Worth School District 127

Worth, IL

Annual Financial Report

Year Ended June 30, 2023

WIPFLI

Worth School District 127

Year Ended June 30, 2023

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Independent Auditor's Report

Board of Education
Worth School District 127
Worth, IL

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Worth School District 127 (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Worth School District 127 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 as described in Note 1.

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 Worth School District 127 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 unmodified opinions.

Emphasis of Matter

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 opinion is not modified with respect to this matter.

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 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 the financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Worth School District 127'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 Worth School District 127'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 Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The management's discussion and analysis and the supplementary information as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Financial Information

The combining and individual fund financial statements and schedule of assessed valuations, tax extensions and collections are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures, including comparing and reconciling such information directly to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedule of assessed valuations, tax extensions and collections are fairly stated, in all material respects, in relation to the basic financial statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Worth School District 127's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Wipfli, LLP

Aurora, Illinois
November 6, 2023

Worth School District 127
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2023

Management's discussion and analysis of Worth School District 127's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2023. Management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- In total, net position increased by $2.5M. This represents a 6% increase from 2022.

- General revenues accounted for $18.6M in revenue or 74% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for $6.4M or 26% of total revenues of $25M.

- The District had $22.5M in expenses related to government activities. However, only $6.4M of these expenses were offset by program specific charges and grants.

- The District continued to pay down its existing debt through retirements, resulting in a net decrease of $0.8M to its long-term debt in fiscal 2023.

Overview of the Financial Statements

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

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

This report also contains combining and individual fund financial statements and schedules and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers of the District's Annual Financial Report a board overview of the financial activities in a manner similar to a private sector business.

The statement of net position - modified cash basis presents information on all District assets/deferred outflows of resources and liabilities/deferred inflows of resources arising from cash transactions, with the difference between them reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statements of activities - modified cash basis presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported with cash is received and disbursed. Additionally, activity related to 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 are reported.

The modified cash basis of accounting is described in the notes to basic financial statements.

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are considered governmental funds.

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

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 balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Transportation Fund, IMRF/Social Security Fund, Debt Service Fund, and Fire Prevention and Life Safety Fund.

The District adopts an annual budget for each governmental funds. Budgetary comparison schedules for the governmental funds are included in the combining and individual fund financial statements and schedules section of this report to demonstrate compliance with the adopted budget.

Notes to Basic 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 information concerning the District's progress in funding its obligation to provide pension benefits to its non-certified employees.

Government-wide Financial Statements

The District's net position was higher on June 30, 2023, than it was the year before, increasing $2.5M over the prior year.

Current assets decreased by $1.4M, which is cash and investments. Capital assets increased $3.1M compared to fiscal 2022.

Total liabilities decreased by $0.8M after paying down long-term debt obligations.

The District's net position as of June 30, 2023 and 2022 is summarized as follows:

Table 1
Condensed Statements of Net Position
(in millions of dollars)

	2023	*2022*
Assets:		
Current and other assets	$ 15.8	$ 17.2
Capital assets	26.9	23.8
Total assets	42.7	41.0
Liabilities:		
Current liabilities	0.7	0.7
Long-term liabilities	0.4	1.2
Total liabilities	1.1	1.9
Net position:		
Net investment in capital assets	25.8	21.9
Restricted	3.8	3.7
Unrestricted	12.0	13.5
Total net position	$ 41.6	$ 39.1

Government-wide Activities

Revenues in the governmental activities of the District of $25M were more than expenses by $2.5M. This was attributable in part due to higher personal property replacement tax receipts and higher state aid funding.

The General Fund includes the recognized revenue and expenditures of $3.8M in pension and other post-employment benefit contributions that the state of Illinois paid directly to the Teachers' Retirement System (TRS) and the Teachers' Health Insurance Security (THIS) on behalf of the District's TRS and THIS covered employees.

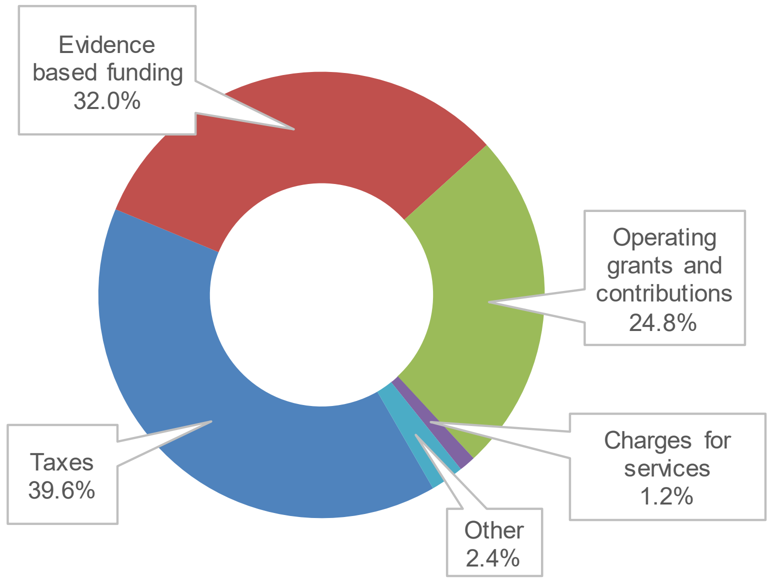
The major components of the District's revenues and expenses for the year ended June 30, 2023 and 2022 are as follows:

Table 2
Changes in Net Position
(in millions of dollars)

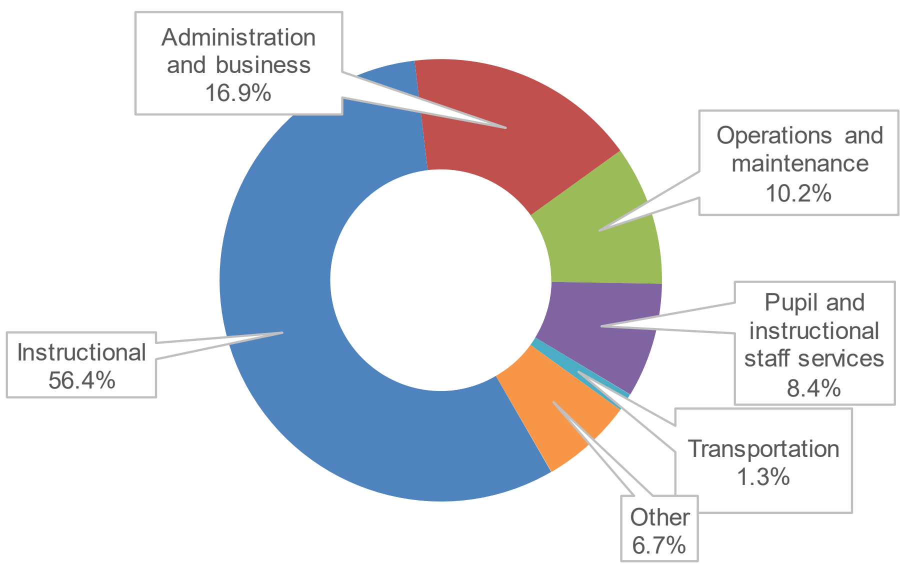
	2023	*2022*
Revenues:		
Program revenues:		
Charges for services	$ 0.3	$ 0.5
Operating grants and contributions	6.2	9.0
General revenues:		
Taxes	9.9	10.3
Evidence based funding	8.0	7.9
Other	0.6	0.4
Total revenues	25.0	28.1
Expenses:		
Instruction	12.7	12.6
Pupil and instructional staff services	1.9	1.4
Administration and business	3.8	3.2
Transportation	0.3	0.2
Operations and maintenance	2.3	1.9
Other	1.5	1.7
Total expenses	22.5	21.0
Changes in net position	2.5	7.1
Net position, beginning of year	39.1	32.0
Net position, end of year	$ 41.6	$ 39.1

Evidence based funding and taxes accounted for the largest portions of the District's revenues, contributing 32.0% and 39.6% of total revenues respectively. The remainder of revenues came from taxes and other sources. The total cost of all the District's programs was $22.5M, mainly related to instructing and caring for the students.

DISTRICT-WIDE REVENUES BY SOURCE



DISTRICT-WIDE EXPENSES BY FUNCTION



Financial Analysis of the District's Funds

The District's Governmental Funds balance decreased from $1.4M to $15.8M.

Total revenues decreased by 11% from $28.0M to $25.0M.

Overall expenditures decreased by 8% from $28.7M to $26.4M.

General Fund Budgetary Highlights

The District's General Fund total revenues were above the budgeted amounts by $3.2M for fiscal year 2023. $3.8M represents the On-Behalf TRS contribution, which was not budgeted.

General Fund total expenditures were more than budgeted amounts by $3.5M.

Capital Assets and Debt Administration

Capital Assets

By the end of 2023, the District had compiled a total investment of $37.2M ($26.9M net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was $0.9M. More detailed information about capital assets can be found in Note 3 of the basic financial statements.

