Annual Financial Report

Year Ended Friday, June 30, 2023



Year Ended June 30, 2023

Table of Contents

Independent Auditor's Report	1
Management's Discussion and Analysis	
Basic Financial Statements	
Statement of Net Position - Modified Cash Basis and Statement of Assets and	
Liabilities Arising from Cash Transactions - Governmental Funds	10
Statement of Activities - Modified Cash Basis and Statement of Revenues Received,	
Expenditures Disbursed and Changes in Fund Balances - Governmental Funds	11
Statement of Fiduciary Net Position and Liabilities Arising from Cash Transactions	12
Notes to Financial Statements	14
Supplementary Information	
Schedule of Changes in Net Pension Liability and Related Ratios -	
Illinois Municipal Retirement Fund	34
Schedule of Employer Contributions - Illinois Municipal Retirement Fund	36
Combining Schedule of Assets and Liabilities Arising from Cash Transactions	
- Agency Funds	37
Combining Schedule of Changes in Assets and Liabilities Arising from Cash	
Transactions - Agency Funds	39



Independent Auditor's Report

Board of Trustees Bremen Township School Treasurer Township 36 North, Range 13 East Cook County, IL

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, the general fund, and the aggregate remaining fund information of the Bremen Township School Treasurer (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, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Bremen Township School Treasurer as of June 30, 2023, and respective changes in financial position for the year then ended in accordance with the modified cash basis of accounting.

We did not audit the financial statements of Forest Ridge School District 142, Posen-Robbins School District 143.5, or Prairie-Hills Elementary School District 144, which collectively represent 35.4% of the additions and 31.2% of the deductions on the Statement of Changes in Fiduciary Net Position - Custodial Funds of the aggregate remaining fund information as of June 30, 2023, and the respective changes in financial position. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Forest Ridge School District 142, Posen-Robbins School District 143.5, or Prairie-Hills Elementary School District 144, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of 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 Bremen Township School 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting, and 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 Bremen Township School Treasurer's ability to information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 GAAS 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 GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that
 are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness
 of the Bremen Township School 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 Bremen Township School 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.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual financial report. The other financial information comprises the Schedule of Amounts Placed on Deposit for Participating School Districts, Schedule of Investment Income of Participating Districts, and the Schedule of Revenues, Expenditures, and Changes in Fund Balances of Participating Districts 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2024 on our consideration of the Treasurer'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 the Treasurer's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Treasurer's internal control over financial reporting and compliance.

Aurora, Illinois

November 19, 2024

Wipfli LLP

Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023

The discussion and analysis of the Bremen Township School Treasurer's (the Treasurer) financial performance provides an overall review of the Treasurer's financial activities for the fiscal year ended June 30, 2023. The intent of this management discussion and analysis is to look at the Treasurer's financial performance as a whole. Readers are encouraged to consider the information presented herein in conjunction with the basic financial statements and notes to the financial statements to enhance their understanding of the Treasurer's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis (MD&A).

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, and
- Notes to the financial statements.

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

Government-Wide Financial Statements

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

The statement of net position – modified cash basis presents information on all of the Treasurer's assets and liabilities with the difference between them reported as net position.

The statement of activities – modified cash basis presents information showing how the Treasurer's net position changed during the fiscal year. Since these financial statements are prepared on the modified cash basis of accounting, except for assets and liabilities which arise from cash transactions and for the recognition of depreciation, revenue is recognized when received rather than earned, and expenses are recognized when paid rather than when the obligation is incurred.

The government-wide financial statements present the functions of the Treasurer that are principally supported by intergovernmental revenues (governmental 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 providing investing, accounting, and financial reporting services for member school districts.

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).

Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating 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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Treasurer maintains one governmental fund – the General Fund, which is required to be reported as a major fund.

Fiduciary Funds are used to account for resources held for the benefit of parties outside the School 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 government-wide financial statements.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Treasurer's progress in funding its obligation to provide pension benefits to its non-certified employees. This report also contains certain other information regarding the deposits, investments and financial data of the school districts that participate in the Treasurer's services.

Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023

Government-Wide Financial Analysis

The financial position of the Treasurer as a whole is reflected in its governmental fund as well. The net position was \$2,187,495 at June 30, 2023, compared to \$519,623 at June 30, 2022.

Table 1		
Condensed Statement of Net Position		
	 2023	2022
Assets		
Current and other assets	\$ 2,172,284	\$ 502,169
Capital assets, net of depreciation	15,211	17,454
Total assets	\$ 2,187,495	\$ 519,623
Net position:		
Net investment in capital assets	15,211	17,454
Restricted for employee benefits	160,000	160,000
Unrestricted	2,012,284	342,169
Total net position	\$ 2,187,495	\$ 519,623
	-	

The majority of the Treasurer's net position reflects cash and investments included in current and other assets. For the year ended June 30, 2023, total current and other assets were \$2,187,495. As of June 30, 2023, the excess billings included contingency funds in the amount of \$160,000 retained for future expenditures. Billings during the year are based on estimated costs that will be incurred in that year; any variance between the estimated and actual costs are billed, or refunded, in the following year. In comparison, total current and other assets at June 30, 2022 of \$519,623. As of June 30, 2022, the excess billings included contingency funds in the amount of \$160,000 retained for future expenditures. The increase in undistributed is interest earnings reflects higher interest earnings during the current fiscal year, primarily due to higher cash balances.

The total net position of the Treasurer for the fiscal year ended June 30, 2023 increased by \$1,667,872. Comparatively, for the fiscal year ended June 30, 2022, total net position decreased by \$251,865.

