

NEW ISSUE – Book-Entry Only

RATINGS<sup>+</sup>: AG Insured  
 S&P: “AA” (Stable Outlook)  
 Moody’s Underlying Rating: “A1” (Stable Outlook)

*Subject to compliance by the District with certain covenants, in the opinion of Chapman and Cutler LLP, Chicago, Illinois (“Bond Counsel”), under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes. See “TAX EXEMPTION” herein for a more complete discussion.*

**\$11,630,000\***  
**COMMUNITY UNIT SCHOOL DISTRICT NUMBER 308**  
**KENDALL, KANE AND WILL COUNTIES, ILLINOIS**  
**(OSWEGO)**  
**GENERAL OBLIGATION REFUNDING SCHOOL BONDS, SERIES 2024B**

**Dated: Date of Issuance**

**Due: February 1, 2030**

The General Obligation Refunding School Bonds, Series 2024B (the “Bonds”), of Community Unit School District Number 308, Kendall, Kane and Will Counties, Illinois (the “District”), are issuable as fully-registered bonds under the global book-entry system operated by The Depository Trust Company, New York, New York (“DTC”). Individual purchases will be made in book-entry system form only. Beneficial owners of the Bonds will not receive physical delivery of the Bonds. The Bonds are issued in fully-registered form in denominations of \$5,000 and integral multiples thereof, and will bear interest payable on February 1 and August 1 of each year, with February 1, 2025, as the first interest payment date. Amalgamated Bank of Chicago, Chicago, Illinois, will act as registrar and paying agent for the Bonds. Details of payment of the Bonds are described herein. Interest is calculated based on a 360-day year consisting of twelve 30-day months.

Proceeds of the Bonds will be used to (i) refund the District’s outstanding General Obligation Refunding School Bonds, Series 2015, dated April 1, 2015, and (ii) pay costs associated with the issuance of the Bonds. See “USE OF PROCEEDS” herein.

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

The Bonds are not subject to optional redemption prior to maturity.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by **ASSURED GUARANTY INC.** (“AG”). See “BOND INSURANCE” herein and Appendix D - Specimen Municipal Bond Insurance Policy.



The Bonds are offered when, as and if issued by the District and received by Raymond James & Associates, Inc., Chicago, Illinois (the “Underwriter”), subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Bond Counsel. Chapman and Cutler LLP, Chicago, Illinois, is also acting as Disclosure Counsel to the District. Whitt Law LLC, Aurora, Illinois, will pass on certain matters for the District. Delivery of the Bonds through the facilities of DTC will be on or about November 4, 2024.

**RAYMOND JAMES®**

**AS UNDERWRITER**



**AS MUNICIPAL ADVISOR**

The date of this Official Statement is October \_\_, 2024.

\*Preliminary, subject to change.  
 +See “BOND RATINGS” herein.

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

**MATURITY SCHEDULE, AMOUNT, INTEREST RATE, YIELD AND CUSIP NUMBER**

**\$11,630,000\* General Obligation Refunding School Bonds, Series 2024B**

<u>Maturity</u>	<u>Amount (\$)*</u>	<u>Rate (%)</u>	<u>Yield (%)</u>	<u>CUSIP<sup>(1)</sup></u>
<u>(February 1)</u>				<u>(488764)</u>
2030	11,630,000			

\*Preliminary, subject to change.

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

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

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

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

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

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

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

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

Assured Guaranty Inc. (“AG”) makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading “BOND INSURANCE” and “Appendix D – Specimen Municipal Bond Insurance Policy”.

**Community Unit School District Number 308  
Kendall, Kane and Will Counties, Illinois  
(Oswego)  
4175 Route 71  
Oswego, Illinois 60543  
(630) 636-3080**

\* \* \* \* \*

**Board of Education**

LaTonya Simelton, President  
Eugene Gatewood, Vice President  
Jared Ploger, Secretary  
Dominick Cirone  
Jennifer Johnson  
Dr. Amy Murillo  
Mary Jo Wenmouth

**Superintendent**

Dr. Andalib Khelghati

**Chief Financial Officer/CSBO/School Treasurer**

Raphael Obafemi

\* \* \* \* \*

**Paying Agent/Registrar/Escrow Agent**

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**Underwriter**

Raymond James & Associates, Inc.  
550 West Washington Boulevard, Suite 1650  
Chicago, Illinois 60661

## TABLE OF CONTENTS

PAGE

INTRODUCTION .....	1
THE BONDS .....	1
General Description .....	1
Registration and Exchange .....	1
Authority and Purpose .....	2
Security and Payment .....	2
USE OF PROCEEDS .....	3
Verification .....	3
SOURCES AND USES .....	4
BOND INSURANCE .....	4
Bond Insurance Policy .....	4
Assured Guaranty Inc. ....	4
BOOK-ENTRY SYSTEM .....	7
REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES .....	10
Summary of Property Assessment, Tax Levy and Collection Procedures.....	10
Tax Levy and Collection Procedures .....	10
Unpaid Taxes and Annual Tax Sales .....	10
Exemptions.....	11
Property Tax Extension Limitation Law .....	13
Truth in Taxation Law .....	14
RISK FACTORS .....	15
Finances of the State of Illinois .....	15
Local Economy.....	15
Loss or Change of Bond Ratings .....	15
Cybersecurity .....	15
Secondary Market for the Bonds .....	16
Continuing Disclosure .....	16
Suitability of Investment .....	16
Future Changes in Laws.....	16
Factors Relating to Tax Exemption .....	17
Bankruptcy .....	17
THE DISTRICT .....	18
General Description .....	18
Enrollments .....	18
Educational Facilities.....	19
Board of Education.....	20
Administration.....	20
Employees.....	20
Economic Development.....	21
SOCIO-ECONOMIC CHARACTERISTICS .....	21
Population Trend .....	21
Income and Housing .....	22
Residential Housing Building Permits .....	22
Retail Sales.....	23
Corporate Personal Property Replacement Taxes.....	23
Largest Area Employers.....	24
Historical Unemployment Statistics.....	24
FINANCIAL INFORMATION .....	25
Trend of EAV .....	25
EAV by County .....	25
Tax Increment Financing Districts Located within the District .....	26
Tax Rates .....	27
Representative Tax Rates for Property within the District .....	27
Tax Extensions and Collections.....	28
Largest Taxpayers.....	28

