
Cash overdraft	\$ -	\$ 409,076
Total Liabilities	<u>-</u>	<u>409,076</u>
Net Position (Deficit)		
Unrestricted (Deficit)	<u>3,215,065</u>	<u>(409,076)</u>
Total Net Position (Deficit)	<u>\$ 3,215,065</u>	<u>\$ (409,076)</u>

The Treasurer's financial position is the product of many factors. However, the primary factor resulting in the decrease in net position was timing of its reimbursements for the school districts.

Changes in Net Position. The Treasurer's total revenues were \$1,161,103 and \$1,296,198 for the years ended June 30, 2023, and 2022, excluding investment earnings, respectively (see Table 2).

Table 2
Changes in Net Position

	2023	2022
Revenues		
Income from pooled investments	\$ 8,365,834	\$ 593,634
Program revenues:		
Charges for services	<u>1,161,103</u>	<u>1,296,198</u>
Total Revenues	<u>9,526,937</u>	<u>1,889,832</u>
Expenses		
Distribution of investment earnings	4,725,381	463,530
Treasurer's office services	<u>1,177,415</u>	<u>1,210,986</u>
Total Expenditures	<u>5,902,796</u>	<u>1,674,516</u>
Change in Net Position	3,624,141	215,316
Net Position (Deficit) - Beginning	<u>(409,076)</u>	<u>(624,392)</u>
Net Position (Deficit) - Ending	<u>\$ 3,215,065</u>	<u>\$ (409,076)</u>

The total cost of all the Treasurer's office services was \$1,177,415 and \$1,210,986 during the years ended June 30, 2023, and 2022, excluding investment earnings distributions, respectively.

Financial Analysis of the Treasurer's Funds

The financial position of the Treasurer as a whole is reflected in its governmental fund, as well. As the Treasurer completed the year, the governmental fund balance was a net position of \$3,215,065. This reflects an increase of \$3,624,141 from the prior year fund balance.

General Fund Budgetary Highlights

The Treasurer's Office operated within the confines of the budget during the year ended June 30, 2023.

Factors Bearing on the Treasurer's Future

At the time these financial statements were prepared and audited, the Treasurer was not aware of any circumstances that may significantly affect its financial position in the future.

Contacting the Treasurer's Financial Management

This financial report is designed to provide the Proviso Township School Treasurer's Office member districts, those districts' taxpayers and creditors with a general overview of the Treasurer's finances and to demonstrate the Treasurer's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Paul Bellisario at:

Proviso Township School Treasurer's Office
10114 Gladstone
Westchester IL 60154

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BASIC FINANCIAL STATEMENTS

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PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2023

	<u>Governmental Activities</u>
LIABILITIES	
Cash	<u>\$ 3,215,065</u>
Total Liabilities	<u>\$ 3,215,065</u>
NET POSITION	
Unrestricted	<u>\$ 3,215,065</u>
Total Net Position	<u>\$ 3,215,065</u>

See Accompanying Notes to Financial Statements.

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expense) Revenue and Changes in Net Position Governmental Activities
Governmental Activities:			
Treasurer's office services	\$ 1,177,415	\$ 1,161,103	\$ (16,312)
Distribution of earnings to school districts	<u>4,725,381</u>	<u>-</u>	<u>(4,725,381)</u>
	<u>\$ 5,902,796</u>	<u>\$ 1,161,103</u>	<u>(4,741,693)</u>
General Revenues Received:			
Income from pooled investments			<u>8,365,834</u>
Total General Revenues Received			<u>8,365,834</u>
Change in Net Position			3,624,141
Net Position (Deficit) - Beginning of year			<u>(409,076)</u>
Net Position - End of year			<u>\$ 3,215,065</u>

See Accompanying Notes to Financial Statements.

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
GENERAL (DISTRIBUTIVE) FUND
STATEMENT OF FIDUCIARY NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2023

ASSETS		
Cash		<u>\$ 3,215,065</u>
Total Assets		<u><u>\$ 3,215,065</u></u>
FUND BALANCE		
Unassigned		<u>\$ 3,215,065</u>
Total Fund Balance		<u><u>\$ 3,215,065</u></u>

See Accompanying Notes to Financial Statements.

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PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total Fund Balance - General Fund	<u>\$ 3,215,065</u>
Net Position of Governmental Activities	<u><u>\$ 3,215,065</u></u>

See Accompanying Notes to Financial Statements.