Table 3
Capital Assets (net of depreciation)
(in millions of dollars)

	2023	*2022*
Land	$ 0.1	$ 0.1
Construction in progress	0.8	3.7
Buildings	25.8	19.5
Equipment	0.2	0.5
Total	$ 26.9	$ 23.8

Long-term Debt

The District retired $0.8M in long-term debt in 2023. More detailed information on long-term debt can be found in Note 4 of the basic financial statements.

Table 4
Outstanding Long-Term Debt
(in millions of dollars)

	2023	*2022*
General obligation bonds	$ 1.1	$ 1.9

Factors Bearing on the District's Future

- Worth School District 127 Board of Education has heavily invested in maintaining school buildings over the past few years. In FY 2020, Worthwoods Elementary School was completely gutted and remodeled. In FY 2021, Worth Elementary School started a multi-year project including a building addition for a better and more accessible space for all students and staff. The building renovations concluded in August 2023, resulting in all spaces of Worth Elementary fully renovated. Also, in FY 2022, the Dr. Rosemary Lucas Administrative Center was renovated and updated. The investment in the maintenance and structure of our buildings should pay off long term for minimal future expenses in order for us to allocate funds to other areas of need.

- Staffing has been and will continue to be a concern for the District. Fortunately, Worth 127 was nearly fully staffed for the 2023-2024 school year; however, there will be 15 open positions for the 2024-2025 school year. In addition, a new four-year contract with the Worth Education Association was signed in May 2023, which took effect on July 1, 2023. This should help with staffing, as the salary increases totaled 20% over four years.

- In the spring 2023 session, state lawmakers passed legislation mandating full-day kindergarten, starting in fall 2027. Worth 127 is one of the few school districts in the area that does not currently offer full-day kindergarten. Lack of space is the primary reason that full-day kindergarten is not currently offered. The district will be starting construction on two building additions in Spring 2024 in order to accommodate the requirements of the state. Full-day kindergarten will be offered starting in August 2025, in order to comply with the state law.

- Worth School District 127 has a very culturally diverse community, which makes it unique in so many ways. We have a high number of multilingual students currently and the number of students with little to no English is increasing each year, resulting in more students needing multilingual services. It has been difficult to find staff to assist with these needs, and we continue to hire additional staff to meet the requirements of the district.

- The post-COVID educational environment has experienced an increase in students with behavioral needs, and Worth 127 schools are no exception. The young learners who were not exposed to in-person school during the crucial early years have struggled in adapting to appropriate classroom behaviors. The district has hired specialists in the areas needed to accommodate our students' needs and may need more support in future years.

Requests for Information

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

Worth School District 127
11218 S. Ridgeland Avenue
Worth, IL 60482

Basic Financial Statements

Worth School District 127

Statement of Net Position - Modified Cash Basis

June 30, 2023	Governmental Activities
Assets	
Cash and investments	$ 15,792,254
Capital assets	
Land	110,334
Construction in progress	753,364
Other capital assets, net of depreciation	26,035,470
Total Assets	42,691,422
Liabilities	
Current liabilities	
Accrued expenses	9,400
Noncurrent liabilities	
Due within one year	700,000
Due in more than one year	429,557
Total Liabilities	1,138,957
Net position	
Net investment in capital assets	25,768,611
Restricted for	
Student activities	73,826
Operations and maintenance	1,614,521
Tort immunity	234,414
Transportation	306,808
Retirement	364,764
Debt service	25,034
Fire prevention and safety	1,202,734
Unrestricted	11,961,753
Total net position	$ 41,552,465

See accompanying notes to financial statements.

Worth School District 127

Statement of Activities -
Modified Cash Basis

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
For the Year Ended June 30, 2023	Expenses	Charges for Services	Operating Grants and Contributions	Total Governmental Activities
Functions/Programs				
Governmental activities				
Instructional services				
Regular programs	$ 6,476,242	$ 102,491	$ 259,606	$ (6,114,145)
Special programs	2,006,769	-	907,157	(1,099,612)
Other programs	496,276	-	-	(496,276)
State retirement contributions	3,755,027	-	3,755,027	-
Support services				
Pupils	823,986	-	-	(823,986)
Instructional staff	1,036,699	-	340,620	(696,079)
General administration	928,088	-	-	(928,088)
School administration	974,750	-	-	(974,750)
Business	1,901,322	-	651,812	(1,249,510)
Operations and maintenance	2,288,947	160,256	130,177	(1,998,514)
Transportation	297,588	-	136,124	(161,464)
Cental	218,043	-	-	(218,043)
Other	1,691	-	-	(1,691)
Community service	600	-	-	(600)
Non-programmed charges	1,266,221	-	-	(1,266,221)
Interest and charges	58,215	-	-	(58,215)
Total governmental activities	$ 22,530,464	$ 262,747	$ 6,180,523	(16,087,194)
General revenues				
Property taxes levied for				
General purposes				7,990,077
Specific purposes				1,254,058
Debt service				688,236
Personal property replacement taxes				253,900
State aid not restricted to specific purposes				8,042,102
Earnings on investments				322,714
Miscellaneous				7,090
Total general revenues				18,558,177
Change in net position				2,470,983
Net position - beginning				39,081,482
Net position - ending				$ 41,552,465

See accompanying notes to financial statements.

Worth School District 127

Balance Sheet - Modified Cash Basis

Governmental Funds

June 30, 2023	**General Fund**	Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	$ 13,892,914	$ 1,899,340	$ 15,792,254
Liabilities and fund balances			
Liabilities			
Accrued expenses	$ 9,400	$ -	$ 9,400
Total liabilities	9,400	-	9,400
Fund balances			
Restricted for			
Student activities	73,826	-	73,826
Operations and maintenance	1,614,521	-	1,614,521
Tort Immunity	234,414	-	234,414
Transportation	-	306,808	306,808
Retirement	-	364,764	364,764
Debt service	-	25,034	25,034
Capital projects	-	1,202,734	1,202,734
Unassigned	11,960,753	-	11,960,753
Total fund balances	13,883,514	1,899,340	15,782,854
Total liabilities and fund balances	$ 13,892,914	$ 1,899,340	$ 15,792,254

See accompanying notes to financial statements.

Worth School District 127

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position- Modified Cash Basis

Total fund balances - governmental funds	$ 15,782,854
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The costs of the assets is $37,187,824 and the accumulated depreciation is $10,288,656.	26,899,168
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:	
General obligation bonds	(1,129,557)
Net position of governmental activities	$ 41,552,465

See accompanying notes to financial statements.

Worth School District 127

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

Year Ended June 30, 2023	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues Received			
Property taxes	$ 8,686,628	$ 1,245,743	$ 9,932,371
Other local sources	802,880	43,571	846,451
State resources	12,073,316	186,124	12,259,440
Federal resources	1,960,563	2,622	1,963,185
Total revenues received	23,523,387	1,478,060	25,001,447
Expenditures Disbursed			
Current operating			
Instruction	11,975,590	154,388	12,129,978
Support Services	6,391,706	480,856	6,872,562
Community services	1,266,821	-	1,266,821
Debt service			
Principal	-	258,152	258,152
Interest and other	-	442,247	442,247
Capital outlay	5,457,010	-	5,457,010
Total expenditures disbursed	25,091,127	1,335,643	26,426,770
Excess (deficiency) of revenues received over (under) expenditures disbursed	(1,567,740)	142,417	(1,425,323)
Other financing sources (uses)			
Transfers in	32,292	-	32,292
Transfers out	(20,000)	(12,292)	(32,292)
Total other financing sources (uses)	12,292	(12,292)	-
Net change in fund balance	(1,555,448)	130,125	(1,425,323)
Fund balances at beginning of year	15,438,962	1,769,215	17,208,177
Fund balances at end of year	$ 13,883,514	$ 1,899,340	$ 15,782,854

See accompanying notes to financial statements.

Worth School District 127

Reconciliation of the Statement of Revenues Received, Expenditures Disbursed and Changes In Fund Balance of Governmental Funds to the Statement of Activities - Modified Cash Basis

Net change in fund balances - governmental funds		$ (1,425,323)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital outlay	3,995,815	
Depreciation expense	(879,427)	
		3,116,388
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:		
The governmental funds record bond and loan proceeds as other financing sources, while repayment of bond and loan principal is reported as an expenditure. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of bonds and loans and related items is as follows:		
Accreted interst	(58,215)	
Repayment of bond and loan principal	838,133	
		779,918
Change in net position of governmental activities		$ 2,470,983

See accompanying notes to financial statements.

Note 1: Summary of Significant Accounting Policies

Reporting Entity

Worth School District 127 (the "District") operates as a public school system governed by an elected seven-member board. The District is organized under The School Code of the State of Illinois, as amended. The District serves the community of Worth.

The accounting policies of the District conform to the modified cash basis of accounting, 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.

The following is a summary of the more significant accounting policies:

Basis of Presentation

Government-Wide Financial Statements

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

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

Fund Financial Statements

Separate financial statements are provided for governmental funds. The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on the major governmental funds, displayed in a separate column. The remaining governmental funds are aggregated and reported as nonmajor governmental funds.