Summary of Outstanding Bonded Debt .....	29
Debt Service Schedule .....	29
Debt Repayment Schedule .....	30
Overlapping General Obligation Bonds Debt.....	31
Debt Statement .....	32
Debt Ratios.....	32
Short-Term Financing Record.....	33
Future Financing.....	33
Default Record .....	33
<b>SUMMARY OF OPERATING RESULTS.....</b>	<b>33</b>
Combined Educational Fund and Operations and Maintenance Fund Revenue Sources .....	33
Summary of Operating Funds and Debt Service Fund.....	34
On-Behalf Payments Summary .....	35
Working Cash Fund.....	36
Budget Summary .....	37
<b>STATE AID .....</b>	<b>37</b>
General.....	37
General State Aid - Evidence-Based Funding Model .....	38
Property Tax Relief Pool Funds .....	39
Mandated Categorical State Aid.....	39
Competitive Grant State Aid .....	40
Payment for Mandated Categorical State Aid and Competitive Grant State Aid.....	41
Federal COVID-19 Funds Distributed to the District .....	41
<b>SCHOOL DISTRICT FINANCIAL PROFILE.....</b>	<b>42</b>
<b>RETIREMENT PLANS.....</b>	<b>43</b>
Background Regarding Pension Plans .....	44
Teachers' Retirement System of the State of Illinois.....	45
Illinois Municipal Retirement Fund.....	46
Post-Employment Benefit Trust .....	47
<b>TAX EXEMPTION .....</b>	<b>47</b>
<b>LITIGATION .....</b>	<b>50</b>
<b>BOND RATINGS.....</b>	<b>50</b>
<b>CONTINUING DISCLOSURE.....</b>	<b>51</b>
<b>CERTAIN LEGAL MATTERS .....</b>	<b>51</b>
<b>UNDERWRITING .....</b>	<b>52</b>
<b>MUNICIPAL ADVISOR.....</b>	<b>52</b>
<b>THE OFFICIAL STATEMENT .....</b>	<b>53</b>
Accuracy and Completeness of the Official Statement.....	53

Appendices:

- A. Form of Legal Opinion of Bond Counsel
- B. Annual Financial Report for Fiscal Year Ended June 30, 2023
- C. Form of Continuing Disclosure Undertaking
- D. Specimen Municipal Bond Insurance Policy

**\$11,630,000\***  
**Community Unit School District Number 308**  
**Kendall, Kane and Will Counties, Illinois**  
**(Oswego)**  
**General Obligation Refunding School Bonds, Series 2024B**

**INTRODUCTION**

The purpose of this Official Statement is to set forth certain information concerning Community Unit School District Number 308, Kendall, Kane and Will Counties, Illinois (the “District”), in connection with the offering and sale of its \$11,630,000\* General Obligation Refunding School Bonds, Series 2024B (the “Bonds”). This Official Statement includes the cover page, the reverse thereof and the Appendices. Certain factors that may affect an investment decision concerning the Bonds are described throughout this Official Statement. Persons considering a purchase of the Bonds should read this Official Statement in its entirety.

**THE BONDS**

**General Description**

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

The Bonds will be dated as of the date of delivery and will mature as shown on the inside cover page of this Official Statement. Interest on the Bonds will be payable on each February 1 and August 1, beginning February 1, 2025. The Bonds will bear interest from their dated date, or from the most recent interest payment date to which interest has been paid or provided for, computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Bonds will be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of the Registrar in Chicago, Illinois. Interest on each Bond will be paid by check or draft of the Registrar payable upon presentation in lawful money of the United States of America to the person in whose name such Bond is registered at the close of business on the record date, which is the 15<sup>th</sup> day of the month next preceding the interest payment date (the “Record Date”).

The Bonds are not subject to optional redemption prior to maturity.

**Registration and Exchange**

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

\*Preliminary, subject to change.

other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

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

The Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the Record Date with respect to any interest payment date on such Bond and ending at the opening of business on such interest payment date.

### **Authority and Purpose**

The Bonds are issued pursuant to the School Code of the State of Illinois (the “School Code”), the Local Government Debt Reform Act of the State of Illinois (the “Debt Reform Act”), and all laws amendatory thereof and supplementary thereto, and a bond resolution adopted by the Board of Education (the “Board”) of the District on October 7, 2024, as supplemented by a notification of sale (together, the “Bond Resolution”). Proceeds of the Bonds will be used to (i) refund the District’s outstanding General Obligation Refunding School Bonds, Series 2015, dated April 1, 2015 (the “2015 Bonds”), and (ii) pay costs associated with the issuance of the Bonds. See “USE OF PROCEEDS” herein.

### **Security and Payment**

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

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

the Bonds on February 1, 2025, which will be paid from taxes levied to pay the hereinafter defined Refunded Bonds. The Bond Resolution will be filed with the County Clerks of The Counties of Kendall, Kane and Will, Illinois (the “County Clerks”), and will serve as authorization to the County Clerks to extend and collect the Pledged Taxes as set forth in the Bond Resolution to pay the Bonds.

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

**USE OF PROCEEDS**

Proceeds of the Bonds, together with funds of the District on hand and legally available for such purpose (the “Available Funds”), will be used to refund the 2015 Bonds (the “Refunded Bonds”). The purpose of the refunding is to realize debt service savings for the District. The Refunded Bonds are further described below.

**2015 Bonds**

(Dated Date: April 1, 2015)

CUSIP (488764)	Maturity (February 1)	Original Outstanding Amount	Refunded by the Bonds*	Redemption Price <sup>(1)</sup>	Redemption Date
WW7	2030	\$ 11,810,000	\$ 11,810,000	100.00%	February 1, 2025
	Total:	<u>\$ 11,810,000</u>	<u>\$ 11,810,000</u>		

\*Preliminary, subject to change.  
(1) Expressed as a percentage of par.

Proceeds of the Bonds, together with the Available Funds, will be used to fund an irrevocable escrow account (the “Escrow Account”) consisting of cash and direct obligations of the United States of America (the “Government Obligations”). The Escrow Account will be held by Amalgamated Bank of Chicago, Chicago, Illinois (the “Escrow Agent”), and will be used to pay the principal of and interest on the Refunded Bonds on the redemption date thereof. The Escrow Account will be held by the Escrow Agent pursuant to an escrow agreement between the District and the Escrow Agent which irrevocably directs the Escrow Agent to (i) make all payments of the principal of and interest on the Refunded Bonds on the redemption date, and (ii) take all steps necessary to call the Refunded Bonds on such date. The Escrow Account will be funded in such amounts so that the initial cash deposit and the principal and interest payments received on the Government Obligations will be sufficient, without reinvestment, to pay the principal of and interest on the Refunded Bonds on the redemption date.

**Verification**

The accuracy of the mathematical computations regarding the adequacy of the maturing principal of and interest earnings on the Government Obligations together with the initial cash deposit in the Escrow Account to pay the debt service on the Refunded Bonds will be based upon

information supplied by PMA Securities, LLC, Naperville, Illinois (the “Municipal Advisor” or “PMA”).

**SOURCES AND USES**

**Estimated Sources of Funds**

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

**Estimated Uses of Funds**

Deposit into Escrow Account.....	
Costs of Issuance..... <sup>(1)</sup>	
Total Uses .....	\$ <u>          -</u>

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

**BOND INSURANCE**

**Bond Insurance Policy**

Concurrently with the issuance of the Bonds, Assured Guaranty Inc. (“AG”) will issue its Municipal Bond Insurance Policy (the “Policy”) for the Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, Maryland, California, Connecticut or Florida insurance law.