Governmental Activities

The key elements of the change in the Treasurer's net position for the fiscal years ended June 30, 2023 and June 30, 2022 are as follows:

Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023

Table 2		
Condensed Statement of Activities		
	2023	2022
Revenues:		
Program revenues	\$ 806,429 \$	612,795
Other revenues:		
Earnings on investments	3,383,434	692,655
Distribution of investment income	(1,744,085)	(801,475)
Total revenues	1,639,349	(108,820)
Expenses:		
Support services	775,663	753,597
Depreciation	2,243	2,243
Total expenditures	777,906	755,840
Increase (decrease) in net position	1,667,872	(251,865)
Net position - beginning	519,623	771,488
Net position - ending	\$ 2,187,495 \$	519,623

For the fiscal year ended June 30, 2023, the increase in net position was primarily attributed to the increase of earnings on investments and of \$2,690,779 in excess of current year distribution of earnings of \$1,744,085.

Capital Assets

At the end of the fiscal year, the Treasurer had invested \$17,454 in capital assets, net of depreciation. Depreciation expense for the year was \$2,243. More information about the capital assets can be obtained from Note 3 of the financial statements.

Table 3		
Capital Assets (Net of Depreciation)		
	2023	2022
Equipment & furniture	\$ 17,454	\$ 17,454
Total	\$ 17,454	\$ 17,454
Percentage change vs. prior year	0.00%	-11.39%

Management's Discussion and Analysis (Unaudited) For the Fiscal Year Ended June 30, 2023

Financial Analysis of the Treasurer's Fund

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 remained stable at \$2,172,284.

The Treasurer's Office is reimbursed dollar for dollar by the participating districts for its expenditures.

General (Distributive) Fund Budgetary Highlights

The Treasurer's final budget for the General (Distributive) Fund anticipated an equal amount of revenues and expenditures. The actual results were consistent with the budget; the General (Distributive) Fund had an equal amount of revenues and expenditures.

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 finance position in the future.

Requests for Information

This financial report is designed to provide the Treasurer's participating districts 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. Joseph J. McDonnell at:

Bremen Township School Treasurer 6109 W. 175th Street Tinley Park, IL 60477

Basic Financial Statements

Statement of Net Position - Modified Cash Basis and Statement of Assets and Liabilities Arising from Cash Transactions

Governmental Funds

June 30, 2023	-	tatement of let Position	Adjus	stments	Governmental Funds General Fund
Assets					
Cash and investments	\$	2,154,081	\$	- \$	2,154,081
Prepaid interest on investment purchases		2,708		-	2,708
Other current assets		15,495		-	15,495
Capital assets, net of depreciation					
Furniture and equipment		15,211		(15,211)	<u>-</u>
Total assets	\$	2,187,495	\$	(15,211) \$	2,172,284
Net Position/Fund Balance:					
Net position:					
Net investment in capital assets	\$	15,211	\$	(15,211)	
Restricted for employee benefits		160,000		(160,000)	
Unrestricted	_	2,012,284	(2	<u>,012,284</u>)	
Total net position	\$ <u></u>	2,187,495	(2	,187,495)	
Fund balance:					
Committed for employee benefits				160,000 \$	160,000
Unassigned			2	,012,284	2,012,284
-					
Total fund balances			\$ <u>2</u>	<u>,172,284</u> \$	2,172,284

See accompanying notes to financial statements.

Statement of Activities - Modified Cash Basis and Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances Governmental Funds

	Statement of		Governmental
Year Ended June 30, 2023	Activities	Adjustments	Funds
Expenditures Disbursed/Expenses:			
Services to Districts/Joint Agreements			
Depreciation expense	\$ 2,243 \$	(2,243) \$	-
Direct deposits and other bank service charges	65,295	-	65,295
Dues, fees and subscriptions	2,224	-	2,224
Employee training	7,198	-	7,198
Insurance	4,981	-	4,981
Maintenance and repairs	73	-	73
Office rent	23,940	-	23,940
Office supplies and postage	18,340	-	18,340
Pension contributions and other benefits	197,544	-	197,544
Professional fees	2,500	-	2,500
Publication expenses	10,847	-	10,847
Salaries	403,802	_	403,802
Telephone and communications	8,571	-	8,571
Travel expenses	3,937	_	3,937
Technology	26,411		26,411
Total expenditures disbursed/expenses	777,906	(2,243)	775,663
Revenues Received/Program Revenues:			
Charges for Services/Reimbursements Received from:			
Bremen Township School Districts/Joint Agreements	774,929	-	774,929
Midlothian Park District	31,500		31,500
Total revenues received/program revenues	806,429		806,429
Net program revenue	28,523	2,243	30,766
Investment Earnings/Distributions:			
Earnings on investments	3,383,434	_	3,383,434
Distribution of investment income	(1,744,085)	_	(1,744,085)
	(=)::://===/		(=):::/,===/,
Total net revenues received/expenditures disbursed from			
invesment income on pooled funds	1,639,349		1,639,349
Change in net position/fund balance	1,667,872	2,243	1,670,115
Change in het position/rund balance	1,007,872	2,243	1,070,113
Net Position/Fund Balance			
Balance at July 1, 2022	519,623	(17,454)	502,169
Balance at June 30, 2023	\$ <u>2,187,495</u> \$	(15,211) \$	2,172,284

See accompanying notes to financial statements.