The District reports the following major governmental funds:

- **General Fund** – The General Fund is the District’s primary operating fund. It is comprised of four subfunds: the Educational Account, the Operations and Maintenance Account, Working Cash Account, and the Tort Immunity Account. These funds account for activities that are not specifically accounted for in another fund.

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

The District reports the following nonmajor governmental funds:

- **Special Revenue Fund** - This fund type is used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditure for specific purposes other than debt service or capital projects. The District's nonmajor special revenue fund are the Transportation Fund and the Municipal Retirement Fund.

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

- **Fire Prevention and Safety Fund** - The Fire Prevention and Safety Fund accounts for financial resources to be used for the acquisition, construction and/or additions related to qualifying fire prevention and safety projects.

During the course of operations, the District has activity between funds for various purposes. In fund financial statements, any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out.

Measurement Focus and Basis of Accounting

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

Measurement Focus

In the government-wide statement of net position - modified cash basis and statement of activities - modified cash basis, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and net financial position. All assets, liabilities (whether current or noncurrent or financial or nonfinancial), and deferred outflows/inflows of resources associated with their activities are generally reported within the limitations of the modified cash basis of accounting.

Note 1: Summary of Significant Accounting Policies (Continued)

Governmental funds utilize a current financial resources measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

The financial statements are presented on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. This basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position or balance 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 payables, capital assets and related depreciation, and short-term and long-term liabilities arising from cash transactions or events.

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected 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 but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, certain other economic assets and liabilities 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 to fair value.

If the District utilized the basis of accounting recognized as generally accepted in the United States, the fund financial statements for governmental funds would use the modified accrual basis of accounting. The government-wide and fiduciary fund financial statements would be presented on the accrual basis of accounting.

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

Cash and Investments

The Worth Township Treasurer is the official custodian of money for the district's and joint agreements within the township, including the District, as prescribed by Chapter 105, Section 5, Article 8 of the Illinois Compiled Statutes. The Township School Treasurer's Office, a legally separate entity under the oversight of the Worth Township Trustees of Schools, pools the district's money and invests, on the district's behalf, in a cash and investment portfolio.

Note 1: Summary of Significant Accounting Policies (Continued)

Cash and Investments (Continued)

The Township School Treasurer's Office 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 Township School Treasurer's Office doe provide for the Township School 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 investment and related collateralization for each individual district is not available.

Capital Assets

Capital assets reported in the government-wide financial statements are defined by the District as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life.

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.

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

	Years
Buildings and building improvements	40 years
Furniture and equipment	3 - 15 years

Long-Term Obligations

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

Note 1: Summary of Significant Accounting Policies (Continued)

Long-Term Obligations (Continued)

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

Property Taxes

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the District, its share of collections. Property taxes are levied each year on all taxable real property located in the District on or before the last Tuesday in December. The adoption date for the 2022 tax levy was December 14, 2022. The first installment is an estimated bill, and is 55% of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill. The due date of the second installment varies and can occur between August and November.

The following are the actual rates levied per $100 of assessed valuation:

	Maximum	Actual	
	2022 Levy	2022 Levy	2021 Levy
Educational	-	3.9336	3.6926
Special education	0.4000	0.4000	0.3778
Operations and maintenance	0.5500	0.5500	0.5397
Limited bonds	-	0.3855	0.3851
Transportation	-	0.0810	0.0810
I.M.R.F.	-	0.0270	0.0270
Social security	-	0.1081	0.1079
Working cash	0.0500	0.0500	0.0500
Tort immunity	-	0.0702	0.0675
Life safety	0.1000	0.1000	0.0944
Total		5.7054	5.4230

Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the extent required by Illinois law in the Municipal Retirement/Social Security Fund with the balance allocated to funds at the discretion of the District.

Note 1: Summary of Significant Accounting Policies (Continued)

Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF), together "the Plans," and additions to/deductions from the Plans' fiduciary net positions have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The amounts disclosed in accordance with GASB Statement No. 68 are not reported in the financial statements due to reporting on the basis of accounting described above.

Use of Estimates

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

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 District's Board – the District's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the District 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.

Assigned fund balance: This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes, but the amounts are neither restricted nor committed. The District 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.

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balances (Continued)

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 District's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

Note 2: Cash and Investments

a. Cash & Investments under the custody of the Township Treasurer

Under the Illinois Compiled Statutes, the Worth Township School Treasurer is the lawful custodian of all school funds. The Treasurer is appointed by the Township School Trustees, an independently elected body, to serve the school districts in the township. The Treasurer is the direct recipient of property taxes, replacement taxes and most state and federal aid and disburses school funds upon lawful order of the school board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below. For these purposes, the Treasurer is permitted to combine monies from more than one fund of a single district and to combine monies of more than one district in the township. Monies combined under these circumstances, as well as investment earnings, are accounted for separately for each fund and/or district.

Cash and investments, other than the student activity and convenience accounts, petty cash, and imprest funds, are part of a common pool for all school districts and cooperatives within the township. The Treasurer maintains records that segregate the cash and investment balance by district or cooperative. Income from investments is distributed monthly based upon the District's percentage participation in the pool. All cash for all funds, including cash applicable to the Bond and Interest Fund and the Illinois Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

The Treasurer's investment policies are established by the Worth Township School Trustees as prescribed by the Illinois School Code and the Illinois Compiled Statutes. The Treasurer is authorized to invest in obligations of the U.S. Treasury, backed by the full faith and credit of the U.S. Government, certificates of deposit issued by commercial banks and savings and loan associations, and commercial paper rated within the three highest classifications by at least two standard rating services (subject to certain limitations).

The Treasurer's Office operates as a non-rated, external investment pool. The fair value of the District's investment in the Treasurer's pool is determined by the District's proportionate share of the fair value of the investments held by the Treasurer's office.

Note 2: Cash and Investments (Continued)

As of June 30, 2023, the fair value of the District's proportionate share of the pooled cash and investments held by the Treasurer's office was $15,713,428.

The District total cash and investments as of June 30, 2023 consisted of the following:

District's share of deposits and investments in the Township School Treasurer's cash and investments pool	$ 15,713,428
Petty cash and imprest account (maintained by the District)	5,000
Student activity accounts (maintained by the District)	73,826
Total	$ 15,792,254

Custodial credit risk
With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy states that the Treasurer shall maintain funds only in financial institutions that collateralize all funds in excess of FDIC or insurable limits.

Note 3: Capital Assets

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

Govermental Activities	Balance 6/30/2022	Additions	Transfers/ Adjustments	Balance 06/30/23
Capital assets, not being depreciated:				
Land	$ 110,334	$ -	$ -	$ 110,334
Construction in progress	3,672,471	753,364	(3,672,471)	753,364
Total capital assets, not being depreciated	3,782,805	753,364	(3,672,471)	863,698
Capital assets, being depreciated:				
Buliding and improvements	25,236,454	3,242,451	3,672,471	32,151,376
Furniture and equipment	4,172,750	-	-	4,172,750
Total capital assets, being depreciated	29,409,204	3,242,451	3,672,471	36,324,126
Accumulated depreciation:				
Buliding and improvements	5,706,297	569,539	-	6,275,836
Furniture and equipment	3,702,932	309,888	-	4,012,820
Total accumulated depreciation	9,409,229	879,427	-	10,288,656
Total capital assets, being depreciated, net	19,999,975	2,363,024	3,672,471	26,035,470
Govermental activities capital assets, net	$ 23,782,780	$ 3,116,388	$ -	$ 26,899,168

Note 3: Capital Assets (Continued)

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

Instructional Services	
Regular programs	$ 369,067
Special programs	113,923
Other	588
Supporting Services	
Pupils	47,946
Instructional staff	19,402
General administration	45,878
School administration	57,071
Business	100,555
Operations and maintenance	101,479
Transportation	20,416
Central	1,411
Community Services	1,691
Total depreciation expense - governmental activities	$ 879,427

Note 4: Long-Term Debt

Long-term debt consisted of the following at June 30, 2023:

	Balance 6/30/2022	Additions	Reductions	Balance 06/30/23	Amounts due Within One Year
Capital appreciation bond	$ 1,909,475	$ 58,215	$ 838,133	$ 1,129,557	$ 700,000
Total	$ 1,909,475	$ 58,215	$ 838,133	$ 1,129,557	$ 700,000

General Obligation Bonds

$3,915,000 Capital Appreciation Refunding Bonds, Series 2005B, payments are due in annual installments beginning December 1, 2005 through December 1, 2024. Interest rates range from 5.67% to 5.98%.

Annual debt service requirements to maturity for the bonds as of June 30, 2023 are as follows for:

	Principal	Interest	Total
2024	$ 241,058	$ 458,942	$ 700,000
2025	207,556	437,444	645,000
Accumulated accretion	680,943	(680,943)	-
Total	$ 1,129,557	$ 215,443	$ 1,345,000

Note 4: Long-Term Debt (Continued)

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2023, the statutory debt limit for the District was $13,154,590, with the current outstanding debt that is subject to the statutory debt limit calculation as of June 30, 2023 for the District totaling $448,618. As of June 30, 2023, the Districts estimated legal debt margin was $12,705,976.