**Assured Guaranty Inc.**

AG is a Maryland domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. (“AGL” and together with its subsidiaries, “Assured Guaranty”), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol “AGO.” AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets and participates in the asset management business through ownership interests in Sound Point Capital Management, LP and certain of its investment management affiliates. Only AG is obligated to pay claims under the insurance policies AG has issued, and not AGL or any of its shareholders or other affiliates.

AG's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A1" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AG should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AG in its sole discretion. In addition, the rating agencies may at any time change AG's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AG. AG only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AG on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

#### *Merger of Assured Guaranty Municipal Corp. Into Assured Guaranty Inc.*

On August 1, 2024, Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company and an affiliate of AG ("AGM"), merged with and into AG, with AG as the surviving company (such transaction, the "Merger"). Upon the Merger, all liabilities of AGM, including insurance policies issued or assumed by AGM, became obligations of AG.

#### *Current Financial Strength Ratings*

On July 10, 2024, Moody's, following Assured Guaranty's announcement of the Merger, announced that it had affirmed AG's insurance financial strength rating of "A1" (stable outlook).

On May 28, 2024, S&P announced it had affirmed AG's financial strength rating of "AA" (stable outlook). On August 1, 2024, S&P stated that following the Merger, there is no change in AG's financial strength rating of "AA" (stable outlook).

On October 20, 2023, KBRA announced it had affirmed AG's insurance financial strength rating of "AA+" (stable outlook). On August 1, 2024, KBRA commented that, following the closing of the Merger, AG's insurance financial strength rating of "AA+" (stable outlook) remains unchanged.

AG can give no assurance as to any further ratings action that S&P, Moody's and/or KBRA may take. For more information regarding AG's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

*Capitalization of AG, AGM and Pro Forma Combined AG*

**As of June 30, 2024**

(dollars in millions)

	<b><u>AG</u></b> <b><u>(Actual)</u></b>	<b><u>AGM</u></b> <b><u>(Actual)</u></b>	<b><u>AG</u></b> <b><u>(Pro Forma Combined)</u></b>
Policyholders' surplus	\$1,649	\$2,599	\$3,960 <sup>(1)</sup>
Contingency reserve	\$421	\$910	\$1,331
Net unearned premium reserves and net deferred ceding commission income	\$355	\$2,078 <sup>(2)</sup>	\$2,433 <sup>(2)</sup>

<sup>(1)</sup> Net of intercompany eliminations.

<sup>(2)</sup> Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AGM or pro forma combined AG, as applicable, and (ii) the net unearned premium reserves and net deferred ceding commissions of Assured Guaranty UK Limited ("AGUK") and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus, contingency reserves, and net unearned premium reserves and net deferred ceding commission income of AG, AGM, and the pro forma combined AG were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

*Incorporation of Certain Documents by Reference*

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AG and AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (filed by AGL with the SEC on February 28, 2024);
- (ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024 (filed by AGL with the SEC on May 8, 2024); and
- (iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2024 (filed by AGL with the SEC on August 8, 2024).

All information relating to AG and AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided

upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AG and AGM included herein under the caption "BOND INSURANCE – Assured Guaranty Inc." or included in a document incorporated by reference herein (collectively, the "AG Information") shall be modified or superseded to the extent that any subsequently included AG Information (either directly or through incorporation by reference) modifies or supersedes such previously included AG Information. Any AG Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

#### *Miscellaneous Matters*

AG makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading "BOND INSURANCE".

### **BOOK-ENTRY SYSTEM**

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing

agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has an S&P rating of “AA+”. The DTC Rules applicable to its Participants are on file with the SEC. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

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

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

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI

Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

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

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

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

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

## **REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES**

### **Summary of Property Assessment, Tax Levy and Collection Procedures**

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

### **Tax Levy and Collection Procedures**

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

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

### **Unpaid Taxes and Annual Tax Sales**

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

two years. Owners of vacant, commercial and industrial properties have six months to redeem their taxes before the tax buyer can seek ownership of the property.

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

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

## **Exemptions**

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

An annual General Homestead Exemption provides that the Equalized Assessed Valuation (“EAV”) of certain property owned and used for residential purposes (“Residential Property”) may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$6,000. Beginning with tax year 2023, the maximum reduction in the five collar counties (DuPage, Kane, Lake, McHenry and Will) (the “Collar Counties”) is \$8,000.

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

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

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

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

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

Several exemptions are available to veterans of the United States armed forces. The Veterans with Disabilities Exemption for Specially-Adapted Housing exempts up to \$100,000 of the Assessed Valuation of property owned and used exclusively by veterans with a disability, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran’s disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs or for housing or adaptations donated by a charitable organization to such disabled veteran.

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

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

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

## **Property Tax Extension Limitation Law**

The Property Tax Extension Limitation Law, as amended (the “Limitation Law”), limits the annual growth in the amount of property taxes to be extended for certain Illinois non-home rule units, including the District. In general, the annual growth permitted under the Limitation Law is the lesser of 5% or the percentage increase in the CPI during the calendar year preceding the levy year. Taxes can also be increased due to new construction, referendum approval of tax rate increases, mergers and consolidations.

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

The District has the authority to levy taxes for many different purposes. See “FINANCIAL INFORMATION - Tax Rates” herein. The ceiling at any particular time on the rate at which these taxes may be extended for the District is either (a) unlimited (as provided by statute), (b) initially set by statute but permitted to be increased by referendum, (c) capped by statute, or (d) limited to the rate approved by referendum. The only ceiling on a particular tax rate is the ceiling set by statute, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing districts (such as the District) have flexibility to levy taxes for the purposes for which they most need the money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the District’s limiting rate computed in accordance with the provisions of the Limitation Law.

If the District’s Adequacy Target (as defined under “STATE AID” herein) exceeds 110% for the school year that begins during the calendar year immediately preceding the levy year for which a tax reduction is sought, a petition signed by at least 10% of the registered voters in the District may be filed requiring a proposition to be submitted to the District’s voters at the next consolidated election in April of odd-numbered years asking the voters whether the District must reduce its extension for educational purposes for the levy year in which the election is held to an amount that is less than the extension for educational purposes for the immediately preceding levy year. The reduced extension, however, may not be more than 10% lower than the amount extended for educational purposes in the previous levy year and may not cause the District’s Adequacy Target to fall below 110% for the levy year for which the reduction is sought. If the voters approve the proposition, the County Clerks will extend a rate for educational purposes that is no greater than the limiting rate for educational purposes computed in accordance with the Limitation Law. Furthermore, if the voters approve such proposition, separate limiting rates for educational purposes and for the aggregate of the District’s other funds subject to the Limitation Law will be computed in accordance with the provisions of the Limitation Law. If the proposition is submitted to the voters, it may not be submitted again at any of the next two consolidated elections.

Local governments, including the District, can issue limited bonds in lieu of general obligation bonds that have otherwise been authorized by applicable law.

Beginning with levy year 2021, each tax-capped taxing district (such as the District) receives an automatic levy increase in the amount of any property tax refunds paid by such taxing district in the prior year as a result of the issuance of certificates of error, court orders issued in connection with valuation tax objection complaints and Illinois Property Tax Appeal Board decisions. For levy year 2023, the additional amount added to the District's tax levy as a result of this change was \$107,994.