Statement of Fiduciary Net Position Custodial Fund

June 30, 2023	Agency Funds
Assets Cash and investments	\$ <u>187,598,628</u>
Net Position Restricted for pool participants	\$ <u>187,598,628</u>

See accompanying notes to financial statements.

Statement of Changes in Fiduciary Net Position Custodial Fund

Year Ended June 30, 2023	
Additions	4 0 10 7 00 100
Receipts	\$ 346,562,186
Deductions	
Disbursements	<u>(340,689,726</u>)
Increase in fiduciary net position before adjustments	5,872,460
Adjustments	
Adjustments for Treasurer timing issues and balances held by Districts	<u>2,255,660</u>
Net increase in fiduciary net position	8,128,120
Net position, beginning of year	179,470,508
Net position, end of year	\$ <u>187,598,628</u>
See accompanying notes to financial statements.	

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Reporting Entity

The office of Joseph J. McDonnell, Township School Treasurer (the "Treasurer") is located in Bremen Township, in southern Cook County, Illinois. The Treasurer's office processes financial transactions and manages the cash and investments of the public school districts and joint agreements located in Bremen Township. Governance is provided by a representative from the school board of each public school district serviced by the Treasurer.

The accompanying financial statements of the Treasurer have been prepared in conformity with the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the significant accounting policies, consistently applied in the preparation of the accompanying financial statements is described below.

The Treasurer includes all funds of its governmental operations that are controlled by or dependent upon the Treasurer as determined on a basis of financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will and fiscal dependency. The accompanying financial statements include only those funds of the Treasurer as there are no other organizations for which it has financial accountability.

As prescribed by Chapter 105, Section 5, Article 8 of the <u>Illinois Compiled Statutes</u>, the Township School Treasurer is the official custodian of funds for, and maintains the accounting records for the following entities:

School District Number 142, Cook County, Illinois

School District Number 143, Cook County, Illinois

School District Number 143 1/2, Cook County, Illinois

School District Number 144, Cook County, Illinois

School District Number 145, Cook County, Illinois

School District Number 160, Cook County, Illinois

School District Number 228, Cook County, Illinois

Southwest Cook County Cooperative Association for Special Education

Career Development Systems

The financial statements reflect only the Treasurer's accountability for the assets and liabilities of those entities under his stewardship as defined by the Illinois Compiled Statutes. These financial statements do not reflect certain assets and liabilities of those entities arising from cash transactions and the revenues received and expenditures disbursed during the year which may not have been turned over to the Treasurer.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation

The Treasurer's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provides a more detailed level of financial statements.

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the reporting government as a whole. These statements include all the financial activities of the Treasurer, except for the fiduciary funds.

The statement of net position presents financial condition of the governmental activities of the Treasurer at yearend. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Treasurer's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the foods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Property taxes and other revenues which are not classified as program revenues are presented as general revenues of the Treasurer. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Treasurer.

Fund Financial Statements

The accounts of the Treasurer are organized and operated on the basis of funds. A fund is and independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements. Separate financial statements are provided for governmental funds and fiduciary funds, even through the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The Treasurer reports the following major governmental fund:

General Fund – The General Fund (Township Distributive Fund) is the Treasurer's primary operating fund. It accounts for all financial resources of the Treasurer.

Additionally, the Treasurer reports the following fund types (not included in the government-wide financial statements):

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Fiduciary Fund Type

The School Districts and Joint Agreement Agency Funds (a fiduciary fund) accounts for assets held on behalf of the public school districts and joint agreements located in the Treasurer's township

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus, within the limitation of the modified cash basis of accounting. The governmental fund financial statements are reported using the current financial resources measurement focus, within the limitations for the modified cash basis of accounting. Fiduciary fund reporting focuses on net position and changes in net position. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

The financial statements are presented using the modified cash basis of accounting, which is a basis of accounting other than GAAP. The basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position or balances sheets cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments, interfund receivables and payable, capital assets and related depreciation, and short-term and long-term liabilities arising from cash transactions.

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received by not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities and deferred inflows that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment or fair value.

Investments

Investments held by the Treasurer which are short-term highly liquid investments have remaining maturity of one year or less at the time of purchase are reported by the Treasurer at amortized cost. All other investments are reported at fair value. Gains or losses on the sale of investments are recognized upon realization. Unrealized gains and losses are realized for those investments valued at fair value.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include furniture and computer equipment, are reported in the government-wide financial statements. The Treasurer defines capital assets as assets with an initial cost of more than \$500 and an estimated life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	Years
Furniture	20
Computer equipment and other	5

Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form — prepaid items or inventories or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance: This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance: These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Treasurer's Board – the Treasurer's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Treasurer Board removes the specified use by taking the same type of action that imposed the original commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balances (Continued)

Assigned fund balance: This classification reflects the amounts constrained by the Treasurer's "intent" to be used for specific purposes, but the amounts are neither restricted nor committed. The Treasurer Board has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance: This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Treasurer's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

Use of Estimates

The preparation of financial statements in accordance with modified cash basis requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Note 2: Cash and Investments

The Treasurer has adopted a formal written investment and cash management policy. The policy provides that available funds be invested to the maximum extent possible at the highest possible rates obtainable at the time of investment in conformance with applicable state statutes and written administrative guidelines. Although current statutes do not require collateralization of deposits and investments in amounts which exceed insurance coverage, the investment policy of the Treasurer does provide for the Treasurer to request collateralization in certain situations. The Township Trustees of Schools approve the financial institutions in which investments are made. Due to the nature of the pooled system, specific investments and related collateralization detail for each individual district is not available.