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
 GENERAL (DISTRIBUTIVE) FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 MODIFIED CASH BASIS - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2023

	Original and Final Budget	Actual
REVENUES		
Income from pooled investments		\$ 8,365,834
Reimbursements of Treasurer's Office Expenses:		
Pro rata for office expense of Treasurer		<u>1,161,103</u>
Total Revenues		<u>9,526,937</u>
EXPENDITURES		
Salaries	\$ 594,796	528,002
Illinois retirement/FICA expense	115,502	101,471
Hospitalization insurance	173,228	168,621
Rent	57,000	52,313
Office expense	27,500	28,661
Custodial	12,000	4,248
Utilities	34,000	18,307
Travel/convention expense	4,000	2,300
Consulting	50,000	37,260
Insurance	17,200	11,397
Dues and fees	2,000	2,607
Data processing/equipment	202,500	175,735
Legal	10,000	2,399
Audit	18,700	18,700
Distribution of investment earnings to schools	-	4,725,381
Treasurer's bond	40,000	25,394
Total Disbursements	<u>\$ 1,358,426</u>	<u>5,902,796</u>
CHANGE IN FUND BALANCE		3,624,141
FUND BALANCE (DEFICIT) - JULY 1, 2022		<u>(409,076)</u>
FUND BALANCE - JUNE 30, 2023		<u>\$ 3,215,065</u>

(Continued)

See Accompanying Notes to Financial Statements.

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
RECONCILIATION OF THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2023

Net Change in Fund Balance - General Fund	<u>\$ 3,624,141</u>
Change in Net Position of Governmental Activities	<u><u>\$ 3,624,141</u></u>

See Accompanying Notes to Financial Statements.

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
 AGENCY FUND
 STATEMENT OF FIDUCIARY NET POSITION - MODIFIED CASH BASIS
 JUNE 30, 2023

	Fiduciary Fund Type <u>Agency</u>
ASSETS	
Cash and investments	\$ 419,076,863
Restricted investments	<u>581,000</u>
Total Assets	<u><u>\$ 419,657,863</u></u>
LIABILITIES	
Due to participating school districts	<u>\$ 419,657,863</u>
Total Liabilities	<u><u>\$ 419,657,863</u></u>

See Accompanying Notes to Financial Statements.

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PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – NATURE OF ACTIVITIES, FINANCIAL REPORTING ENTITY, BASIS OF PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Proviso Township School Treasurer's Office (the "Treasurer") oversees the treasury function of School District Nos. 87, 88, 89, 90, 91, 92, 92.5, 93, 94, 95, 96, 208, 209 and the Proviso Area for Exceptional Children (PAEC) (the "Participating Districts"). The Treasurer and each Participating District are located in Cook County, Illinois. In this capacity, funds received by the Treasurer from various sources are distributed to Participating Districts on a current basis to meet operating needs. Excess funds are invested by the Treasurer in accordance with its investment policy.

The accounting policies of the Treasurer conform to the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America, as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Significant accounting policies are as follows:

Financial Reporting Entity

As defined by generally accepted accounting principles established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

1. Appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government, or
2. Fiscal dependency on the primary government and the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

Financial benefit or financial burden is created if any one of the following relationships exists:

1. The primary government is legally entitled to or has access to the component unit's resources.
2. The primary government is legally required or has assumed the obligation to finance the deficits of, provide support to, the component unit.
3. The primary government is obligated in some manner for the other component unit's debt.

Based upon the application criteria, no component units have been included within the reporting entity.

Basis of Presentation

Government-Wide Financial Statements: The Government-Wide Statement of Net Position and Statement of Activities display information about the reporting government as a whole. The Statement of Activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct revenues are those that are clearly identifiable with a specific function or segment. Indirect expenses not allocated to functions, if any, are reported separately. Program revenues include charges to the Proviso Township School Treasurer and joint agreements and fees and charges to other school districts and joint agreements. Other items not properly included among program revenues are reported instead as general revenues.

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – NATURE OF ACTIVITIES, FINANCIAL REPORTING ENTITY, BASIS OF PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fiduciary funds are excluded from the government-wide financial statements.

Fund Financial Statements: The fund financial statements of the reporting entity are generally organized into funds, 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 represent the funds' assets, liabilities, equity, revenues, and expenditures. The following fund types are used by the Treasurer:

Governmental fund types are used to account for the Treasurer's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of any general fixed assets and the servicing of any general long-term debt.

The General (Distributive) Fund is the Treasurer's primary operating fund. It accounts for all financial resources of the Proviso Township School Treasurer. It is reported as a major fund as required by GASB Statement No. 34.

Fiduciary fund types are used to account for assets held in a trustee or agency capacity on behalf of others.

The **Agency Fund** is custodial in nature and does not present results of operations or have a measurement focus. The agency fund is used to account for assets and liabilities held by the Treasurer for the public school districts and joint agreements in Proviso Township in an agency capacity.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resource" measurement focus, as applied on the modified cash basis of accounting, is used as defined below.