Pursuant to Section 18-190.7 of the Property Tax Code, school districts that have a designation of "recognition" or "review" according to the Illinois State Board of Education's ("ISBE") School District Financial Profile System, park districts, library districts and community college districts and for which taxes were not extended at the maximum amount permitted under the Limitation Law in a given levy year may be able to recapture all or a portion of such unrealized levy amount in a subsequent levy year. Section 18-190.7 directs county clerks, in calculating the limiting rate for a given taxing district, to use the greater of the taxing district's last preceding aggregate extension or the district's last preceding aggregate extension if the taxing district had utilized the maximum limiting rate permitted without referendum for each of the three immediately preceding levy years. The aggregate extension of a taxing district that includes any recapture for a particular levy year cannot exceed the taxing district's aggregate extension for the immediately preceding levy year by more than 5%. If a taxing district cannot recapture the entire unrealized levy amount in a single levy year, the taxing district may increase its aggregate extension in each succeeding levy year until the entire levy amount is recaptured.

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

### **Truth in Taxation Law**

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

The provisions of the Law do not apply to levies made to pay principal of and interest on the Bonds. The District covenanted in the Bond Resolution that it will not take any action or fail to take any action which in any way would adversely affect the ability of the District to levy and collect the taxes levied by the District for payment of principal of and interest on the Bonds. The District also covenanted that it and its officers will comply with all present and future applicable laws to assure that such taxes will be levied, extended, collected and deposited as provided in the Bond Resolution.

## **RISK FACTORS**

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

### **Finances of the State of Illinois**

State funding sources constituted 39.78% of the District's General Fund revenue sources for the fiscal year ended June 30, 2023. While the finances of the State have significantly improved in recent years, the State continues to deal with a severe underfunding of its pension systems, which, based on the comprehensive annual financial reports of the State's five retirement systems, have a combined unfunded pension liability of approximately \$140 billion and a combined funded ratio of approximately 45%. Also, despite nine credit rating upgrades since June 2021, the State's long-term general obligation bonds carry the lowest ratings of all states.

### **Local Economy**

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

### **Loss or Change of Bond Ratings**

The Bonds have received a credit rating from Moody's and are expected to receive an insured credit rating from S&P. The ratings can be changed or withdrawn at any time for reasons both under and outside the District's control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

### **Cybersecurity**

Computer networks and data transmission and collection are vital to the efficient operation of the District. Despite the implementation of network security measures by the District, its information technology and infrastructure may be vulnerable to deliberate attacks by hackers, malware, ransomware or computer viruses, or may otherwise be breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks

and the information stored thereon could be disrupted, accessed, publicly disclosed, lost or stolen. Although the District does not believe that its information technology systems are at a materially greater risk of cybersecurity attacks than other similarly-situated governmental entities, any such disruption, access, disclosure or other loss of information could have an adverse effect on the District's operations and financial health. Further, as cybersecurity threats continue to evolve, the District may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate any vulnerabilities, or invest in new technology designed to mitigate security risks.

### **Secondary Market for the Bonds**

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

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

### **Continuing Disclosure**

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

### **Suitability of Investment**

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

### **Future Changes in Laws**

Various state and federal laws, regulations and constitutional provisions apply to the District and to the Bonds. The District can give no assurance that there will not be a change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the District, or the taxing authority of the

District. For example, many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by State government. Future actions of the State may affect the overall financial conditions of the District, the taxable value of property within the District, and the ability of the District to levy property taxes or collect revenues for its ongoing operations.

### **Factors Relating to Tax Exemption**

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

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

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

### **Bankruptcy**

The rights and remedies of the Bondholders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors’ rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The various opinions of counsel to be delivered with respect to the Bonds will be similarly qualified.

## THE DISTRICT

### General Description

The District is located approximately 45 miles west of Chicago in northeast Kendall County, Illinois (81.79% of the District’s 2023 EAV) (Oswego, Bristol, Kendall and Na-au-say Townships) and in small portions of Kane and Will Counties (1.17% and 17.04%, respectively, of the District’s 2023 EAV), comprised of an area of approximately 69 square miles. The District encompasses portions of the Villages of Oswego (the “Village”) (approximately 44.00% of the District’s 2023 EAV), Montgomery and Plainfield, the Cities of Aurora (the “City”) (approximately 20.00% of the District’s 2023 EAV), Joliet and Yorkville and unincorporated portions of Will and Kendall Counties.

Interstate 88, U.S. Highways 30 and 34 and State Highways 71, 25 and 31 provide excellent access throughout the Chicago Metropolitan Area. Interstate 88 is just north of the District and Interstate 80 is just south of the District.

### Enrollments

The table below includes historical enrollment utilizing the Fall Housing Count (Housed) which reflects students enrolled as of the last school day in September and the projected enrollment for the next five years. The projected enrollment figures are based on projections provided by RSP & Associates, LLC in February 2023.

<u>School Year</u>	<u>Enrollment</u>	<u>School Year</u>	<u>Projected Enrollment</u>
2020-2021	17,199 <sup>(1)</sup>	2025-2026	16,071
2021-2022	17,164 <sup>(1)</sup>	2026-2027	15,887
2022-2023	17,068	2027-2028	15,867
2023-2024	17,037	2028-2029	15,961
2024-2025	16,833 <sup>(2)</sup>	2029-2030	16,035

(1) The District experienced a larger than projected enrollment decline during the fiscal year ended June 30, 2021 and the fiscal year ended June 30, 2022. Such declines were due primarily to lower enrollment of PreK students due to COVID-19. The District is in the process of updating its projections with RSP & Associates, LLC, to reflect the expected influx of students from residential developments in the area not reflected in the projections above.

(2) As of September 27, 2024, includes both tuition-based students (non-residents) and residents.

Source: The District

## Educational Facilities

The District operates 22 facilities.

<u>Facility</u>	<u>Grades</u>	<u>2024-2025 Enrollment</u>	<u>Capacity Enrollment</u>	<u>Constructed</u>	<u>Years of Additions/Renovations</u>
Oswego Senior High.....	9-12	2,807	3,104	1964	2011, 2013
Oswego East Senior High.....	9-12	2,666	3,158	2004	N/A
Bednarcik Junior High.....	6-8	516	928	2002	N/A
Plank Junior High.....	6-8	748	897	2006	N/A
Thompson Junior High.....	6-8	724	1,096	1977	2009
Traughber Junior High.....	6-8	985	1,104	2008	N/A
Murphy Junior High.....	6-8	741	946	2008	N/A
Boulder Hill Elementary.....	K-5	644	714	1957	2007
Fox Chase Elementary.....	K-5	584	615	2001	N/A
Grande Park Elementary.....	K-5	636	600	2007	N/A
Homestead Elementary.....	K-5	491	624	2002	N/A
Hunt Club Elementary.....	K-5	638	752	2008	N/A
Lakewood Creek Elementary.....	K-5	647	700	2004	N/A
Long Beach Elementary.....	K-5	478	550	1967	1995, 2003, 2008
Old Post Elementary.....	K-5	416	560	1996	N/A
The Wheatlands Elementary.....	K-5	605	624	2001	N/A
Churchill Elementary.....	K-5	417	549	2005	N/A
Prairie Point Elementary.....	K-5	423	557	2005	N/A
Southbury Elementary.....	K-5	636	648	2008	N/A
Wolf's Crossing Elementary.....	K-5	437	532	2005	N/A
Brokaw Early Learning Center.....	PreK	359	600	2007	N/A
East View Academy.....	N/A	52	650	1957	2010
Outplaced students.....	N/A	75	N/A	N/A	N/A
GOAL.....	N/A	45	N/A	N/A	N/A
Pathways.....	N/A	<u>63</u>	<u>N/A</u>	N/A	N/A
Total.....		16,833	20,508		