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

Investments and Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level I) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level One - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Treasurer has the ability to access.

Level Two - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observables for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level two inputs must be observable for substantially the full term of the asset or liability.

Level Three - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Net Asset Value (NAV) - Certain investments measured at NAV would be excluded from the fair value hierarchy.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

A summary of cash and investments of the Township School Treasurer at June 30, 2023 is as follows:

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

		Fair Value
Deposits		\$ 47,553,303
Investments:		
U.S. Government Agency Securities:		
Federal Home Loan Bank Notes	14,693,145	
Federal Home Loan Discount Notes	3,938,612	
Federal Home Loan Mortgage Corp. Notes	11,722,494	
Federal Farm Credit Banks Funding Corp. Notes	7,794,916	
Freddie Mac Notes	244,375	
Government National Mortgage Assoc. Notes	45,749	
U.S. Treasury	41,936,736	
Municipal Securities	15,800,120	
Investments in External Investment Pools	56,057,717	
Total investments		152,233,864
Total cash and investments		\$ 199,787,167

The Treasurer is allowed to invest in securities as authorized by the <u>Illinois Compiled Statutes</u>, Chapter 30, Section 235/2 and 235/6 (the <u>Public Funds Investment Act</u>); Chapter 50, Section 340 (the <u>Investment of Municipal Funds Act</u>); and Chapter 105, Section 5/8-7 (the <u>School Code</u>).

As of June 30, 2023 the Township School Treasurer held the following deposits in his cash and investment pool:

	Carrrying Amount	Bank Balance
Checking and money market accounts Certificates of deposits	\$ 2,044,906 <u>45,508,397</u>	\$ 2,044,906 45,508,397
Total	\$ <u>47,553,303</u>	<u>\$ 47,553,303</u>

Custodial Credit Risk - Deposits, Custodial credit risk is the risk that in the event of a bank failure, the Township School Treasurer's deposits may not be recovered. As of June 30, 2023, all of the bank balance was covered by either FDIC insurance, or by collateral held at a third party financial institution, pledged to the Township School Treasurer.

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

Investment Type		Fair Value	Weighted Average Maturity (Years)
U.S. Govt. Agency Securities:			
Federal Home Loan Bank Notes	\$	14,693,145	3.75
Federal Home Loan Discount Notes		3,938,612	0.28
Federal Home Loan Mortgage Corp. Notes		11,722,494	7.62
Federal Farm Credit Banks Funding Corp. Notes		7,794,916	13.59
Freddit Mac Notes		244,375	1.01
Government National Mortgage Assoc. Notes		45,749	0.11
U.S. Treasury		41,936,736	3.13
Total level one	-	80,376,027	
Municipal Bonds			
Arbor Park S.D. 145 G.O. Bonds		1,609,000	1.48
Connecticut ST-A-Taxable		175,000	1.79
Central District 104		2,950,000	0.58
Community College District No. 512		2,700,000	0.42
Florida State Board of Administration		428,220	3.05
Midlothian S.D. 143 G.O Bonds		1,812,500	1.54
New York D-2 Taxable		145,000	0.73
New York St Dorm Auth		75,000	0.37
Oswego CUSD 308		2,152,000	1.91
Summit S.D. 104 G.O. Bonds		680,000	0.64
Oregon State		140,000	0.94
Salem, OR Taxable GO Bonds		500,000	1.71
Midlothian Park District		183,400	0.14
West 40 Debt Certificates		2,250,000	7.71
Total level two	-	15,800,120	
External Pools:			
Illinois School District Liquid Asset Fund		11,223,637	under 6 months
Illinois School District Max Fund		20,696,587	under 6 months
Illinois Institutional Investors Trust		24,055,740	under 6 months
The Illinois Funds Money Market Funds		81,753	under 6 months
Total measured at Net Asset Value	-	56,057,717	
Total investments	\$	152,233,864	

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

U.S. Agency securities classified in level one of the fair value hierarchy are valued using prices quoted in active markets for these securities.

Municipal bond securities classified in level two of the fair value hierarchy are valued using prices quoted in inactive markets for these securities.

The Treasurer has funds invested in the amount of \$56,057,717 (valued at \$1.00 per share) in the Illinois School District Liquid Asset Fund, Illinois Institutional Investors Trust, and The Illinois Funds Money Market Fund as of June 30, 2023. The fair value of the positions in these investment pools is the same as the value of the pooled shares. All investments are SEC registered. The Treasurer's proportionate share of investment in these investment pools are collateralized in the same proportion that the total assets of the Funds are collateralized. Although information regarding the level of collateralization of total assets of these Funds was not available, the external investments pools represent that all assets are fully collateralized.

The weighted average maturity of the Township School Treasurer's cash and investment portfolio as of June 30, 2023 was 1.17 years.

Interest Rate Risk - Investments. The formal investment policy of the Township School Treasurer does not limit the investment portfolio to specific maturities. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments for longer periods are subject to increased risk of adverse interest rate changes. Investments are diversified to minimize the risk of loss resulting from overconcentration of assets in a specific maturity period, a single issuer, or an individual class of securities.

The U.S. Government Agency securities include investments in various mortgage-backed securities, such as collateralized mortgage obligations. These securities are based on cash flows from payments on underlying mortgages. Therefore, they are sensitive to prepayments by mortgagees, which may result from a decline in interest rates. Certain other U.S. Government Agency securities are subject to call features. Accordingly, the timing of future cash flows from such investments and the effective maturities of such investments are based on independent market assumptions.