Payments to retire bonds payable will be made from debt service levies in future periods. There is $25,034 of fund equity available in the Debt Service Fund to service outstanding bonds payable.

Note 5: Fund Balances

As of June 30, 2023, fund balances were comprised of the following:

	General Fund	Nonmajor Governmental	Total Governmental
Restricted			
Student activities	$ 73,826	$ -	$ 73,826
Operations and maintenance	1,614,521	-	1,614,521
Tort immunity	234,414	-	234,414
Transportation	-	306,808	306,808
Retirement	-	364,764	364,764
Debt Service	-	25,034	25,034
Capital projects	-	1,202,734	1,202,734
Total restricted	1,922,761	1,899,340	3,822,101
Unassigned	11,960,753	-	11,960,753
Total fund balances	$ 13,883,514	$ 1,899,340	$ 15,782,854

Note 6: Employee Retirement Systems

The retirement plans of the District include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees and contributions made by the State of Illinois on-behalf of the District. IMRF is funded through property taxes and a perpetual lien of the District's corporate personal property replacement tax. Each retirement system is discussed below.

Due to the District preparing its financial statements on the modified cash basis of accounting, pension liabilities and deferred inflows and outflows referred to throughout the note disclosure are not recognized in the actual financial statements.

Note 6: Employee Retirement Systems (Continued)

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

Plan Description

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

TRS issues a publicly available financial report that can be obtained at https://www.trsil.org/financial/acfrs/fy2022; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier 1 members to receive a partial lump-sum in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs will begin in 2019 and will be funded by bonds issued by the state of Illinois.

Note 6: Employee Retirement Systems (Continued)

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2022, was 9.0% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on-behalf of the District. For the year ended June 30, 2023, State of Illinois contributions recognized by the District were based on the State's proportionate share of the pension expense associated with the District, and the District recognized revenue and expenditures of $3,688,122 in pension contributions from the State of Illinois**.**

2.2 formula contributions. The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2023 were $43,117, and are deferred because they were paid after the June 30, 2022 measurement date.

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

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

For the year ended June 30, 2023, the employer pension contribution was 10.49% of salaries paid from federal and special trust funds. For the year ended June 30, 2023, $233,639 of salaries were paid from the federal and special trust funds and required employer contributions of $24,509. These contributions are deferred because they were paid after the June 30, 2023 measurement date.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The District is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2023, the District did not make any payments for salary increases over 6 percent, salary increases over 3 percent, or excess sick leave contributions.

Note 6: Employee Retirement Systems (Continued)

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

At June 30, 2022, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the District. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net Pension liability	$ 606,366
State's proportionate share of the net pension liability associated with the District	52,598,270
Total	$ 53,204,636

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2022, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2022, the employer's proportion was 0.00072%, which was a decrease of 0.00002% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the District recognized pension expense of $3,688,122 and revenue of $3,688,122 for support provided by the state. At June 30, 2023, the District had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources, which are not reported due to the regulatroy basis of accounting:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 1,219	$ 3,343
Changes in assumptions	2,796	1,158
Net difference between projected and actual earnings in pension plan investments	555	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	75,370
Total deferred amounts to be recognized in pension expense in future periods	4,570	79,871
District's contributions subsequent to the measurement date	67,626	-
Total	$ 72,196	$ 79,871

Note 6: Employee Retirement Systems (Continued)

$67,626 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2024	$ (57,117)
2025	(10,722)
2026	(11,416)
2027	4,825
2028	(871)
Total	$ (75,301)

Actuarial Assumptions

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

In the June 30, 2022 actuarial valuation, mortality rates were based on the PubT-2010 Table with appropriate adjustments for the TRS experience. The rates are based on a fully-generational basis using projection table MP-2020. In the June 30, 2021 actuarial valuation, mortality rates were also based on the PubT-2010 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2020.

Note 6: Employee Retirement Systems (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	16.3 %	5.7 %
U.S. equities small/mid cap	1.9 %	6.8 %
International equities developed	14.1 %	6.6 %
Emerging market equities	4.7 %	8.6 %
U.S. bonds core	6.9 %	1.2 %
Cash equivalents	1.2 %	(0.3)%
TIPS	0.5 %	0.3 %
International debt developed	1.2 %	6.6 %
Emerging international debt	3.7 %	3.8 %
Real estate	16.0 %	5.4 %
Private debt	12.5 %	5.3 %
Hedge funds	4.0 %	3.5 %
Private Equity	15.0 %	10.0 %
Infrastructure	2.0 %	5.9 %
Total	100.0 %	

Discount Rate

At June 30, 2022, the discount rate used to measure the total pension liability was 7.0%, which was the same as the June 30, 2021 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2022 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 6: Employee Retirement Systems (Continued)

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

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

	1% Decrease (6.00%	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	$ 741,592	$ 606,366	$ 494,233

Detailed information about the TRS's fiduciary net position as of June 30, 2022 is available in the separately issued TRS Comprehensive Annual Financial Report.

b. Illinois Municipal Retirement Fund (IMRF)

Plan Description and Benefits

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

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

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

Note 6: Employee Retirement Systems (Continued)

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 the Benefit Terms - At the December 31, 2022 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	215
Inactive employees entitled to but not yet receiving benefits	93
Active employees	50
Total	358

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 6.29%. For the fiscal year ended June 30, 2023, the employer contributed $102,579 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 (Asset) Liability was measured as of December 31, 2022. The total pension liability used to calculate the pension (asset)/liability was determined by an actuarial valuation as of that date. The amount is included in the prepaids/accrued expenses on the Statement of Fiduciary Net Pension.

Note 6: Employee Retirement Systems (Continued)

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

Actuarial cost method	Entry Age Normal
Asset valuation method	Fair Value of Assets
Inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount Weighted, below median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020 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, Amount0Weighted, 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.

The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2022:

Asset Class	Target Allocation	Long-Term Expected Real 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 %	6.25-9.90 %
Cash	1.0 %	4.00 %
Total	100.0 %	

Note 6: Employee Retirement Systems (Continued)

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as December 31, 2022. 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. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The Single Discount Rate reflects:

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

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

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	$ 1,287,313	$ 305,568	$ (486,838)

Note 6: Employee Retirement Systems (Continued)

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2020	$ 8,348,912	$ 9,975,691	$ (1,626,779)
Changes for the year:			
Service cost	172,517	-	172,517
Interest on the total Pension liability	595,042	-	595,042
Differences between expected and actual experience of the total Pension liability	255,194	-	255,194
Contributions - employer	-	123,071	(123,071)
Contributions - employees	-	93,930	(93,930)
Net investment income	-	(1,197,817)	1,197,817
Benefit payments, including refunds of employee contributions	(455,401)	(455,401)	-
Other (net transfer)	-	71,222	(71,222)
Net changes	567,352	$ (1,364,995)	$ 1,932,347
Balances at December 31, 2021	$ 8,916,264	$ 8,610,696	$ 305,568

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For year ended June 30, 2023, the District recognized pension expense of $172,353. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources which are not reported due to the financial reporting provisions of the Illinois State Board of Education.

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 65,811	$ -
Net difference between projected and actual earnings on pension plan investments	651,256	-
Total deferred amounts to be recognized in pension expense in future periods	717,067	-
District's contributions subsequent to the measurement date	44,597	-
Total	$ 761,664	$ -

Note 6: Employee Retirement Systems (Continued)

$44,597 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 29, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Net Deferred Outflows (Inflows) of Resources
2024	$ 18,127
2025	101,809
2026	214,133
2027	382,998
Total	$ 717,067

Note 7: Other Postemployment Benefits

a. Teacher Health Insurance Security (THIS)

Plan Description

The Teacher Health Insurance Security Fund (THISF) (also known as The Teacher Retirement Insurance Program, "TRIP) is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. TRIP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan with a special funding situation that covers retired employees of participating school districts throughout the State of Illinois, excluding the Chicago Public School System. TRIP health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities to TRIP were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the Teachers' Retirement System (TRS).

The audit report is available on the office of the Auditor General website https://www.auditor.Illinois.gov/, which includes the financial statements of the Department of Central Management Services. Questions regarding the financial statements can be addressed to the Department of Central Management Services at 401 South Spring, Springfield, Illinois 62706. A copy of the actuarial valuation report will be made available by the Commission on Government Forecasting and Accountability on its website at http://cgfa.ilga.gov/.

Due to the District preparing its financial statements on the modified cash basis of accounting, OPEB liabilities and deferred inflows and outflows referred to throughout the note disclosure are not recognized in the actual financial statements.

Note 7: Other Postemployment Benefits (Continued)

Plan Membership

In order to be eligible, retirees of public schools must have been certified educators or administrators during their time of employment. Eligibility to participate in the plan is currently limited to former full-time employees, or if not a full-time employees, an individual that is in a permanent and continuous basis position in which services are expected to be rendered for at least one school term, and their dependents.

Benefits Provided

The State Employees Group Insurance Act of 1971)5 ILC 375/6.5) establishes the eligibility and benefit provisions of the plan.