Source: The District

In 2021, the District approved a 20-year capital plan consisting of \$29 million of deferred maintenance projects, but the District expects to turn such plan into a maintenance schedule. Proceeds of the District's 2022 Bonds (as hereinafter defined) (approximately \$18 million) were used to pay a portion of such deferred maintenance costs. Such projects are so far on time and on budget. Near term projects are expected to be funded from the Operations and Maintenance Fund. The District is reviewing options to pay the remaining costs. The District expects to add capital projects into its fiscal year 2025 and 2026 budgets in the approximate amounts of \$1.5

million (See “SUMMARY OF OPERATING FUNDS – Budget Summary” herein) and \$3.5 million, respectively, to the Capital Projects Fund.

**Board of Education**

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

<u>Title</u>	<u>Name</u>	<u>Current Term Expires</u>
President.....	LaTonya Simelton	2025
Vice President.....	Eugene Gatewood	2025
Secretary.....	Jared Ploger	2025
Member.....	Dominick Cirone	2027
Member.....	Jennifer Johnson	2025
Member.....	Dr. Amy Murillo	2027
Member.....	Mary Jo Wenmouth	2027
Chief Financial Officer/CSBO/School Treasurer.....	Raphael Obafemi	Appointed

**Administration**

The District’s Superintendent is Dr. Andalib Khelghati, who joined the District on July 1, 2023. Previously, Dr. Khelghati served as Assistant Superintendent of Schools and then Assistant Superintendent of Human Resources of Evanston/Skokie Community Consolidated School District Number 65. Raphael Obafemi joined the District on July 31, 2023 as the Chief Financial Officer/CSBO. He previously served as Chief Financial and Operations Officer at Evanston/Skokie Community Consolidated School District Number 65.

**Employees**

The District has approximately 2,523 employees of whom 1,542 are certified employees and 981 are non-certified. Of the total number, the Oswego Education Association (OEA) represents 1,580 members (current contract expires June 2028); the Oswego Educational Support Professionals Association represents 482 members (contract expired in June 2024 and currently negotiating a new contract); the Oswego Custodial/Maintenance Association represents 178 members (current contract expires June 30, 2025); and the Oswego Transportation Association represents 221 members (current contract expires June 2026). The District considers its relationship with its employees to be good.

## Economic Development

There is major development proposed near the site of the prior Caterpillar Plant in the Village of Montgomery with a potential \$400 million of investment in industrial property over 10 years. Plans include a 204-acre industrial and commercial development which is expected to be developed in three phases, beginning with construction of a 500,000 square foot building. The building would have an adjoining rail yard and house Ravago, a Belgium-based firm that is active in polymer and chemical distribution, plastic recycling and compounding of plastic and elastomeric raw materials. Subsequent development is expected to include an addition to the first building along with a second 300,000 square-foot building and a 1.2 million square-foot warehouse/distribution facility with outdoor storage. The Village of Montgomery finalized an incentive agreement for a 10-year property tax abatement at 75% for the first 5 years and 50% for the second five years. Even with the abatement agreement, the District anticipates the proposed development will result in a significant increase in EAV and tax receipts.

A new cricket stadium (Breybourne Cricket Stadium) is being built, which will be located on approximately 34 acres on the northwest corner of Orchard Road and Tuscany Trail within the District’s boundaries. Phase I has begun with the construction of the cricket pitch and field, as well as the installation of underground drain tiles. This development is being wholly funded with private funds and would be the largest cricket stadium in North America. Also, in September 2024, the Village approved a concept plan for a nine-hole “Megalodome,” which would be located off of Route 30 and Rance Road, just south of Wolfs Crossing Road. The facility would have four 270,000 square foot domes, three with three holes each and one with a practice facility. The concept plan also includes a two story clubhouse. The 100-acre site would also include a storm water pond, parking, and space for future development. The plan is being submitted by Quebec, Canada based Megalodome Golf.

## SOCIO-ECONOMIC CHARACTERISTICS

### Population Trend

Below are the population statistics for the District, the Village, the City, the Counties of Kendall and Will and the State.

	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>% Change</u> <u>2010-2020</u>
The District.....	N/A	75,151	81,653	+ 8.65
The Village.....	13,326	30,355	34,585	+ 13.94
The City.....	142,990	197,899	180,542	- 8.77
Kendall County.....	54,544	114,736	131,869	+ 14.93
Will County.....	502,266	677,560	696,355	+ 2.77
The State .....	12,419,293	12,830,632	12,812,508	- 0.14

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

## Income and Housing

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

	<u>The District</u>	<u>Kendall County</u>	<u>Will County</u>	<u>The State</u>	<u>United States</u>
Median Home Value.....	\$286,700	\$288,100	\$283,600	\$239,100	\$281,900
Median Household Income.....	111,816	106,358	103,678	78,433	75,149
Median Family Income.....	117,676	114,678	119,675	99,215	92,646
Per Capita Income.....	43,290	40,761	44,356	43,198	41,261

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

## Residential Housing Building Permits

The following table sets forth the reported number of residential building permits issued and relative construction costs in the Village and the City for each of the years listed.

<u>Year</u>	<u>The Village</u>		<u>The City</u>	
	<u>Reported Number of Building Permits</u>	<u>Construction Cost</u>	<u>Reported Number of Building Permits</u>	<u>Construction Cost</u>
2019.....	106	\$ 31,832,653	73	\$ 20,788,314
2020.....	110	21,500,250	92	29,940,579
2021.....	130	24,848,166	59	18,824,741
2022.....	236	64,738,162	113	23,223,589
2023.....	163	88,863,701	340	137,386,349
2024 <sup>(1)</sup> .....	142	44,048,044	335	126,449,976

(1) Through July.

Source: U.S. Census Bureau

## Retail Sales

The following table demonstrates the estimated sales reported by retailers in the Village and the City for the last five calendar years and through the second quarter of 2024.

Calendar		
<u>Year</u>	<u>The Village</u>	<u>The City</u> <sup>(1)</sup>
2019	\$ 657,450,732	\$ 1,305,638,626
2020	643,503,319	1,184,026,396
2021	792,129,256	1,573,917,319
2022	853,289,755	1,657,237,021
2023	856,281,195	1,713,164,224
2024 <sup>(2)</sup>	435,518,655	849,325,354

(1) Includes portions in Kane, Kendall and Will Counties.