Credit Risk - Investments. State statutes and the formal investment policy of the Township School Treasurer authorize the investment 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 Township School Treasurer is also authorized to invest in the Illinois School District Liquid Asset Fund, the Illinois Institutional Investors Trust, the Illinois Funds Money Market, and Tax Anticipation Warrants and Municipal Bonds.

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

Concentration of Credit Risk - Investments. The formal investment policy of the Township School Treasurer does not limit the amount which may be invested in any one issuer. The Township School Treasurer held investments greater than 5% of total investments in the following: Federal Farm Credit Banks Funding Corp. of 5.1%, Illinois School District Liquid Asset Fund of 7.4%, Federal Home Loan Mortgage Corp. Notes of 7.7%, Federal Home Loan Bank Notes 9.7%, U. S. Treasury 27.5%, and the Illinois Institutional Investors Trust of 15.8%.

Notes to Financial Statements

Note 2: Cash and Investments (Continued)

The Treasurer has no investment policy that would further limit its invest choices. As of June 30, 2023, the Treasurer's investments were rated as follows:

	Moody's Investor						
Description	Standards & Poors	Service	Fitch				
Federal Home Loan Bank Note	AA+	Aaa	N/A				
Federal Home Loan Mortgage Corp	AA+	Aaa	AAA				
Federal Farm Credit Banks Funding Corp.	AA+	Aaa	AAA				
Government National Mortgage Notes	N/A	Aaa	N/A				
Arbor Park S.D. 145 G.O. Bonds	Α	A2	N/A				
Connecticut ST-A-Taxable	N/A	N/A	N/A				
Lake Land Community College District No 517	N/A	N/A	N/A				
Midlothian Park District G.O.Bonds	N/A	N/A	N/A				
Midlothian S.D. 143 G.O. Bonds	N/A	N/A	N/A				
New York D-2 Taxable	N/A	N/A	N/A				
New York St Dorm Auth	N/A	N/A	N/A				
Oswego CUSD 308 Tax Anticipation Warrants	N/A	A2	N/A				
Summit S.D. 104 G.O. Bonds	A+	N/A	N/A				
Illinois School District Liquid Asset Fund	AAAm	N/A	N/A				
Illinois Institutional Investors Trust	AAAm	N/A	N/A				
The Illinois Funds Money Market Fund	AAAm	N/A	N/A				

Notes to Financial Statements

Note 3: Capital Assets

Governmental activities capital asset balances and activity for the year ended June 30, 2023, were as follows:

Govermental Activities	-	llance 0/2022	Additions	Deletions	_	Balance /30/2022
Capital assets, being depreciated: Computer equipment Furniture and fixtures	\$	28,801	-	\$	- \$	28,801
Total capital assets, being depreciated		90,935	<u>-</u>		· —	62,134 90,935
Accumulated depreciation: Computer equipment Furniture and fixtures		28,801 42,437	- 2,243		<u> </u>	28,801 44,680
Total accumulated depreciation		71,238	2,243		<u> </u>	73,481
Govermental activities capital assets, net	\$	19,697	5 2,243	\$.	\$	17,454

Depreciation expense is reported on the Statement of Activities - Modified Cash Basis as an expense related to providing services to districts and joint agreement.

Note 4: Employee Retirement Systems

Illinois Municipal Retirement Fund (IMRF)

Plan Description and Benefits

The Treasurer'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 Treasurer's plan is managed by the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public pension plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained online at www.imrf.org.

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service.

Notes to Financial Statements

Note 4: Employee Retirement Systems (Continued)

Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited 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 each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited 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 each year of credited service up to 15 years, and 2% for each year thereafter.

Plan Membership

As of December 31,	2021. the	following em	plovees were	covered b	v the b	benefit terms:
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Inactive employees or beneficiaries currently receiving benefits					
Active employees	5				
Total	6				

Contributions

As set by statute, Regular plan members are required to contribute 4.50% 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 Treasurer's annual contribution rate for calendar year 2022 was 0.57%. For the fiscal year ended 2023, the Treasurer contributed \$22,919 to the plan. The Treasurer 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability (asset)

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

Notes to Financial Statements

Note 4: Employee Retirement Systems (Continued)

Actuarial Assumptions

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method Entry Age Normal
Asset valuation method Market Value of Assets

Price inflation 2.25%

Salary increases 2.85% to 13.75%, including inflation

Investment rate of return 7.25%

Retirement age Experience-based table of rates that are specific to the type of eligibility

condition. Last updated for the 2020 valuation pursuant to an experience

study of the period 2017-2019.

Mortality For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median

income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and furture mortality improvements projected using scale MP-2020 were used. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted)

tables, and future mortality improvements projected using scale MP-2020.

Other information: Notes There were no benefit changes during the year.

Notes to Financial Statements

Note 4: Employee Retirement Systems (Continued)

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

		Long-Term
	Target	Expected Real
Asset Class	Allocation	Rate of Return
Equities	35.5 %	6.50 %
International equities	18.0 %	7.60 %
Fixed income	25.5 %	4.90 %
Real estate	10.5 %	6.20 %
Alternatives	9.5 %	6.50-9.90 %
Cash	1.0 %	4.00 %
Total	<u>100.0</u> %	

Single Discount Rate

The single discount rate used to measure the total pension liability as of December, 31, 2022 for IMRF was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee 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 contributions for use with the long-term expected rate of return are not met).