Contributions

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.5) requires that all active contributors to the TRS, who are not employees of a department, make contributions to the plan at a rate of 0.90% of salary and for every employer of a teacher to contribute an amount equal to 0.67% of each teacher's salary. Additionally, the SEGIA requires the State to match the employees' contribution on-behalf of the employer. The Department determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the THIS, an amount equal to the amount certified by the Board of Trustees of TRS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year.

The State Employees Group Insurance Act of 1971 (5 ILC 375/6.5) requires that the Department's Director determine the rates and premiums of annuitants and dependent beneficiaries and establish the cost-sharing parameters, as well as funding. Member premiums are set by this statute, which provides for a subsidy of either 50% or 75%, depending upon member benefit choices. Dependents are eligible for coverage, at a rate of 100% of the cost of coverage.

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

At June 30, 2023, the District's reported a liability for its proportionate share of the net OPEB liability. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	$ 1,840,621
State's proportionate share of the net OPEB liability associated with the District	2,495,613
Total	$ 4,336,234

Note 7: Other Postemployment Benefits (Continued)

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021 and rolled forward to June 30, 2022. The District's proportion of the net OPEB liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2022, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2022, the District's proportion was 0.026891%, which was an increase of 0.001397% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized OPEB expense of $709,726

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ -	$ 1,203,856
Changes in assumptions	1,660	4,540,322
Net difference between projected and actual earnings in OPEB plan investments	224	-
Changes in proportion and differences between District contributions and proportionate share of contributions	713,713	116,612
Total deferred amounts to be recognized in OPEB expense in future periods	715,597	5,860,790
District's contributions subsequent to the measurement date	49,807	-
Total	$ 765,404	$ 5,860,790

$49,807 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2024	$ (582,035)
2025	(582,035)
2026	(582,035)
2027	(582,035)
2028	(582,035)
Thereafter	(2,235,018)
Total	$ (5,145,193)

Note 7: Other Postemployment Benefits (Continued)

Actuarial Valuation Method

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

Actuarial Assumptions.

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.
Investment rate of return	2.75%, net of OPEB plan investment expense, including inflation, for all plan years
Healthcare cost trend rates	Trend for fiscal year 2023 based on actual premium increases. For non-medicare costs, trend rates state at 8.00% for plan year 2024 and decrease gradually to an ultimate rate of 4.25% in 2039. For MAPD costs, trend rates are 0.00% in 2024 to 2028, 19.42% in 2029 to 2033 and 5.81% in 2034, declining gradually to an ultimate rate of 4.25% in 2039.

Mortality rates for retirement and beneficiary annuitants were based on PubT-2010 Retiree Mortality Table, adjusted for TRS experience. For disabled annuitants mortality rates were based on the PubNS-2010 Non-Safety Disabled Retiree table. Mortality rates for pre-retirement were based on PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2020.

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since TRIP is financed on a pay-as-you-go basis, a discount rate consistent with fixed income municipal bonds with 20 years maturity that include only federally tax-exempt municipal bonds as reported in Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rates are 3.69% as of June 30, 2022, and 1.92% as of June 30, 2021. The increase in the single discount rate from 1.92% to 3.69% caused the total OPEB liability to decrease by approximately $1,448 million from 2021 to 2022.

Note 7: Other Postemployment Benefits (Continued)

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

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 3.69%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.69%) or 1-percentage-point higher (4.69%) than the current rate:

	1% Decrease 2.69%	Current Discount Rate 3.69%	1% Increase 4.69%
District's proportionate share of the net OPEB liability	$ 2,045,605	$ 1,840,621	$ 1,630,010

The following presents the District's net OPEB liability, calculated using the healthcare cost trend rate, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage higher or lower.

	1% Decrease (a)	Healthcare Cost Trend Rate Assumptions	1% Increase (b)
District's proportionate share of the net OPEB liability	$ 1,555,376	$ 1,840,621	$ 2,153,673

a) Current healthcare trend rates - Pre-Medicare capita costs: 6.00% in 2023, 8.00% in 2024, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2039. Post-Medicare per capita costs: 3.22% in 2023, 0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 5.81% in 2034 decreasing ratably to an ultimate trend rate of 4.25% in 2039.

b) One percentage point decrease in current healthcare trend rates - Pre-Medicare per capita costs: 5.00% in 2023, 7.00% in 2024, decrease by 0.25% per year to an ultimate rate of 3.25% in 2039. Post-Medicare per capita costs: 2.22% in 2023, 0.00% from 2024 to 2028, 18.42% from 2029 to 2033, 4.81% in 2034 decreasing ratably to an ultimate rate of 3.25% in 2039.

Note 8: Risk Management

The District is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters.

The District participates in the School Employees Loss Fund (SELF) for its workers compensation coverage, the Suburban School Cooperative Insurance Pool (SSCIP) for its general liability and property, the South Suburban Benefit Cooperative (SSBC) for employee health coverage. SELF, SSCIP, and SSBC are organizations of school districts in Illinois which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool their risk management needs.

The cooperative agreements provide that SSCIP and SSBC will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $1,000,000 per occurrence and $3,000,000 in the aggregate for general liability and property, and $100,000 per individual and $6,900,000 in the aggregate for employee health. SELF purchases insurance through commercial companies for its workers' compensation coverage with member premiums. The District, along with other members of SELF, SSCIP, and SSBC, had a contractual obligation to fund any premium deficiency of the pools attributable to a year during which it was a member. SELF, SSCIP, and SSBC could have assessed supplemental premiums to fund these premium deficiencies. In the past three years, the District has not made any supplemental premium payments to the pools.

Note 9: Interfund Transfers

As of June 30, 2023, interfund transfers consisted of the following:

Transfer from	Transfer to	Amount
General Fund - Working Cash Account	General Fund - Operations and Maintenance	$ 20,000
Transportation Fund	General Fund - Operations and Maintenance	9,292
Municipal Retirement/Social Security Fund	General Fund - Operations and Maintenance	3,000
Total		$ 32,292

Transfers from the Transportation Fund, General Fund Working Cash Account, and the Municipal Retirement/Social Security Fund to the General Fund Operations and Maintenance account were made to fund ordinary and necessary expenditures.

Worth School District 127

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

Illinois Municipal Retirement Fund

Last Nine Calendar Years

	2022	2021	2020	2019
Total Pension Liability				
Service cost	$ 172,517	$ 171,410	$ 174,956	$ 169,660
Interest	595,042	584,827	559,044	529,499
Differences between expected and actual experience	255,194	(200,236)	51,392	59,964
Changes of assumption	-	-	(55,098)	-
Benefit payments, including refunds of member contributions	(455,401)	(375,913)	(369,876)	(338,643)
Net change in total pension liability	567,352	180,088	360,418	420,480
Total pension liability, beginning	8,348,912	8,168,824	7,808,406	7,387,926
Total pension liability - ending	$ 8,916,264	$ 8,348,912	$ 8,168,824	$ 7,808,406
Plan Fiduciary Net Position				
Contributions - employer	$ 123,071	$ 155,896	$ 153,142	$ 116,048
Contributions - member	93,930	88,188	84,194	78,735
Net investment income	(1,197,817)	1,471,545	1,124,547	1,230,408
Benefit payments, including refunds of member contributions	(455,401)	(375,913)	(369,876)	(338,643)
Other	71,222	(162,263)	(49,342)	71,547
Net change in plan fiduciary net position	(1,364,995)	1,177,453	942,665	1,158,095
Plan net position, beginning	9,975,691	8,798,238	7,855,573	6,697,478
Plan net position, ending	$ 8,610,696	$ 9,975,691	$ 8,798,238	$ 7,855,573
Employer's net pension liability (asset)	$ 305,568	$ (1,626,779)	$ (629,414)	$ (47,167)
Plan fiduciary net position as a percentage of the total pension liability	96.57 %	119.48 %	107.71 %	100.60 %
Covered payroll	$ 1,956,620	$ 1,822,752	$ 1,867,584	$ 1,706,599
Employer's net pension liability as a percentage of covered payroll	15.62 %	(89.25)%	(33.70)%	(2.76)%

The District implemented GASB Statement No. 68 in fiscal year 2015.
Information prior to fiscal year 2015 is not available.