(2) Through the second quarter of 2024.

Source: The Department

## Corporate Personal Property Replacement Taxes

Corporate Personal Property Replacement Taxes (“CPPRT”) are revenues received from a tax imposed on corporations, partnerships, trusts, S corporations and public utilities in the State. The purpose of the CPPRT is to replace revenues lost by units of local government (including the District) as a result of the abolishment of the corporate personal property tax (the “Personal Property Tax”) with the adoption of the Illinois Constitution of 1970. The State Revenue Sharing Act (the “Sharing Act”) was passed in 1979, implementing the CPPRT to replace the lost Personal Property Tax revenues and providing the mechanism for distributing collections of CPPRT to taxing districts (including the District) entitled to receive such tax revenues under the Sharing Act. The following table sets forth the amount of CPPRT received by the District during fiscal years ended June 30, 2019, through the most recently completed fiscal year of June 30, 2024, and the estimated amount of CPPRT to be received in fiscal year ending June 30, 2025:

<u>Fiscal Year</u>	<u>CPPRT</u>
<u>Ended June 30</u>	<u>Receipts</u>
2019	\$ 1,879,619
2020	2,043,340
2021	2,591,767
2022	5,649,380
2023	6,385,462
2024 <sup>(1)</sup>	4,205,942
2025 <sup>(2)</sup>	2,833,865

(1) Preliminary.

(2) Estimated.

Source: The audited financial statements of the District for the fiscal years ended June 30, 2019-2023 and the Department for fiscal years 2024 and 2025.

Going forward, the District expects the CPPRT revenues will continue to be in amounts similar to pre-fiscal year 2022 levels.

### Largest Area Employers

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

Company Name	Product or Service	Location	Approximate employees at location
The District.....	Education.....	Aurora/Oswego	2,523
Rush-Copley Medical Center.....	Hospital & medical center.....	Aurora	2,200
Amita Health Mercy Medical Center.....	Medical & psychiatric hospital.....	Aurora	1,300
CMC Materials.....	Corporate headquarters & semiconductor polishing pads & compounds.....	Aurora	850
MetLife, Inc.....	Insurance & financial services.....	Aurora	800
Old Second Bancorp, Inc.....	Corporate headquarters & personal & business banking.....	Aurora	500
ATMI Precast, Inc.....	Structural precast concrete wall & architectural panels, columns & beams.....	Aurora	400
Entegris, Inc.....	Polishing compounds, pads & rigid disks for advanced semiconductors.....	Aurora	400
Association For Individual Development.....	Company headquarters & physically & mentally disabled rehabilitation service.....	Aurora	350
Magnetrol International, Inc.....	Corporate headquarters & level & flow switches, proportional controls & transmitters.....	Aurora	350

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

### Historical Unemployment Statistics

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

	The Village	The City	Kendall County	Will County	The State
Average, 2019.....	3.0%	4.0%	3.4%	4.0%	4.0%
Average, 2020..... <sup>(1)</sup>	7.4	8.6	8.0	9.1	9.3
Average, 2021.....	4.2	5.7	4.7	5.7	6.1
Average, 2022.....	3.5	4.3	3.9	4.5	4.6
Average, 2023.....	3.3	4.5	3.8	0.2	4.5
August, 2023.....	4.1	5.2	4.5	4.9	5.1
August, 2024.....	5.0	5.5	5.1	5.6	5.5

(1) The District attributes the increase in unemployment rates to the COVID-19 pandemic.  
Source: Illinois Department of Employment Security

## FINANCIAL INFORMATION

### Trend of EAV

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

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

<u>Property Type</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Residential .....	\$ 1,867,271,299	\$ 1,935,765,211	\$ 2,027,053,501	\$ 2,179,554,414	\$ 2,430,189,144
Farm .....	27,581,762	28,353,708	29,973,946	31,657,554	33,789,943
Commercial .....	197,715,415	209,550,723	221,648,865	233,373,287	251,876,513
Industrial .....	38,131,896	35,669,337	35,680,292	34,874,530	37,815,379
Railroad .....	2,410,968	2,510,399	2,645,070	2,905,779	3,052,437
Mineral.....	150	-	-	-	-
Total <sup>(1)</sup> .....	<u>\$ 2,133,111,490</u>	<u>\$ 2,211,849,378</u>	<u>\$ 2,317,001,674</u>	<u>\$ 2,482,365,564</u>	<u>\$ 2,756,723,416</u>
Percent of Change.....	6.97% <sup>(2)</sup>	3.69%	4.75%	7.14%	11.05%
New Property Amounts.....	\$19,769,365	\$30,632,364	\$65,710,537	\$24,041,394	\$56,988,436

(1) Excludes tax increment financing (“TIF”) incremental EAV. See “Tax Increment Financing Districts Located within the District” herein.

(2) Based on the District’s 2018 EAV of \$1,994,135,758.

Source: The County Clerks’ Office

### EAV by County

<u>Tax Year</u>	<u>Kendall County</u>	<u>Kane County</u>	<u>Will County</u>	<u>Total <sup>(1)</sup></u>
2019	\$ 1,751,366,873	\$ 24,510,369	\$ 357,234,248	\$ 2,133,111,490
2020	1,815,891,346	25,243,405	370,714,627	2,211,849,378
2021	1,905,877,293	27,363,082	383,761,299	2,317,001,674
2022	2,045,436,490	29,353,682	407,575,392	2,482,365,564
2023	2,254,800,212	32,126,421	469,796,783	2,756,723,416

(1) Excludes TIF incremental EAV. See “Tax Increment Financing Districts Located within the District” herein.

Source: The County Clerks’ Office

**Tax Increment Financing Districts Located within the District**

A portion of the District’s EAV is contained in TIF districts, as detailed below. When a TIF district is created within the boundaries of a taxing body, such as the District, the EAV of the portion of real property designated as a TIF district is frozen at the level of the tax year in which it was designated (the “Base EAV”). Any incremental increases in property tax revenue produced by the increase in EAV derived from the redevelopment project area during the life of the TIF district are not provided to the District until the TIF district expires. The TIF districts are not expected to expire in the near future and the District is not aware of any new TIF districts planned in the immediate future. The District has a revenue sharing agreement with the Village to provide revenue for pupils that come from apartments in the Oswego Main & Washington TIF district. In fiscal year 2023, the District received \$380,000 pursuant to the agreement and received similar amounts in fiscal year 2024.