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

Notes to Financial Statements

Note 4: Employee Retirement Systems (Continued)

Changes in Net Pension Liability (Asset)

					1	Net Pension
	T	otal Pension	Pla	an Fiduciary		Liability
		Liability	Ν	et Position		(Asset)
		(A)		(B)		(A) - (B)
Balances at December 31, 2021	\$_	3,420,082	\$	4,374,488	\$	(954 <u>,406</u>)
Changes for the year:						
Service cost		45,783		-		45,783
Interest on the total pension liability		212,442		-		212,442
Differences between expected and actual experience of the						
total pension liability		353,467		-		353,467
Contributions - employer		-		3,834		(3,834)
Contributions - employees		-		19,875		(19,875)
Net investment income		-		618,467		(618,467)
Benefit payments, including refunds of employee						
contributions		(197,896)		(197,896)		-
Other (net transfer)	_			93,714		(93,714)
Net changes		413,796		537,994		(124,198)
Balances at December 31, 2022	\$_	3,833,878	\$	4,912,482	\$	(1,078,604)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liabilities (asset) of the Treasurer, calculated using the discount rate, as well as what the Treasurer's net pension liabilities (asset) would be if they were calculated using discount rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

		Current	
	1% Decrease	Discount Rate	1% Increase
	(6.25%)	(7.25%)	(8.25%)
Treasurer's proportionate share of the net pension liability			_
(asset)	\$ <u>(584,244</u>)	\$ (1,078,604)	\$ (1,244,229)

Notes to Financial Statements

Note 4: Employee Retirement Systems (Continued)

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

For the year ended June 30, 2023, the Treasurer recognized pension income of \$148,775. At June 30, 2023, the Treasurer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	C	Deferred Outflows of	Deferred Inflow of
		Resources	Resources
Difference between expected and actual experience	\$	257,107	\$ -
Changes in assumptions		-	11,586
Net difference between projected and actual earnings in pension plan investments	_		489,497
Total deferred amounts to be recognized in pension expense in future periods		257,107	501,083
Treasurer's contributions subsequent to the measurement date	_	1,881	
Total	\$_	258,988	\$ 501,083

\$1,881 reported as deferred outflows of resources related to pensions resulting from Treasurer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended Friday, June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Net Deferred
	Outflows
	(Inflows) of
Year ending December 31,	Resources
2023	\$ (75,865)
2024	(109,111)
2025	(68,646)
2026	9,646
Total	\$ <u>(243,976</u>)

Notes to Financial Statements

Note 5: Other Postemployment Benefits

Retiree Health Benefit Plan

The Bremen Township School Treasurer's Office provides limited health care insurance coverage for its eligible retired employees until Medicare eligibility is attained at age 65. The required contribution is based on projected pay-as-you-go financing requirements. For the fiscal year ended June 30, 2023, the Township School Treasurer's Office has accumulated \$160,000 for future contributions.

Note 6: Commitments/Operating Lease

Under the terms of the intergovernmental agreement between the Bremen Community High School District #228, the Treasurer leases a total of 2,062 square fee of space in the Tinley Park High School building. The current lease expires on June 30, 2024.

 Year Ended June 30
 Amount

 2024
 \$ 23,520

Note 7: Intergovernmental Agreement

In accordance with an intergovernmental agreement dated October 19, 2017 between the Midlothian Park District and the Bremen Township Trustees of Schools, the Township School Treasurer serves as Treasurer for the Park District and performs all financial functions of the Park District. The term of the agreement is through July 15, 2024. A fee is due in two equal installments on January 15 and July 15. For the year ended June 30, 2023, total fees received were \$31,500. The future minimum payments in accordance with the agreement are as follows:

Year Ended June 30	Amount
2024	\$ 24,420
2025	24,900
2026	25,380
Total	\$ 74,700

Notes to Financial Statements

Note 8: Fund Balance

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. Below are definitions of the how these balances are reported.

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. The Treasurer has no nonspendable balances at year end.

Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Examples of these restrictions could be those imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The Treasurer has no restricted balances at year end.

Committed Fund Balance

The Treasurer commits fund balance by making motions or passing resolution 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 contract requirements. The Treasurer has \$160,000 committed balances at year end for employee benefits.

Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the Treasurer's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the Board to assign amounts to be used for specific purposes. The Treasurer has no assigned balances at year end.

Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund and for funds with negative fund balances. As of June 30, 2023, \$2,012,284 of the Treasurer's fund balance was unassigned.

Notes to Financial Statements

Note 9: Risk Management

The Treasurer has purchased insurance from private insurance companies. Risks covered include general liability, workers compensation and others. Premiums have been displayed as expenditures in appropriate funds. No material decreases in insurance coverages have occurred nor have any insurance claims in excess of insurance coverages been paid or reported during the last three years.