The governmental fund (General Fund) utilizes a "modified current financial resources" measurement focus. Only certain current financial assets and liabilities are generally included on the balance sheet. The operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities and the fund financial statements, governmental and fiduciary activities are presented using a modified cash basis of accounting. This basis recognizes cash, cash equivalents and investments, amounts due to/from other governments, inter-fund debt, net position/fund balance, revenues, and expenditures/expenses when they result from cash transactions, with certain modifications. Under this basis of accounting, the Treasurer reports activity related to the acquisition, depreciation, and year-end balances of capital assets, as well as year-end balances and related changes in long-term debt in its Government-Wide Financial Statements. At June 30, 2023, the Treasurer had no long-term debt. This basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – NATURE OF ACTIVITIES, FINANCIAL REPORTING ENTITY, BASIS OF PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

As a result of the use of this modified cash basis of accounting, certain assets, and their related revenues (such as accounts receivable and revenues for billed or provided services not yet collected), and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid and accrued expenses and liabilities) are not recorded in these financial statements.

If the Treasurer utilized the basis of accounting recognized as generally accepted, the fund financial statements for the governmental fund would use the modified accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

Significant Accounting Policies

Investments

The Proviso Township School Treasurer's Office accounts for the cash and investments of the public school districts and the joint agreement in Proviso Township. The investments are recorded at cost.

Compensated Absences

Annually, full-time employees accrue 2 weeks to 4 weeks of vacation based on seniority. Unused vacation is not carried forward to the following year.

All full-time employees receive 1 sick day for every month of employment with a limit of 120 days that can be accumulated.

Net Position

The Statement of Net Position presents the Treasurer's non-fiduciary assets and liabilities with a difference reported in three categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation.

Restricted net positions result when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions enabling legislation. The Treasurer has no restricted net positions as of June 30, 2022.

Unrestricted net positions consist of net assets that do not meet the criteria of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the Treasurer's policy to use restricted resources first, then unrestricted resources as they are needed. The Treasurer did not have any restricted assets as of June 30, 2023.

Fund Balance

Within the governmental fund, the Treasurer's fund balance is reported in one of the following classifications:

Non-spendable – 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. At June 30, 2023, the Treasurer has no non-spendable fund balance amounts.

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – NATURE OF ACTIVITIES, FINANCIAL REPORTING ENTITY, BASIS OF PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

Restricted – includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation. At June 30, 2023, the Treasurer has no restricted fund balance amounts.

Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Treasurer's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Treasurer removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The Treasurer's highest level of decision-making authority rests with the Treasurer's Board of Trustees. The Treasurer passes formal resolutions to commit their fund balances. At June 30, 2023, the Treasurer has no committed fund balance amounts.

Assigned – includes amounts that are constrained by the Treasurer's *intent* to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the Treasurer's Board of Trustee itself; or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Treasurer's Board of Trustees has not delegated authority to any other body or official to assign amounts for a specific purpose within the General Fund. Assignments can be made after the end of the reporting period. At June 30, 2023, the Treasurer has no assigned fund balance amounts.

Unassigned – includes the residual fund balance that has not been restricted, committed, or assigned within the General Fund.

It is the Treasurer's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 – BUDGET AND BUDGETARY INFORMATION

An annual budget is adopted for the General Fund. The annual budget is adopted using the modified cash basis of accounting. All budgets lapse at fiscal year-end.

On or before July 1 of each year, the Treasurer is to submit for review a proposed budget for the fiscal year commencing on that date. After reviewing the proposed budget, the Treasurer holds a public hearing and a final budget must be prepared and adopted no later than October 1.

NOTE 3 – CASH AND INVESTMENTS

Substantially all of the cash balances are deposits and investments maintained in the name of the Proviso Township School Treasurer's Office, as the legal custodian for any Participating Districts of the Proviso Township Schools. The Treasurer comingles the Participating Districts' Funds. Accounting records are maintained to separate the common cash and investment accounts by individual Participating District and by fund within the District.

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 – CASH AND INVESTMENTS (CONT'D)

Deposits

State statutes authorize the Treasurer to make deposits in interest-bearing depository accounts in federally insured and/or state-chartered banks, savings and loan associations, and credit unions. As of June 30, 2023, the Treasurer had deposits with federally insured/collateralized financial institutions of \$342,800,406 with bank balances totaling \$367,130,571.

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Treasurer's deposits may not be returned to it. At June 30, 2023, \$14,194,102 was deposited in Local Government Investment Pools and are rated AAf by Fitch and AAf by Standard and Poor's. This amount was comprised of deposits made by the districts' offices to certain Treasurer bank accounts and liquid asset funds. The Treasurer has a policy of reducing these balances when this condition occurs.