<u>Location</u>	<u>Year Established</u>	<u>Base EAV</u>	<u>2023 EAV</u>	<u>Incremental EAV</u>
Montgomery Route 30 & 5th.....	2005	\$ 36,408	\$ 354,895	\$ 318,487
Oswego Main & Washington.....	2015	6,848,895	20,536,866	13,687,971
Montgomery Caterpillar Dr.....	2021	<u>10,235,371</u>	<u>20,073,460</u>	<u>9,838,089</u>
Total.....		<u>\$ 17,120,674</u>	<u>\$ 40,965,221</u>	<u>\$ 23,844,547</u>

Source: Kendall County Clerk’s Office

**Tax Rates**

(Per \$100 EAV)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Statutory Maximum Rate</u> <sup>(1)</sup>
Education .....	\$ 3.290	\$ 3.456	\$ 3.421	\$ 3.385	\$ 3.073	N/A <sup>(2)</sup>
Bonds and Interest.....	1.660	1.643	1.593	1.412	1.339	N/A
Operations and Maintenance.....	0.596	0.585	0.568	0.562	0.540	\$0.750
IMRF .....	0.143	0.141	0.136	0.134	0.129	N/A
Transportation.....	0.103	0.101	0.098	0.097	0.275	N/A
Working Cash.....	0.009	0.007	0.007	0.007	0.007	0.050
Special Education.....	0.550	0.407	0.392	0.388	0.373	0.800
Social Security.....	0.143	0.141	0.136	0.134	0.129	N/A
Revenue Recapture..... <sup>(3)</sup>	<u>0.000</u>	<u>0.000</u>	<u>0.004</u>	<u>0.006</u>	<u>0.004</u>	N/A
Total.....	<u>\$ 6.496</u>	<u>\$ 6.480</u>	<u>\$ 6.355</u>	<u>\$ 6.126</u>	<u>\$ 5.871</u>	

(1) See “REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES – Property Tax Extension Limitation Law” herein for information on the operation of such maximum rates under the Limitation Law.

(2) The District does not have a maximum tax rate for educational fund purposes. The aggregate tax rate for the various purposes subject to the Limitation Law, however, may not exceed the District’s limiting rate under the Limitation Law.

(3) See “REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES – Property Tax Extension Limitation Law” herein for information on the property tax refund revenue recapture provisions of the Limitation Law.

Source: Kendall County Clerk’s Office

**Representative Tax Rates for Property within the District**

(Per \$100 EAV)

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

<u>Taxing Body</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Kendall County.....	\$ 0.641	\$ 0.623	\$ 0.602	\$ 0.591	\$ 0.567
Kendall County Forest Preserve.....	0.154	0.158	0.162	0.148	0.143
Oswego Township.....	0.074	0.070	0.068	0.063	0.058
Oswego Township Road District.....	0.165	0.163	0.161	0.150	0.140
The District.....	6.496	6.480	6.355	6.126	5.871
The Village.....	0.152	0.151	0.150	0.147	0.139
Community College District No. 516.....	0.527	0.438	0.470	0.464	0.452
Oswego Fire District.....	0.693	0.701	0.671	0.670	0.736
Oswego Library District.....	0.265	0.264	0.258	0.254	0.244
Oswegoland Park District.....	<u>0.432</u>	<u>0.400</u>	<u>0.460</u>	<u>0.418</u>	<u>0.409</u>
Total.....	<u>\$ 9.599</u>	<u>\$ 9.449</u>	<u>\$ 9.357</u>	<u>\$ 9.030</u>	<u>\$ 8.758</u>

Source: Kendall County Clerk’s Office

## Tax Extensions and Collections

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Extensions .....	\$138,539,489	\$142,221,534	\$148,027,513	\$152,360,079	\$159,495,156
Collections .....	138,322,689	142,135,797	147,825,346	152,140,058	157,746,891 <sup>(1)</sup>
% Collected .....	99.84%	99.94%	99.86%	99.86%	98.90%

(1) In process of collection, as of October 4, 2024.  
Source: Kendall, Kane and Will County Treasurers' Offices

## Largest Taxpayers

The taxpayers listed below represent 3.63% of the District's 2023 EAV which is \$2,756,723,416 (which excludes TIF incremental EAV totaling \$23,844,547). Reasonable efforts have been made to determine and report the largest taxpayers and to include all taxable property of those taxpayers listed. Many of the taxpayers listed, however, may own multiple parcels, and it is possible that some parcels and their valuations may not be included.

<u>Taxpayer</u>	<u>Property Type</u>	<u>2023 EAV</u>	<u>% of EAV</u>
325 South Route 31 LLC.....	Industrial.....	\$ 20,073,460	0.73%
Montgomery Properties LLC.....	Commercial.....	17,835,938	0.65%
Continental 424 Fund LLC.....	Commercial.....	11,315,626	0.41%
CF Aurora Multifamily District.....	Commercial.....	9,642,520	0.35%
Reserve at Hudson Crossing LLC.....	Commercial.....	8,566,964	0.31%
Wal-Mart Stores Inc (2 locations).....	Retail.....	8,609,110	0.31%
Reep Marquette Farmington Owner, LLC.....	Commercial.....	7,965,560	0.29%
RPAI Oswego Douglas LLC.....	Commercial.....	7,642,579	0.28%
Meijer Stores Ltd Partnership.....	Retail.....	4,255,044	0.15%
BCH Plainfield Commercial LLC.....	Commercial.....	4,196,247	<u>0.15%</u>
Total.....		<u>\$ 100,103,048</u>	<u>3.63%</u>

Source: Kendall County Clerk's Office, other than the taxpayer property type descriptions, which are derived from publicly-available sources.

## Summary of Outstanding Bonded Debt

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

Issue Description	Dated Date	Original Amount of Issue	Current Amount Outstanding	Final Maturity Date
G.O. Capital Appreciation School Bonds, Series 2008 (the "2008 Bonds").....	05/06/08	\$ 79,998,396	\$ 28,426,548	02/01/28
G.O. Refunding School Bonds, Series 2016 (the "2016 Bonds").....	03/01/16	96,780,000	92,310,000	02/01/36
G.O. Refunding School Bonds, Series 2020A (the "2020A Bonds").....	11/12/20	44,690,000	44,690,000	02/01/29
Taxable G.O. Refunding School Bonds, Series 2020B (the "2020B Bonds").....	11/12/20	11,755,000	3,470,000	02/01/25
G.O. Limited Tax School Bonds, Series 2022 (the "2022 Bonds").....	02/22/22	16,245,000	11,385,000	02/01/28
G.O. Refunding School Bonds, Series 2023A (the "2023A Bonds").....	08/22/23	6,500,000	6,475,000	10/01/32
G.O. Refunding School Bonds, Series 2024 (the "2024 Bonds").....	02/28/24	9,460,000	9,460,000	02/01/30
The 2024B Bonds.....	11/04/24	11,630,000 *	11,630,000 *	02/01/30
Total .....			<u>\$ 207,846,548 *</u>	

\*Preliminary, subject to change.