	2018	2017	2016	2015	2014
	$ 155,845	$ 161,517	$ 157,566	$ 143,592	$ 150,592
	502,656	510,521	473,809	447,128	410,108
					-
	69,549	(270,018)	120,536	(31,209)	(80,620)
	195,281	(189,357)	(8,283)	7,797	228,172
	(319,114)	(310,286)	(218,813)	(201,403)	(220,913)
	604,217	(97,623)	524,815	365,905	487,339
	6,783,709	6,881,332	6,356,517	5,990,612	5,503,273
	$ 7,387,926	$ 6,783,709	$ 6,881,332	$ 6,356,517	$ 5,990,612
	$ 163,286	$ 178,345	$ 147,983	$ 137,810	$ 135,588
	72,644	67,674	65,702	62,443	59,270
	(356,844)	1,049,149	394,329	29,237	336,752
	(319,114)	(310,286)	(218,813)	(201,403)	(220,913)
	138,493	(195,563)	91,469	(146,966)	3,648
	(301,535)	789,319	480,670	(118,879)	314,345
	6,999,013	6,209,694	5,729,024	5,847,903	5,533,558
	$ 6,697,478	$ 6,999,013	$ 6,209,694	$ 5,729,024	$ 5,847,903
	$ 690,448	$ (215,304)	$ 671,638	$ 627,493	$ 142,709
	90.65 %	103.17 %	90.24 %	90.13 %	97.62 %
	$ 1,611,907	$ 1,503,864	$ 1,459,407	$ 1,383,636	$ 1,255,122
	42.83 %	(14.32)%	46.02 %	45.35 %	11.37 %

Worth School District 127

Schedule of Employer Contributions
Illinois Municipal Retirement Fund

Last Nine Calendar Years

Calendar Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contributions as a Percentage of Covered Valuation Payroll
2022	$ 123,071	$ 123,071	$ -	$ 1,956,620	6.29 %
2021	137,618	155,896	(18,278)	1,822,752	8.55 %
2020	153,142	153,142	-	1,867,584	8.20 %
2019	116,049	116,048	1	1,706,599	6.80 %
2018	163,286	163,286	-	1,611,907	10.13 %
2017	146,176	178,345	(32,169)	1,503,864	11.86 %
2016	147,984	147,983	1	1,459,407	10.14 %
2015	137,810	137,810	-	1,383,636	9.96 %
2014	129,406	135,588	(6,182)	1,255,122	10.80 %

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	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 21-year closed. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 16 years for most employers (five employers were financed over 17 years; two employers were financed over 19 years; one employer was financed over 20 years; three employers were financed over 25 years; four employers were financed over 26 years and one employer was financed over 27 years).
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	2.75%
Inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017 - 2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled 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 District implemented GASB Statement No. 68 in fiscal year 2015.
Information prior to fiscal year 2015 is not available.

Worth School District 127

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

Last Nine Fiscal Years

	2023*	2022*	2021*	2020*
District's proportion of the net pension liability	0.000723 %	0.000738 %	0.000700 %	0.000775 %
District's proportion share of the net pension liability	$ 606,366	$ 575,560	$ 639,673	$ 628,326
State's proportionate share of the net pension liability associated with the District	52,598,270	48,238,076	50,102,504	44,717,293
	$ 53,204,636	$ 48,813,636	$ 50,742,177	$ 45,345,619
District's covered payroll	$ 7,403,451	$ 6,617,567	$ 6,222,662	$ 6,046,590
District's proportionate share of the net pension liability as a percentage of covered payroll	8.19 %	8.70 %	10.28 %	10.39 %
Plan fiduciary net position as a percentage of the total pension liability	42.80 %	45.10 %	37.80 %	39.60 %

Notes to Schedule

Changes of assumptions

For the 2022 measurement year, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated September 30, 2021.

For the 2021-2017 measurement years, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively.

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

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

2019*	2018*	2017*	2016*	2015*
0.000802 %	0.001600 %	0.002200 %	0.002999 %	0.002582 %
$ 625,072	$ 1,189,608	$ 1,712,752	$ 1,765,119	$ 1,571,441
42,820,034	43,314,270	45,236,526	35,185,152	33,598,232
$ 43,445,106	$ 44,503,878	$ 46,949,278	$ 36,950,271	$ 35,169,673
$ 5,739,759	$ 5,848,499	$ 5,698,736	$ 5,433,366	$ 5,445,960
10.89 %	20.34 %	30.05 %	32.49 %	28.86 %
40.00 %	39.30 %	36.40 %	41.47 %	43.00 %

Worth School District 127

Schedule of Employer Contributions

Teachers' Retirement System

Last Nine Fiscal 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	$ 67,626	$ 67,626	$ -	$ 7,433,892	0.91 %
2022	80,851	80,851	-	7,403,451	1.09 %
2021	67,783	67,783	-	6,617,567	1.02 %
2020	61,533	61,532	1	6,222,662	0.99 %
2019	49,138	56,232	(7,094)	6,046,590	0.93 %
2018	54,853	61,924	(7,071)	5,739,759	1.08 %
2017	73,925	73,925	-	5,848,499	1.26 %
2015	92,775	102,559	(9,784)	5,698,736	1.80 %
2014	86,578	108,102	(21,524)	5,433,366	1.99 %

The District implemented GASB Statement No. 68 in fiscal year 2015.
Information prior to fiscal year 2015 is not available.

Worth School District 127

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

Last Six Fiscal Years

	2023*	2022*	2021*	2020*
District's proportion of the net OPEB liability	0.026891 %	0.025494 %	0.024651 %	0.024608 %
District's proportion share of the net OPEB liability	$ 1,840,621	$ 5,622,776	$ 6,590,799	$ 6,810,835
State's proportionate share of the net OPEB liability associated with the District	2,495,613	7,623,664	8,946,301	9,222,783
	$ 4,336,234	$ 13,246,440	$ 15,537,100	$ 16,033,618
District's covered payroll	$ 7,403,451	$ 6,617,567	$ 6,222,662	$ 6,045,590
District's proportionate share of the net OPEB liability as a percentage of covered payroll	24.86 %	84.97 %	105.92 %	112.66 %
Plan fiduciary net position as a percentage of the total OPEB liability	5.24 %	1.40 %	(0.24)%	(0.22)%

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

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

2019*	2018*
0.024227 %	0.025432 %
$ 6,382,882	$ 6,599,522
8,570,867	8,666,874
$ 14,953,749	$ 15,266,396
$ 5,739,759	$ 5,848,499
111.20 %	112.84 %
(0.07)%	(0.17)%

Worth School District 127

Schedule of Employer Contributions
Teachers' Health Insurance Security Fund

Last Six Fiscal 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	$ 49,807	$ 49,807	$ -	$ 7,433,892	0.67 %
2022	49,603	49,603	-	7,403,451	0.67 %
2021	60,882	60,882	-	6,617,567	0.92 %
2020	57,248	57,248	-	6,222,662	0.92 %
2019	130,606	130,585	21	6,046,590	2.16 %
2018	118,239	118,242	(3)	5,739,759	2.06 %

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

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance - Modified Cash Basis - Budget and Actual

	General Fund		
Year Ended June 30, 2023	Original and Final Budget	Actual	Variance with Final Budget
Revenues Received			
Local sources	$ 10,356,147	$ 9,489,508	$ (866,639)
State resources	8,206,941	12,073,316	3,866,375
Federal resources	1,730,469	1,960,563	230,094
Total revenues received	20,293,557	23,523,387	3,229,830
Expenditures Disbursed			
Current operating			
Instruction	8,405,011	12,096,348	3,691,337
Support Services	6,626,472	6,270,948	(355,524)
Community services	1,800	600	(1,200)
Non-programmed charges	1,303,577	1,266,221	(37,356)
Capital outlay	5,241,161	5,457,010	215,849
Total expenditures disbursed	21,578,021	25,091,127	3,513,106
Excess of revenue over (under) expenditures	(1,284,464)	(1,567,740)	(283,276)
Other Financing Sources (Uses)			
Transfers out	(25,000)	(20,000)	5,000
Transfers in	49,000	32,292	(16,708)
Total other financing sources (uses)	24,000	12,292	(11,708)
Net change in fund balances	$ (1,260,464)	(1,555,448)	$ (294,984)
Fund balances at beginning of year		15,438,962	
Fund balances at end of year		$ 13,883,514	

a. Budgetary Information

The budget is prepared on the modified cash basis of accounting for all governmental funds, which is an acceptable method as prescribed by the Illinois State Board of Education, and is the same basis that is used for financial reporting. The level of control (level at which expenditures may not exceed budget/appropriations) is the fund. The budget appropriations lapse at the end of each fiscal year. The District does not utilize an encumbrance system. The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
- Prior to September 30 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
- The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The budget which was originally adopted on September 21, 2022.
- Formal budgetary integration is employed as a management control device during the year.
- The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.
- The budget lapses at the end of each fiscal year.

b. Excess of Expenditures over Budget

The following funds had an excess of actual expenditures over the budgeted amount for the year ended June 30, 2023:

Fiscal Year	Budget	Actual	Excess
General Fund - Educational Account	$ 14,590,002	$ 18,062,776	$ 3,472,774
General Fund - Operations and Maintenance Account	$ 6,864,561	$ 6,895,365	$ 30,804
General Fund - Tort Immunity Account	$ 123,458	$ 132,986	$ 9,528

The expenditure variance was sufficiently absorbed by surpluses that existed at the beginning of the fiscal year and were approved by the Board of Education. Under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.