Deposits	Amount	Maturities Less Than 1 Year
Financial Institutions	\$ 49,737,786	\$ 49,737,786
Illinois Institutional Investors Trust	54,890	54,890
Certificates of deposits	251,770,744	251,770,744
Illinois Funds	51,881,624	51,881,624
ISDLAF	13,685,527	13,685,527
Total	\$ 367,130,571	\$ 367,130,571

Investments

The Treasurer categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

As of June 30, 2023, the Treasurer had the following recurring fair value measurements:

Investment Type	Cost	Fair Value	Maturities		
			Less Than 1 Year	1 - 5 years	6-10 Years
FHLMC	\$ 2,500,000	\$ 2,356,130	\$ -	\$ 2,356,130	\$ -
FFCB	9,208,070	8,543,077	-	8,543,077	-
FHLB	26,348,580	24,684,947	861,610	23,823,337	-
USTN	995,055	940,390	-	940,390	-
FNMA	1,000,000	906,010	-	906,010	-
Municipal Bonds	8,340,000	8,302,608	-	5,602,608	2,700,000
Commercial Paper	26,550,777	26,486,364	-	26,486,364	-
Other	1,997,500	1,974,940	-	1,974,940	-
Total	\$ 76,939,982	\$ 74,194,466	\$ 861,610	\$ 70,632,856	\$ 2,700,000

The \$74,194,466 of investments is valued using quoted market prices (Level 1 inputs).

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 – CASH AND INVESTMENTS (CONT'D)

The Illinois Funds, Illinois School District Liquid Asset Fund, and Illinois Institutional Investors Trust (IIIT) are shown as maturing in less than one year because the weighted average maturity of the funds is less than one year. Investments in these funds are valued at net assets value (NAV) per share price, which is the price at which the investment could be sold, as determined by the pool.

Interest rate risk. The Treasurer's investment policy does not limit the Treasurer's investment portfolio to specific maturities; however, the Treasurer's predominant investment strategy is to operate as a buy and hold to maturity investor, which does limit interest rate risk.

Authorized investments. State statutes authorize the Treasurer to invest in direct obligations of, or obligations guaranteed by, the United States Treasury or agencies of the United States, and short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000. The Treasurer is also authorized to invest in the Illinois School District Liquid Asset Fund Plus, the Illinois Institutional Investors Trust, the Illinois Funds, Municipal Bonds, and State of Israel Bonds. The Treasurer restricted its investments to only those investments described above.

Credit risk. The Illinois Funds, Illinois School District Liquid Asset Fund, and Illinois Institutional Investors Trust (IIIT), are rated AA+ by Fitch and AA- by Standard and Poor's. FHLB, and FFCB securities are rated AAA and AA+, respectively, by Standard & Poor's. FNMA and FHLMC are not rated.

Concentration of credit risk. The Treasurer's policy states that it shall diversify its investments to the best of its ability based upon the type of funds invested, available institutions to invest in, and the cash flow needs of those funds. Diversification can be by type of investments, number of institutions invested in, and length of maturity.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the Trustees will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2023, \$34,788,972 of the investments are in commercial paper and municipal bonds.

NOTE 4 – RETIREMENT FUND COMMITMENTS

Illinois Municipal Retirement Fund (IMRF)

General Information about the Pension Plan

Plan Description

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

Benefits Provided

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

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2023

NOTE 4 – RETIREMENT FUND COMMITMENTS (CONT'D)

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

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

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

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

	IMRF
Retirees and Beneficiaries currently receiving benefits	12
Inactive Plan Members entitled to but not yet receiving benefits	1
Active Plan Members	6
Total	19

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 was 13.75%. For the fiscal year ended 2023, the employer contributed \$62,379 to the plan. The employer also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The employer's net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2023

NOTE 4 – RETIREMENT FUND COMMITMENTS (CONT'D)

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2022:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- For Non-disabled Retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.
- For Disabled Retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- For Active Members, the Pub-2010, Amount-Weighted, below-median income, General Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Projected Returns/Risks	
		One Year Arithmetic	Ten Year Geometric
Equities	36%	7.82%	6.50%
International Equities	18%	9.23%	7.60%
Fixed Income	26%	5.01%	4.90%
Real Estate	11%	7.10%	6.20%
Alternatives	10%		
Private Equity		13.43%	9.90%
Hedge Funds		n/a	n/a
Commodities		7.42%	6.25%
Cash Equivalents	1%	4.00%	4.00%
Total	<u>100%</u>		

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2023

NOTE 4 – RETIREMENT FUND COMMITMENTS (CONT'D)

Single Discount Rate

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

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.05%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2021	\$ 3,888,394	\$ 4,319,111	\$ (430,717)
Changes for the year:			
Service Cost	56,545	-	56,545
Interest on the Total Pension Liability	271,964	-	271,964
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	122,026	-	122,026
Changes of Assumptions	-	-	-
Contributions - Employer	-	71,127	(71,127)
Contributions - Employees	-	23,278	(23,278)
Net Investment Income	-	(648,874)	648,874
Benefits Payments, including Refunds of Employee Contributions	(330,881)	(330,881)	-
Other (Net Transfer)	-	51,422	(51,422)
Net Changes	<u>119,654</u>	<u>(833,928)</u>	<u>953,582</u>
Balances at December 31, 2022	<u>\$ 4,008,048</u>	<u>\$ 3,485,183</u>	<u>\$ 522,865</u>