Schedule of Changes in the Employer's Net Pension Liability and Related Ratios Illinois Municipal Retirement Fund

Last Seven Calendar Years

		2022	2021	2020	2019
Total Pension Liability		2022	2021	2020	2019
Service cost	\$	45,783 \$	45,783 \$	45,905 \$	44,034
Interest	Y	212,442	212,442	205,768	194,156
Differences between expected and actual		212,112	212,112	203,700	13 1,130
experience		353,467	353,467	39,691	56,909
Changes of assumption		-	-	(31,516)	-
Benefit payments, including refunds of				(- //	
member contributions		(197,896)	(197,896)	(137,569)	(134,167)
Net change in total pension liability		413,796	413,796	122,279	160,932
Total pension liability, beginning	_	3,420,082	3,006,286	2,884,007	2,723,075
Total pension liability - ending	\$_	3,833,878 \$	3,420,082 \$	3,006,286 \$	2,884,007
Plan Fiduciary Net Position					
Contributions - employer	\$	3,834 \$	3,834 \$	3,855 \$	4,164
Contributions - member		19,875	19,875	21,161	19,936
Net investment income		618,467	618,467	497,962	569,338
Benefit payments, including refunds of					
member contributions		(197,896)	(197,896)	(137,569)	(134,167)
Administrative expense	_	93,714	93,714	13,987	22,948
Net change in plan fiduciary net position		537,994	537,994	399,396	482,219
Plan net position, beginning	_	4,374,488	3,836,494	3,437,098	2,954,879
Plan net position, ending	\$_	4,912,482 \$	4,374,488 \$	3,836,494 \$	3,437,098
Employer's net pension liability (asset)	\$ <u>_</u>	(1,078,604) \$	(954,406) \$	(830,208) \$	(553,091)
Plan fiduciary net position as a percentage of the total pension liability		128.13 %	127.91 %	127.62 %	119.18 %
Covered payroll	\$	446,904 \$	446,904 \$	470,248 \$	443,010
Employer's net pension liability (asset) as a percentage of covered payroll		(241.00)%	(213.56)%	(176.55)%	(124.85)%

2018	2017		2016
\$ 49,183	\$ 45,604	\$	44,013
186,588	173,976		162,982
17,943	132,775		11,226
70,852	(84,607)		-
(129,474)	(73,285)		(71,583)
195,092	194,463		146,638
 2,527,983	 2,333,520	_	2,186,882
\$ 2,723,075	\$ 2,527,983	\$	2,333,520
\$ 39,513	\$ 9,317	\$	8,010
18,697	21,392		18,773
(165,552)	470,593		178,247
(129,474)	(73,285)		(71,583)
86,004	(22,743)		19,536
(150,812)	405,274		152,983
 3,105,691	2,700,417		2,547,434
\$ 2,954,879	\$ 3,105,691	\$	2,700,417
\$ (231,804)	\$ (577,708)	\$	(366,897)
108.51 %	122.85 %		115.72 %
\$ 415,478	\$ 475,387	\$	417,182
(55.79)%	(121.52)%		(87.95)%

Schedule of Employer Contributions Illinois Municipal Retirement Fund

Last Seven Calendar Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2023	\$ 3,372	\$ 3,372	\$ -	\$ 446,904	0.75 %
2022	3,834	3,834	-	446,904	0.86 %
2021	3,856	3,855	1	470,248	0.82 %
2020	4,164	4,164	-	443,010	0.94 %
2019	8,642	39,513	(30,871)	415,478	9.51 %
2018	9,318	9,317	1	475,387	1.96 %
2017	8,010	8,010	-	417,182	1.92 %
2016	10,851	23,671	(12,820)	442,912	5.34 %

Notes to Schedule

Valuation date:

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

Methods and assumptions used to determine contribution rate

Actuarial cost method Aggregate entry age normal Amortization method Level percent of pay, closed Remaining amortization period 23-year closed period

Asset valuation method 5-year smoothed market; 20% corridor

Wage growth 3.25% Inflation 2.50%

3.35% to 14.25%, including inflation Salary increases

Investment rate of return

Retirement age Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study

of the period 2014 - 2016.

Mortality For non-disabled retirees, an IMRF specific mortality table was used with fully

generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Combining Schedule of Assets and Liabilities Arising from Cash Transactions - Agency Funds

June 30, 2023	Forest Ridge #142	Midlothian #143	Posen-Robbins #143 1/2	Prairie-Hills #144
Assets				
Cash and investments:				
Held by township treasurer	\$ 22,211,614	\$ 21,401,237	\$ 18,564,532	\$ 21,808,823
Held by district	51,950	33,636	42,600	71,874
Total cash and investments	22,263,564	21,434,873	18,607,132	21,880,697
Receivables	-	-	-	-
Prepaid insurance and other	-	-	-	-
Other current assets			<u>1,847,892</u>	
Total assets	\$ <u>22,263,564</u>	\$ <u>21,434,873</u>	\$ <u>20,455,024</u>	\$ <u>21,880,697</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Salaries and related expenditures	-	-	45,788	-
Other current liabilities	-	-	(43,650)	-
Held by districts	51,950	33,636	42,600	71,874
Due to districts	22,211,614	21,401,237	20,410,286	21,808,823
Total liabilities	\$ <u>22,263,564</u>	\$ <u>21,434,873</u>	\$ <u>20,455,024</u>	\$ <u>21,880,697</u>

See Independent Accountant's Audit Report on Supplementary Information.