Worth School District 127

Combining Balance Sheet by Account - Modified Cash Basis - General Fund

June 30, 2023	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total General
Assets					
Cash and investments	$ 9,970,333	$ 1,614,521	$ 2,073,646	$ 234,414	$ 13,892,914
Liabilities and fund balance					
Liabilities					
Accrued expenses	$ 9,400	$ -	$ -	$ -	$ 9,400
Fund balances					
Restricted					
Student activities	73,826	-	-	-	73,826
Operations and maintenance	-	1,614,521	-	-	1,614,521
Tort immunity	-	-	-	234,414	234,414
Unassigned	9,887,107	-	2,073,646	-	11,960,753
Total fund balances	9,960,933	1,614,521	2,073,646	234,414	13,883,514
Total liabilities and fund balances	$ 9,970,333	$ 1,614,521	$ 2,073,646	$ 234,414	$ 13,892,914

Worth School District 127

Combining Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balances by Account - Modified Cash Basis - General Fund

Year Ended June 30, 2023	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total General
Revenues Received					
Property taxes	$ 7,495,345	$ 975,073	$ 92,856	$ 123,354	$ 8,686,628
Other local sources	596,534	160,256	41,842	4,248	802,880
State resources	6,525,430	5,547,886	-	-	12,073,316
Federal resources	1,830,386	130,177	-	-	1,960,563
Total revenues received	16,447,695	6,813,392	134,698	127,602	23,523,387
Expenditures Disbursed					
Current operating					
Instruction	12,096,348	-	-	-	12,096,348
Support Services	4,699,607	6,895,365	-	132,986	11,727,958
Community services	600	-	-	-	600
Payments to other districts and governmental units	1,266,221	-	-	-	1,266,221
Total expenditures disbursed	18,062,776	6,895,365	-	132,986	25,091,127
Excess of revenues received over (under) expenditures disbursed	(1,615,081)	(81,973)	134,698	(5,384)	(1,567,740)
Other financing sources (uses)					
Transfers out	-	-	(20,000)	-	(20,000)
Transfers in	-	32,292	-	-	32,292
Total other financing sources (uses)	-	32,292	(20,000)	-	12,292
Net changes in fund balance	(1,615,081)	(49,681)	114,698	(5,384)	(1,555,448)
Fund balances at beginning of year	11,576,014	1,664,202	1,958,948	239,798	15,438,962
Fund balances end of year	$ 9,960,933	$ 1,614,521	$ 2,073,646	$ 234,414	$ 13,883,514

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes In Fund Balance - Modified Cash Basis - Budget and Actual

	Educational Account		
Year Ended June 30, 2023	Original and Final Budget	Actual	Variance with Final Budget
Revenues Received			
Local sources			
Property taxes - general levy	$ 7,861,428	$ 6,798,794	$ (1,062,634)
Special education tax levy	709,000	696,551	(12,449)
Corporate replacement taxes	236,516	250,142	13,626
Charges for services	43,000	101,081	58,081
Earnings on investments	175,000	236,811	61,811
Other	20,000	8,500	(11,500)
Total local sources	9,044,944	8,091,879	(953,065)
State sources			
Unrestricted			
Evidence based funding formula	2,500,000	2,500,000	-
Restricted			
Special education:			
Private facility tuition	40,000	67,775	27,775
Orphanage - individual	5,000	52,819	47,819
Technical Education - Tech Prep	1,056	2,112	1,056
State free lunch and breakfast	5,000	2,697	(2,303)
Early childhood	145,000	145,000	-
State library	1,000	-	(1,000)
On behalf payments - State of Illinois	-	3,755,027	3,755,027
Total state sources	2,697,056	6,525,430	3,828,374
Federal sources			
Restricted			
Food service	450,000	596,028	146,028
Title I - low income	424,305	454,034	29,729
IDEA - flow through	248,402	238,702	(9,700)
Title IV - safe and drug free schools formula	71,874	88,201	16,327
IDEA - preschool flow-through	6,127	5,626	(501)
Title III - Language Inst Program - Limited Eng	20,000	21,396	1,396
Title II - Teacher Quality	52,867	58,989	6,122
Medicaid admin outreach	20,000	34,546	14,546
Medicaid fee-for-service	50,000	109,797	59,797
Other	136,894	223,067	86,173
Total federal sources	1,480,469	1,830,386	349,917
Total revenues received	13,222,469	16,447,695	3,225,226

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes In Fund Balance - Modified Cash Basis - Budget and Actual (Continued)

	Educational		
Year Ended June 30, 2023	Final Budget	Actual	Variance with Final Budget
Expenditures Disbursed			
Current operating			
Instruction			
Regular programs	$ 6,239,970	$ 9,794,917	$ (3,554,947)
Special education programs	1,866,111	1,810,257	55,854
Other programs	510,091	491,174	18,917
Total instruction	8,616,172	12,096,348	(3,480,176)
Support services			
Pupils	753,379	762,670	(9,291)
Instructional staff	974,971	1,014,112	(39,141)
General administration	715,309	734,681	(19,372)
School administration	888,450	885,641	2,809
Business	1,144,610	1,105,950	38,660
Central	190,234	196,553	(6,319)
Other	1,500	-	1,500
Total support services	4,668,453	4,699,607	(31,154)
Community services	1,800	600	1,200
Payments to other governments	1,303,577	1,266,221	37,356
Total expenditures disbursed	14,590,002	18,062,776	(3,472,774)
Net change in fund balance	$ (1,367,533)	(1,615,081)	$ (247,548)
Fund balances at beginning of year		11,576,014	
Fund balances at end of year		$ 9,960,933	

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes In Fund Balance - Modified Cash Basis - Budget and Actual

Year Ended June 30, 2023	Operations and Maintenance Account Original and Final Budget	Actual	Variance with Final Budget
Revenues Received			
Local sources			
Property taxes	$ 920,408	$ 975,073	$ 54,665
Rentals	159,809	160,256	447
Earnings on investments	8,000	-	(8,000)
Other	1,000	-	(1,000)
Total local sources	1,089,217	1,135,329	46,112
State sources			
Unrestricted			
Evidence Based Funding Formula	5,506,885	5,542,102	35,217
Restricted			
Infrastructure	3,000	5,784	2,784
Total state sources	5,509,885	5,547,886	38,001
Federal sources			
Restricted			
Grants-in-aid	250,000	130,177	(119,823)
Total revenues received	6,849,102	6,813,392	(35,710)
Expenditures Disbursed			
Current operating			
Support services			
Facility Acquisition & Construction Services	4,500,000	4,789,819	(289,819)
Operation and maintenance of plant services	2,364,561	2,105,546	259,015
Total expenditures disbursed	6,864,561	6,895,365	(30,804)
Excess (deficiency) of revenue over (under) expenditures	(15,459)	(81,973)	(66,514)
Other Financing Sources			
Transfers in	49,000	32,292	(16,708)
Total other financing sources	49,000	32,292	(16,708)
Net change in fund balance	$ 33,541	(49,681)	$ (83,222)
Fund balances at beginning of year		1,664,202	
Fund balances at end of year		$ 1,614,521	

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes In Fund Balance - Modified Cash Basis - Budget and Actual

	Working Cash Account		
Year Ended June 30, 2023	Original and Final Budget	Actual	Variance with Final Budget
Revenues Received			
Local sources			
Property taxes	$ 84,508	$ 92,856	$ 8,348
Earnings on investments	25,000	41,842	16,842
Total revenues received	109,508	134,698	25,190
Other Financing (Uses)			
Transfers out	(25,000)	(20,000)	5,000
Total other financing (uses)	(25,000)	(20,000)	5,000
Net change in fund balance	$ 84,508	114,698	$ 30,190
Fund balances at beginning of year		1,958,948	
Fund balances at end of year		$ 2,073,646	

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes In Fund Balance - Modified Cash Basis - Budget and Actual

Year Ended June 30, 2023	Tort Immunity Account Original and Final Budget	 Actual	 Variance with Final Budget
Revenues Received			
Local sources			
Property taxes	$ 109,478	$ 123,354	$ 13,876
Earnings on investments	3,000	4,248	1,248
Total revenues received	112,478	127,602	15,124
Expenditures Disbursed			
Support services			
General administration	123,458	132,986	(9,528)
Total expenditures disbursed	123,458	132,986	(9,528)
Net change in fund balance	$ (10,980)	(5,384)	$ 5,596
Fund balances at beginning of year		239,798	
Fund balances at end of year		$ 234,414	

Nonmajor Governmental Funds

Special Revenue Funds

To account for proceeds from specific revenue sources which are designated to finance expenditures for specific purposes, the District maintains the following Nonmajor Special Revenue Funds:

Transportation Fund - to account for activity relating to student transportation to and from school.

Municipal Retirement/Social Security Fund - to account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund and Social Security for non-certified employees.

Debt Service Fund

Debt service fund - to account for the accumulation of, resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Fund

Fire Prevention and Safety Fund - to account for financial resources to be used for the acquisition, construction and/or additions related to qualifying fire prevention and safety projects.