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

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

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4 – RETIREMENT FUND COMMITMENTS (CONT'D)

	1% Decrease (6.25%)	Current Single Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 874,449	\$ 522,865	\$ 219,313

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

For the year ended June 30, 2023, the employer recognized pension expense of \$62,379.16. At June 30, 2023, the employer reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in pension expense in future periods</i>		
Differences between expected and actual experience	\$ 74,544	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	764,241	410,443
Total deferred amounts to be recognized in pension expense in future periods	838,785	410,443
<i>Pension contributions made subsequent to the measurement date</i>		
Total Deferred Amounts Related to Pensions	\$ 862,429	\$ 410,443

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

Year Ending December 31	Net Deferred Outflows (Inflows) of Resources
2023	\$ 35,122
2024	87,656
2025	114,503
2026	191,061
2027	-
Thereafter	-
Total	\$ 428,342

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 – OTHER POST-EMPLOYMENT BENEFITS

Employees who retire through the Treasurer's pension plan have the option to continue in the Treasurer's health insurance plan as required by state regulation. Former employees who choose to retain their rights to health insurance through the Treasurer are required to pay 100% of the current premium. The Treasurer's implicit cost, as defined by GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, is equal to the difference between current premium levels and what those premiums would be if retirees were not included. The Treasurer believes this implicit subsidy to be immaterial.

NOTE 6 – RISK MANAGEMENT

The Treasurer is exposed to various risks of loss related to torts; theft of, damage to, and destruction to assets; errors and omissions, injuries to employees; and natural disasters. The Treasurer carries commercial insurance for general liability and property, worker's compensation, and employee health coverage. There have not been any significant changes in insurance coverage in the last year. Additionally, settled claims have not exceeded commercial insurance coverage during any of the past three years.

NOTE 7 – CONTINGENCIES

As of June 30, 2023, the Treasurer was not aware of any litigation that might have a material adverse effect on the District's financial position.

NOTE 8 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or available to be issued. There are two types of subsequent events: recognized (events that relate to conditions present at the balance sheet date) and non-recognized (events or conditions that did not exist at the balance sheet date but arose after that date).

There are no other recognized or non-recognized subsequent events that have occurred between June 30, 2023, and the date of this audit report requiring disclosure in the financial statements.

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OTHER INFORMATION

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PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
OTHER INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
MOST RECENT CALENDAR YEARS*

Calendar year ending December 31,	2022	2021	2020
Total pension liability			
Service cost	\$ 56,545	\$ 61,183	\$ 61,367
Interest on the total pension liability	271,964	269,791	257,549
Difference between expected and actual experience	122,026	8,078	115,841
Changes of assumption	-	-	(8,182)
Benefit payments and refunds	<u>(330,881)</u>	<u>(282,643)</u>	<u>(232,601)</u>
Net change in total pension liability	119,654	56,409	193,974
Total pension liability - beginning	<u>3,888,394</u>	<u>3,831,985</u>	<u>3,638,011</u>
Total pension liability - ending (A)	<u>\$ 4,008,048</u>	<u>\$ 3,888,394</u>	<u>\$ 3,831,985</u>
Plan fiduciary net position			
Contributions - employer	\$ 71,127	\$ 80,773	\$ 106,392
Contributions - employees	23,278	23,196	24,845
Pension plan net investment income	(648,874)	656,159	508,186
Benefit payments and refunds	(330,881)	(282,643)	(232,601)
Other	<u>51,422</u>	<u>(36,874)</u>	<u>32,954</u>
Net change in plan fiduciary net position	(833,928)	440,611	439,776
Plan fiduciary net position - beginning	<u>4,319,111</u>	<u>3,878,500</u>	<u>3,438,724</u>
Plan fiduciary net position - ending (B)	<u>\$ 3,485,183</u>	<u>\$ 4,319,111</u>	<u>\$ 3,878,500</u>
Net pension liability/(asset) - ending (A) - (B)	<u>\$ 522,865</u>	<u>\$ (430,717)</u>	<u>\$ (46,515)</u>
Plan fiduciary net position as a percentage of total pension liability	86.95%	111.08%	101.21%
Covered valuation payroll	\$ 517,288	\$ 515,459	\$ 552,114
Net pension liability as a percentage of covered valuation payroll	101.08%	-83.56%	-8.42%