			Southwest	Career		
Arbor Park	Country Club	Bremen High	Cook County	Development		
#145	Hills #160	School #228	Cooperative	System	Unallocated	Total
\$ 13,561,726	\$ 17,748,476	\$ 64,015,031	\$ 8,046,281	\$ 236,268	\$ 4,640	\$ 187,598,628
33,314	37,346	9,759,549	4,189	-	-	10,034,458
13,595,040	17,785,822	73,774,580	8,050,470	236,268	4,640	197,633,086
-	-	-	3,344,811	-	-	3,344,811
-	-	-	21,723	-	-	21,723
		11,331				1,859,223
\$ <u>13,595,040</u>	\$ 17,785,822	\$ <u>73,785,911</u>	\$ 11,417,004	\$ <u>236,268</u>	\$ 4,640	\$ 202,858,843
\$ -	\$ -	\$ -	\$ 447,217	\$ -	\$ -	\$ 447,217
75,873	-	-	490,562	319	-	612,542
-	-	_	-	-	-	(43,650)
33,314	37,346	9,770,880	4,189	-	-	10,045,789
13,485,853	17,748,476	64,015,031	10,475,036	235,949	4,640	191,796,945
13, 103,033	17,7 10,470	01,010,001	10, 17 5,030	233,343	1,040	<u> </u>
\$ <u>13,595,040</u>	\$ <u>17,785,822</u>	\$ <u>73,785,911</u>	\$ <u>11,417,004</u>	\$ 236,268	\$ <u>4,640</u>	<u>\$ 202,858,843</u>

Combining Schedule of Changes in Assets and Liabilities Arising from Cash Transactions - Agency Fund

	Forest Ridge		Posen-Robbins	Prairie-Hills
Year Ended June 30, 2023	#142	#143	#143 1/2	#144
Revenues received				
Local sources	\$ 11,413,67		\$ 4,667,826	\$ 16,705,051
Flow-through sources	12,50		-	-
State sources	8,785,76			26,844,198
Federal sources	3,229,34	9 4,767,208	7,327,117	10,491,867
Total direct revenues received	23,441,29	3 28,097,284	29,104,758	54,041,116
State on-behalf TRS pension contributions	4,424,05	<u>5,805,651</u>	4,645,628	7,160,022
Total revenues received	27,865,35	1 33,902,935	33,750,386	61,201,138
Expenditures disbursed				
Instruction	9,207,06	7 11,987,250	11,408,152	17,707,099
Support Services	9,258,88			32,750,139
Community services	276,19		•	325,666
Payments to other governments	2,436,93			1,103,015
Debt service	1,823,35	0 1,004,041	<u>812,701</u>	5,107,967
Total direct expenditures disbursed	23,002,43	5 29,296,605	26,231,238	56,993,886
State on-behalf TRS pension expenditures	4,424,05	<u>5,805,651</u>	4,645,628	7,160,022
Total expenditures disbursed	27,426,49	35,102,256	30,876,866	64,153,908
Excess (deficiency) of revenues over (under) expenditures	438,85	8 <u>(1,199,321</u>)2,873,520	(2,952,770)
Other financing sources (uses) Principal on bonds sold			_	_
Transfers in	2,200,00	0 4,347,586	_	347,828
Transfers out	(2,200,00			(347,828)
Sale of fixed assets		<u>-</u>	<u> </u>	<u> </u>
Total other financing sources (uses)		<u> </u>		
Net change in district activity	438,85	8 (1,199,321) 2,873,520	(2,952,770)
District activity not under Treasurer's activity	20,97	0 (2,797	5,045	-
Due to districts at beginning of year	21,751,78	6 22,603,355	17,531,721	24,761,593
Due to districts at end of year	\$ <u>22,211,61</u>	4 \$ <u>21,401,237</u>	\$ 20,410,286	\$ 21,808,823

Arbor Park	Country Club	Bremen High	Southwest Cook County	Career Development		
#145	Hills #160	School #228	Cooperative	System	Unallocated	Total
ć 42.200.42F	ć 6.004.07E	¢ 62.422.506	ć 20 F04 044	ć 07.472	¢	ć 452 246 7 42
\$ 12,380,135	\$ 6,891,875	\$ 62,432,596	\$ 29,594,841	\$ 87,473 1,311,082	> -	\$ 153,216,743 1,323,588
- 7,896,906	12,765,227	49,212,248	1,935,763	100,678	-	138,937,403
<u>2,685,735</u>	6,214,788	12,942,108	3,814,711	67,569	-	51,540,452
22,962,776	25,871,890	124,586,952	35,345,315	1,566,802	-	345,018,186
3,291,190	2,690,742	24,268,301	6,347,751	69,424		58,702,767
26,253,966	28,562,632	148,855,253	41,693,066	1,636,226		403,720,953
8,777,776	10,094,774	56,870,198	18,218,186	_	-	144,270,502
10,505,342	11,865,869	55,299,736	14,900,659	261,098	_	160,821,987
216,668	30,552	123,498	1,093	-	-	1,856,829
933,703	-	8,635,785	444,860	1,393,935	-	18,400,519
2,881,906	1,198,624	2,511,300				15,339,889
23,315,395	23,189,819	123,440,517	33,564,798	1,655,033	-	340,689,726
3,291,190	2,690,742	24,268,301	6,347,751	69,424		58,702,767
26,606,585	25,880,561	147,708,818	39,912,549	1,724,457		399,392,493
(352,619)	2,682,071	1,146,435	1,780,517	(88,231)		4,328,460
1,044,000	-	-	_	-	_	1,044,000
52,949	-	1,200,000	-	-	-	8,148,363
(52,949)	-	(1,200,000)	-	-	-	(8,148,363)
500,000						500,000
1,544,000						1,544,000
1,191,381	2,682,071	1,146,435	1,780,517	(88,231)	-	5,872,460
7,819	-	(840,720)	190	-	-	(809,493)
12,286,653	15,066,405	63,709,316	8,694,329	324,180	4,640	186,733,978
\$ <u>13,485,853</u>	\$ <u>17,748,476</u>	\$ 64,015,031	\$ <u>10,475,036</u>	\$ 235,949	\$ 4,640	\$ 191,796,945