Worth School District 127

Combining Balance Sheet - Modified Cash Basis
Nonmajor Governmental Funds

June 30, 2023	Transportation Fund	Municipal Retirement/Social Security	Debt Service Fund	Fire Prevention and Safety Fund	Total Nonmajor Governmental Funds
Assets					
Cash and investments	$ 306,808	$ 364,764	$ 25,034	$ 1,202,734	$ 1,899,340
Total assets	$ 306,808	$ 364,764	$ 25,034	$ 1,202,734	$ 1,899,340
Fund balances					
Restricted for:					
Transportation	$ 306,808	$ -	$ -	$ -	$ 306,808
Retirement	-	364,764	-	-	364,764
Debt service	-	-	25,034	-	25,034
Capital projects	-	-	-	1,202,734	1,202,734
Total fund balances	$ 306,808	$ 364,764	$ 25,034	$ 1,202,734	$ 1,899,340

Worth School District 127

Combining Schedule of Revenues Received, Expenditures Disbursed and Changes In Fund Balances - Modified Cash Basis - Nonmajor Governmental Funds

Year Ended June 30, 2023	Transportation Fund	Municipal Retirement/Social Security	Debt Service Fund	Fire Prevention and Safety Fund	Total Nonmajor Governmental Funds
Revenue Received					
Local sources	$ 152,516	$ 252,753	$ 688,236	$ 195,809	$ 1,289,314
State sources	136,124	-	-	50,000	186,124
Federal sources	2,622	-	-	-	2,622
Total revenues received	291,262	252,753	688,236	245,809	1,478,060
Expenditures Disbursed					
Current operating					
Instruction	-	154,388	-	-	154,388
Support Services	277,172	203,684	-	-	480,856
Debt service					
Principal	-	-	258,152	-	258,152
Interest and other	-	-	442,247	-	442,247
Total expenditures disbursed	277,172	358,072	700,399	-	1,335,643
Excess of revenues received over (under) expenditures disbursed	14,090	(105,319)	(12,163)	245,809	142,417
Other financing (uses)					
Transfers out	(9,292)	(3,000)	-	-	(12,292)
Total other financing (uses)	(9,292)	(3,000)	-	-	(12,292)
Net changes in fund balances	4,798	(108,319)	(12,163)	245,809	130,125
Fund balances at beginning of year	302,010	473,083	37,197	956,925	1,769,215
Fund balances at end of year	$ 306,808	$ 364,764	$ 25,034	$ 1,202,734	$ 1,899,340

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance - Modified Cash Basis - Budget and Actual

Year Ended June 30, 2023	Transportation Fund Original and Final Budget	Transportation Fund Actual	Transportation Fund Variance with Final Budget
Revenues Received			
Local sources			
Property taxes	$ 107,979	$ 143,225	$ 35,246
Earnings on investments	20,000	9,291	(10,709)
Total local sources	127,979	152,516	24,537
State sources			
Restricted			
Transportation	100,000	136,124	36,124
Total state sources	100,000	136,124	36,124
Federal sources			
Restricted			
Other	9,135	2,622	(6,513)
Total federal sources	9,135	2,622	(6,513)
Total revenues received	237,114	291,262	54,148
Expenditures Disbursed			
Support services			
Transportation	330,135	277,172	52,963
Total expenditures disbursed	330,135	277,172	52,963
Excess of revenue over (under) expenditures	(93,021)	14,090	107,111
Other Financing Sources (Uses)			
Transfers out	(20,000)	(9,292)	10,708
Total other financing sources (uses)	(20,000)	(9,292)	10,708
Net change in fund balance	$ (113,021)	4,798	$ 117,819
Fund balances at beginning of year		302,010	
Fund balances at end of year		$ 306,808	

Worth School District 127

Schedule of Revenues Received, Expenditures and Changes In Fund Balance - Modified Cash Basis - Budget and Actual

	Municipal Retirement/Social Security		
Year Ended June 30, 2023	Original and Final Budget	Actual	Variance with Final Budget
Revenues Received			
Local sources			
Property taxes	$ 239,794	$ 240,157	$ 363
Corporate personal property replacement taxes	5,000	3,758	(1,242)
Earnings on investments	8,000	8,838	838
Total revenues received	252,794	252,753	(41)
Expenditures Disbursed			
Current operating			
Instruction			
Regular programs	69,499	67,285	2,214
Special education programs	86,156	82,589	3,567
Other programs	6,028	4,514	1,514
Support services			
Pupils	14,215	13,370	845
Instructional staff	3,621	3,185	436
General administration	14,516	14,543	(27)
School administration	31,722	32,038	(316)
Business	118,539	120,469	(1,930)
Central	19,681	20,079	(398)
Total expenditures disbursed	363,977	358,072	5,905
Excess of revenue over (under) expenditures	(111,183)	(105,319)	5,864
Other Financing Sources (Uses)			
Transfers out	(4,000)	(3,000)	1,000
Total other financing sources (uses)	(4,000)	(3,000)	1,000
Net change in fund balance	$ (115,183)	(108,319)	$ 6,864
Fund balances at beginning of year		473,083	
Fund balances at end of year		$ 364,764	

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance - Modified Cash Basis - Budget and Actual

	Debt Service Fund		
Year Ended June 30, 2023	Original and Final Budget	Actual	Variance with Final Budget
Revenues Received			
Local sources			
Property taxes	$ 744,270	$ 688,236	$ (56,034)
Total revenues received	744,270	688,236	(56,034)
Expenditures Disbursed			
Current operating			
Debt service			
Principal	258,152	258,152	-
Interest	441,848	441,847	1
Other	400	400	-
Total expenditures disbursed	700,400	700,399	1
Net change in fund balance	$ 43,870	(12,163)	$ (56,033)
Fund balances at beginning of year		37,197	
Fund balances at end of year		$ 25,034	

Worth School District 127

Schedule of Revenues Received, Expenditures Disbursed and Changes in Fund Balance - Modified Cash Basis - Budget and Actual

Year Ended June 30, 2023	Fire Prevention and Safety Fund Original and Final Budget	Actual	Variance with Final Budget
Revenues Received			
Local sources			
Property taxes	$ 172,334	$ 174,125	$ 1,791
Earnings on investments	15,000	21,684	6,684
Total local sources	187,334	195,809	8,475
State sources			
Restricted			
School Infrastructure - Maintenance Projects	-	50,000	50,000
Total revenues received	187,334	245,809	58,475
Expenditures Disbursed			
Current operating			
Support services			
Facility acquistion and construction services			
Capital outlay	200,000	-	200,000
Total expenditures disbursed	200,000	-	200,000
Net change in fund balance	$ (12,666)	245,809	$ 258,475
Fund balances at beginning of year		956,925	
Fund balances at end of year		$ 1,202,734	

Worth School District 127

Schedule of Assessed Valuations, Tax Extensions and Collections

Last Seven Tax Levy Years

	2022	2021	2020	2019
Assessed Valuations	$ 190,646,230	$ 190,843,506	$ 210,975,691	$ 169,912,061
Tax Rates:				
Educational	3.9336	3.6926	3.2391	3.9107
Special education	0.4000	0.3778	0.3224	0.4000
Operations and maintenance	0.5500	0.5397	0.4433	0.5500
Bond and interest	0.3855	0.3851	0.3484	0.4326
Transportation	0.0810	0.0810	0.1465	0.2425
Municipal retirement	0.0270	0.0270	0.0488	0.0606
Social security	0.1081	0.1079	0.1221	0.0606
Working cash	0.0500	0.0500	0.0403	0.0500
Tort immunity	0.0702	0.0675	0.0488	0.0606
Fire prevention and safety	0.1000	0.0944	0.0806	0.1000
Total	5.7054	5.4230	4.8403	5.8676
Tax Etensions:				
Educational	$ 7,499,281	$ 7,047,006	$ 6,833,774	$ 6,644,766
Special education	762,585	721,000	680,109	679,648
Operations and maintenance	1,048,554	1,030,000	935,150	934,516
Debt services	735,000	735,000	735,000	735,000
Transportation	154,500	154,500	309,000	412,000
Municipal retirement	51,500	51,500	103,000	103,000
Social security	206,000	206,000	257,500	103,000
Working cash	95,323	95,422	85,014	84,956
Tort immunity	133,900	128,750	103,000	103,000
Fire prevention and safety	190,646	180,250	170,027	169,912
Total	$ 10,877,289	$ 10,349,428	$ 10,211,574	$ 9,969,798
Taxes collected	$ 5,296,091	$ 9,821,983	$ 10,111,797	$ 9,650,076
Percent of Total Levy Collected	48.69 %	94.90 %	99.02 %	96.79 %

2018	2017	2016
$ 170,244,692	$ 176,548,611	$ 150,600,941
4.3277	4.1480	3.3711
0.4000	0.3425	0.3853
0.5500	0.4709	0.5298
0.4163	0.4163	0.4880
0.2269	0.1896	1.5028
0.0605	0.0583	0.1026
0.0605	0.0583	0.1197
0.0500	0.0428	0.0482
0.0605	0.1021	0.1368
0.1000	0.0856	0.0968
6.2524	5.9144	6.7811
$ 7,367,711	$ 7,323,151	$ 5,076,975
680,979	604,648	580,226
936,346	831,391	797,810
735,000	735,000	735,000
386,250	334,750	2,263,228
103,000	103,000	154,000
103,000	103,000	180,250
85,122	75,581	72,528
103,000	180,250	206,000
170,245	151,162	145,056
$ 10,670,653	$ 10,441,933	$ 10,211,073
$ 10,261,204	$ 10,142,457	$ 9,784,674
96.16 %	97.13 %	95.82 %