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

2019	2018	2017	2016	2015	2014
\$ 53,648	\$ 53,749	\$ 43,479	\$ 53,621	\$ 51,237	\$ 52,243
250,938	245,218	250,792	230,426	220,667	199,814
30,270	58,219	8,503	216,059	8,704	(6,019)
(3,216)	80,855	(116,405)	(53,641)	28,179	177,428
<u>(265,587)</u>	<u>(217,563)</u>	<u>(314,081)</u>	<u>(159,567)</u>	<u>(121,639)</u>	<u>(112,776)</u>
66,053	220,478	(127,712)	286,898	187,148	310,690
<u>3,571,958</u>	<u>3,351,480</u>	<u>3,479,192</u>	<u>3,192,294</u>	<u>3,005,146</u>	<u>2,694,456</u>
<u>\$ 3,638,011</u>	<u>\$ 3,571,958</u>	<u>\$ 3,351,480</u>	<u>\$ 3,479,192</u>	<u>\$ 3,192,294</u>	<u>\$ 3,005,146</u>
\$ 56,893	\$ 78,397	\$ 72,345	\$ 60,892	\$ 60,702	\$ 60,815
23,065	21,227	19,682	20,267	21,142	20,332
592,349	(205,081)	533,186	176,036	13,656	158,672
(265,587)	(217,563)	(314,081)	(159,567)	(121,639)	(112,776)
<u>52,599</u>	<u>96,348</u>	<u>(8,084)</u>	<u>68,385</u>	<u>12,073</u>	<u>7,043</u>
459,319	(226,672)	303,048	166,013	(14,066)	134,086
<u>2,979,405</u>	<u>3,206,077</u>	<u>2,903,029</u>	<u>2,737,016</u>	<u>2,751,082</u>	<u>2,616,996</u>
<u>\$ 3,438,724</u>	<u>\$ 2,979,405</u>	<u>\$ 3,206,077</u>	<u>\$ 2,903,029</u>	<u>\$ 2,737,016</u>	<u>\$ 2,751,082</u>
<u>\$ 199,287</u>	<u>\$ 592,553</u>	<u>\$ 145,403</u>	<u>\$ 576,163</u>	<u>\$ 455,278</u>	<u>\$ 254,064</u>
94.52%	83.41%	95.66%	83.44%	85.74%	91.55%
\$ 512,552	\$ 471,707	\$ 437,378	\$ 450,382	\$ 469,828	\$ 451,818
38.88%	125.62%	33.24%	127.93%	96.90%	56.23%

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
OTHER INFORMATION
MULTI-YEAR SCHEDULE OF CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST TEN CALENDAR YEARS*

Calendar Year Ending December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2022	\$ 71,127 *	\$ 71,127	\$ -	\$ 517,288	13.75%
2021	80,772	80,773	-	515,459	15.67%
2020	106,392	106,392	-	552,114	19.27%
2019	56,893	56,893	-	512,552	11.10%
2018	78,398	78,397	1	471,707	16.62%
2017	56,378	72,345	-	437,378	16.54%
2016	60,892	60,892	-	450,382	13.52%
2015	60,702	60,702	-	469,828	12.92%
2014	60,815	60,815	-	451,818	13.46%

*Estimated based on contribution rate of 13.75% and covered payroll of \$517,288

Valuation Date:

Notes

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

Methods and Assumptions Used to Determine 2022 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate entry age normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	10 year rolling period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	2.75%
<i>Price Inflation:</i>	2.25%
<i>Salary Increases:</i>	2.85% to 13.75%, including inflation
<i>Investment Rate of Return:</i>	7.25%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
<i>Mortality:</i>	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other notes:

There were no benefit changes during the year.

Based on Valuation Assumptions used in the December 31, 2020, actuarial valuation.

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

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PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
STATEMENT OF CASH RECEIVED AND CASH DISBURSED
ON BEHALF OF SCHOOL DISTRICTS AND JOINT AGREEMENTS
YEAR AND ENDED JUNE 30, 2023

	Proviso Township School District		
	<u>87</u>	<u>88</u>	<u>89</u>
<u>Cash Received by Proviso Township Treasurer</u>	\$ 65,271,622	\$ 51,335,784	\$ 87,646,799
<u>Cash Disbursed on Behalf of School Districts and Joint Agreements</u>	<u>103,291,020</u>	<u>54,873,677</u>	<u>91,496,151</u>
<u>Excess (Deficiency) of Cash Receipts Over Disbursements</u>	<u>(38,019,398)</u>	<u>(3,537,893)</u>	<u>(3,849,352)</u>
<u>Other Financing Sources (Uses) - Net</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Cash and Investment Balances July 1, 2022, as originally reported</u>	105,538,437	32,386,312	52,340,668
District auditor's adjustment of cash balance	<u>-</u>	<u>-</u>	<u>(29,165)</u>
<u>Cash and Investment Balances July 1, 2022, as restated</u>	<u>105,538,437</u>	<u>32,386,312</u>	<u>52,311,503</u>
<u>Cash and Investment Balances June 30, 2023</u>	<u>\$ 67,519,039</u>	<u>\$ 28,848,419</u>	<u>\$ 48,462,151</u>

Numbers

<u>90</u>	<u>91</u>	<u>92</u>	<u>92 1/2</u>	<u>93</u>
\$ 29,630,373	\$ 21,324,416	\$ 15,907,912	\$ 19,477,314	\$ 11,263,668
<u>30,801,963</u>	<u>20,167,061</u>	<u>10,401,173</u>	<u>18,661,039</u>	<u>12,018,960</u>
<u>(1,171,590)</u>	<u>1,157,355</u>	<u>5,506,739</u>	<u>816,275</u>	<u>(755,292)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
34,508,480	26,549,126	11,852,140	14,685,170	13,459,189
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>34,508,480</u>	<u>26,549,126</u>	<u>11,852,140</u>	<u>14,685,170</u>	<u>13,459,189</u>
<u>\$ 33,336,890</u>	<u>\$ 27,706,481</u>	<u>\$ 17,358,879</u>	<u>\$ 15,501,445</u>	<u>\$ 12,703,897</u>

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
STATEMENT OF CASH RECEIVED AND CASH DISBURSED
ON BEHALF OF SCHOOL DISTRICTS AND JOINT AGREEMENTS
YEAR AND ENDED JUNE 30, 2023

	Proviso Township School District		
	94	95	96
<u>Cash Received by Proviso Township Treasurer</u>	\$ 11,925,873	\$ 20,863,578	\$ 32,661,147
<u>Cash Disbursed on Behalf of School Districts and Joint Agreements</u>	<u>16,656,489</u>	<u>20,965,548</u>	<u>34,009,133</u>
<u>Excess (Deficiency) of Cash Receipts Over Disbursements</u>	<u>(4,730,616)</u>	<u>(101,970)</u>	<u>(1,347,986)</u>
<u>Other Financing Sources (Uses) - Net</u>	<u>-</u>	<u>-</u>	<u>(300,000)</u>
<u>Cash and Investment Balances July 1, 2022, as originally reported</u>	10,538,171	19,593,892	24,317,899
District auditor's adjustment of cash balance	<u>-</u>	<u>-</u>	<u>-</u>
<u>Cash and Investment Balances July 1, 2022, as restated</u>	<u>10,538,171</u>	<u>19,593,892</u>	<u>24,317,899</u>
<u>Cash and Investment Balances June 30, 2023</u>	<u>\$ 5,807,555</u>	<u>\$ 19,491,922</u>	<u>\$ 22,669,913</u>

SCHEDULE 1
(Concluded)

<u>Numbers</u>		<u>Proviso Area For Exceptional Children</u>	<u>Total</u>
<u>208</u>	<u>209</u>		
\$ 38,254,951	\$122,582,505	\$ 25,430,139	\$553,576,081
<u>35,941,961</u>	<u>118,860,604</u>	<u>23,257,948</u>	<u>591,402,727</u>
<u>2,312,990</u>	<u>3,721,901</u>	<u>2,172,191</u>	<u>(37,826,646)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(300,000)</u>
24,503,928	82,687,815	1,637,382	454,598,609
<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,165)</u>
<u>24,503,928</u>	<u>82,687,815</u>	<u>1,637,382</u>	<u>454,569,444</u>
<u>\$ 26,816,918</u>	<u>\$ 86,409,716</u>	<u>\$ 3,809,573</u>	<u>416,442,798</u>

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
STATEMENT OF CASH AND INVESTMENTS - POOLED AND RESTRICTED
JUNE 30, 2023

Investments - Pooled

Checking Accounts - General		
Republic Bank	\$ 10,077,051	
		10,077,051
Money Market and Other Funds		
Illinois Funds	51,881,624	
Raymond James	2,455,000	
Fifth-Third Bank	13,320,681	
PMA	19,366,522	
Illinois Institutional Investors Trust	31,340,830	
InspereX	21,912,362	
Municipal Bond	7,885,000	
FHN Financial	10,224,476	
First Tennessee	142,100,000	
Northern Trust Company	4,500,001	
Republic Bank	89,418,795	
		<u>394,405,291</u>
Total Pooled Investments		<u>404,482,342</u>
Special District Bank Accounts		
Republic Bank, District No. 87	22,863	
Fifth Third Bank, District No. 90	13,563	
Forest Park National Bank, District No. 91	20,340	
Fifth Third Bank, District No. 92	36,747	
Republic Bank, District No. 93	27,383	
First National Bank of Brookfield, District No. 95	149,874	
First American Bank, District No. 96	18,960	
First American Bank, District No. 208	51,714	
Bank of America, District No. 209	540,814	
		<u>882,258</u>
Specifically Allocated Investments		
PMA Financial Network-ISDLAF (District No. 87)	13,684,705	
Escrow (District No. 88)	27,558	
		<u>13,712,263</u>

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
STATEMENT OF CASH AND INVESTMENTS - POOLED AND RESTRICTED
JUNE 30, 2023

Investments - Restricted

Art Proceeds - District No. 90	
Fifth-Third Bank	\$ 261,000
Fifth-Third Bank	<u>320,000</u>
Total Restricted Assets	<u>581,000</u>
Total Treasurer's Accountability for Investments June 30, 2023	<u><u>\$ 419,657,863</u></u>

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
STATEMENT OF CASH AND INVESTMENT BALANCES BY DISTRICT
JUNE 30, 2023

District No. 87	\$ 67,519,039
District No. 88	28,848,419
District No. 89	48,462,151
District No. 90	33,336,890
District No. 91	27,706,481
District No. 92	17,358,879
District No. 92 1/2	15,501,445
District No. 93	12,703,897
District No. 94	5,807,555
District No. 95	19,491,922
District No. 96	22,669,913
District No. 208	26,816,918
District No. 209	86,409,716
P.A.E.C.	<u>3,809,573</u>
Total Districts	416,442,798
Township Distributive Fund	<u>3,215,065</u>
Total Treasurer's Accountability for Investments June 30, 2023	<u><u>\$ 419,657,863</u></u>

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
TOWNSHIP DISTRIBUTIVE FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2023

<u>Balance, July 1, 2022</u>			\$ (409,076)
<u>Cash Receipts</u>			
Income from pooled investments		\$ 8,365,834	
Reimbursements from School Districts			
Pro rata for office expense of treasurer		1,161,103	
Total Cash Receipts			9,526,937
Total Cash Available			9,117,861
	Budget	Actual	
<u>Cash Disbursements</u>			
Salaries	\$ 594,796	\$ 528,002	
Illinois retirement/FICA expense	115,502	101,471	
Hospitalization insurance	173,228	168,621	
Rent	57,000	52,313	
Office expense	27,500	28,661	
Custodial	12,000	4,248	
Utilities	34,000	18,307	
Travel/convention expense	4,000	2,300	
Consulting	50,000	37,260	
Insurance	17,200	11,397	
Dues and fees	2,000	2,607	
Data processing/equipment	202,500	175,735	
Legal	10,000	2,399	
Audit	18,700	18,700	
Treasurer's bond	40,000	25,394	
Total Disbursements	1,358,426	1,177,415	(1,177,415)
<u>Other</u>			
Distribution of investment earnings to school districts			(4,725,381)
<u>Balance, June 30, 2023</u>			\$ 3,215,065

PROVISO TOWNSHIP SCHOOL TREASURER'S OFFICE
 RECONCILIATION OF FUND BALANCE TO CASH AND INVESTMENT BALANCE BY DISTRICT
 JUNE 30, 2023

DISTRICT	ENDING FUND BALANCE BY DISTRICT	DISTRICT LIABILITIES	IMPREST FUND BALANCE	PETTY CASH ACCOUNTS	OTHER ASSETS NOT CONTROLLED BY TSTO	INVESTMENTS CONTROLLED BY TSTO
87	\$ 67,514,002	\$ (11,093)	\$ 5,142	\$ 914	\$ -	\$ 67,519,039
88	28,985,423	-	10,000	-	127,004	28,848,419
89	51,596,275	(13,270)	11,400	-	3,135,994	48,462,151
90	33,340,890	-	4,000	-	-	33,336,890
91	27,558,130	(150,376)	1,500	525	-	27,706,481
92	17,373,914	9,735	5,000	300	-	17,358,879
92 1/2	15,516,635	5,190	10,000	-	-	15,501,445
93	12,677,414	(28,983)	2,500	-	-	12,703,897
94	5,990,689	(658,366)	1,500	-	840,000	5,807,555
95	19,504,963	6,770	6,271	-	-	19,491,922
96	22,046,447	(629,995)	6,529	-	-	22,669,913
208	26,977,788	98,870	60,000	2,000	-	26,816,918
209	86,061,544	(405,624)	50,332	7,120	-	86,409,716
803 (PAEC)	<u>3,615,085</u>	<u>(202,888)</u>	<u>7,500</u>	<u>900</u>	<u>-</u>	<u>3,809,573</u>
	\$ 418,759,199	\$ (1,980,030)	\$ 181,674	\$ 11,759	\$ 4,102,998	\$ 416,442,798
TDF	<u>3,215,065</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,215,065</u>
TOTAL	<u><u>\$ 421,974,264</u></u>	<u><u>\$ (1,980,030)</u></u>	<u><u>\$ 181,674</u></u>	<u><u>\$ 11,759</u></u>	<u><u>\$ 4,102,998</u></u>	<u><u>\$ 419,657,863</u></u>