## Debt Service Schedule

Fiscal Year	Outstanding Principal Amount <sup>(1)</sup>	Compound Accreted Value at Maturity on Capital Appreciation Bonds	Interest on Outstanding Current Interest Bonds	Debt Service on the Refunded Bonds*	Debt Service on the Bonds*	Total Debt Service*
2025	\$ 17,695,000	\$ 10,705,000	\$ 5,294,697	\$ -	\$ -	\$ 33,694,697
2026	15,475,000	13,715,000	4,533,900	(472,400)	465,200	33,716,700
2027	7,170,000	22,765,000	3,764,650	(472,400)	465,200	33,692,450
2028	3,060,000	27,230,000	3,401,650	(472,400)	465,200	33,684,450
2029	21,705,000	-	6,461,650	(472,400)	465,200	28,159,450
2030	21,270,000	-	5,376,400	(12,282,400)	12,095,200	26,459,200
2031	14,875,000	-	4,484,400	-	-	19,359,400
2032	15,605,000	-	3,759,550	-	-	19,364,550
2033	16,285,000	-	3,081,125	-	-	19,366,125
2034	14,740,000	-	2,323,000	-	-	17,063,000
2035	15,475,000	-	1,586,000	-	-	17,061,000
2036	16,245,000	-	812,250	-	-	17,057,250
	<u>\$ 179,599,999</u>	<u>\$ 74,415,000</u>	<u>\$ 44,879,273</u>	<u>\$ (14,172,000)</u>	<u>\$ 13,956,000</u>	<u>\$ 298,678,272</u>

(1) Excludes capital appreciation bonds.

Note: Certain amounts are rounded.

\*Preliminary, subject to change.

## Debt Repayment Schedule

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

Fiscal Year	Principal Outstanding	Less: The Refunded Bonds*	The 2024B Bonds*	Total Principal*	Cumulative Amount*	Retirement Percent*
2025	\$ 22,198,486	\$ -	\$ -	\$ 22,198,486	\$ 22,198,486	10.68%
2026	20,953,868	-	-	20,953,868	43,152,354	20.76
2027	15,805,675	-	-	15,805,675	58,958,029	28.37
2028	12,868,518	-	-	12,868,518	71,826,548	34.56
2029	21,705,000	-	-	21,705,000	93,531,548	45.00
2030	21,270,000	(11,810,000)	11,630,000	21,090,000	114,621,548	55.15
2031	14,875,000	-	-	14,875,000	129,496,548	62.30
2032	15,605,000	-	-	15,605,000	145,101,548	69.81
2033	16,285,000	-	-	16,285,000	161,386,548	77.65
2034	14,740,000	-	-	14,740,000	176,126,548	84.74
2035	15,475,000	-	-	15,475,000	191,601,548	92.18
2036	16,245,000	-	-	16,245,000	207,846,548	100.00
	<u>\$ 208,026,548</u>	<u>\$ (11,810,000)</u>	<u>\$ 11,630,000</u>	<u>\$ 207,846,548</u>		

\*Preliminary, subject to change.

**Overlapping General Obligation Bonds Debt**  
(As of September 16, 2024)

<u>Taxing Body</u>	<u>Bonded Debt</u> <sup>(1)</sup>	<u>Allocated to the District</u>	
		<u>Percent</u>	<u>Amount</u>
Kendall County Forest Preserve District.....	\$ 18,065,000	48.99%	\$ 8,850,405
Will County Forest Preserve District.....	56,320,000	1.70%	956,314
Kane County Forest Preserve District.....	79,890,000	0.17%	135,813
The City... <sup>(2)</sup> .....	215,465,000	10.54%	22,705,702
City of Joliet.....	96,285,000	0.06%	57,771
The Village.....	46,150,000	98.46%	45,439,752
Village of Plainfield.....	4,170,000	11.93%	497,439
Oswego Fire Protection District.....	11,500,000	94.99%	10,923,390
Fox Valley Park District.....	17,620,000	10.00%	1,761,471
Joliet Park District.....	23,346,720	0.08%	17,744
Oswegoland Park District.....	6,000,000	97.97%	5,878,260
Plainfield Park District.....	7,636,535	1.28%	97,824
Oswego Public Library District.....	2,330,000	86.86%	2,023,931
Community College District No. 502.....	64,455,000	0.01%	5,156
Community College District No. 516.....	26,495,000	21.16%	5,607,137
Community College District No. 525.....	38,635,000	0.05%	18,545
Total.....			<u>\$ 104,976,653</u>

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

(2) Includes Library Bonds.

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

## Debt Statement

General Obligation Direct Bonded Debt.....	\$208,026,548
Less: The Refunded Bonds.....	(\$11,810,000) *
The Bonds.....	\$11,630,000 *
Leases.....	\$4,519,614
Net Direct Debt .....	\$212,366,162 *
Overlapping Bonded Debt.....	\$104,976,653
Net Direct Debt and Overlapping Bonded Debt.....	\$317,342,815 *
EAV (2023) ... <sup>(1)</sup> .....	\$2,756,723,416
Statutory Debt Limit (13.8% of EAV).....	\$380,427,832
Debt Exempt from Statutory Debt Margin..... <sup>(2)</sup> .....	(\$183,871,547)
Debt Applicable to Statutory Debt Margin.....	\$28,494,614 *
Statutory Debt Margin .....	\$351,933,218 *

(1) Excludes TIF incremental EAV. See “Tax Increment Financing Districts Located within the District” herein.

(2) Pursuant to Section 19-1, subsection p-15, of the School Code, the following bonds related to the District’s successful 2006 building bond referendum through new money issuance pursuant thereto or refundings thereof are not considered debt for statutory debt limit purposes: (i) the par amount of the 2008 Bonds, (ii) the par amount of the 2015 Bonds not in excess of the par amount of the 2010 Bonds refunded by the 2015 Bonds, (iii) the par amount of the 2016 Bonds not in excess of the par amount of the General Obligation School Bonds, Series 2007 refunded by the 2016 Bonds, (iv) a portion of the par amount of the 2020A Bonds not in excess of the par amount of the 2011A Bonds refunded by the 2020A Bonds, (v) the portion of the 2020B Bonds issued to refund the 2008 Bonds not in excess of the par amount of the 2008 Bonds refunded by the 2020B Bonds, (vi) the portion of the 2020B Bonds issued to refund the General Obligation Refunding School Bonds, Series 2011, dated October 18, 2011 (the “2011 Bonds”) not in excess of the par amount of the par amount of the 2008 Bonds refunded by the 2011 Bonds and (vii) the par amount of the Bonds.

\*Preliminary, subject to change.

## Debt Ratios

Estimated Market Valuation (2023).....	\$8,270,170,248
EAV (2023)..... <sup>(1)</sup> .....	\$2,756,723,416
District 2018-2022 estimated population.....	82,249
Net Direct Debt to EAV.....	7.70% *
Net Direct Debt to Estimated Market Valuation .....	2.57% *
Net Direct Debt and Overlapping Bonded Debt to EAV .....	11.51% *
Net Direct Debt and Overlapping Bonded Debt to Estimated Market Valuation .....	3.84% *
Net Direct Debt Per Capita .....	\$2,581.99 *
Net Direct Debt and Overlapping Bonded Debt Per Capita.....	\$3,858.32 *

(1) Excludes TIF incremental EAV. See “Tax Increment Financing Districts Located within the District” herein.

\*Preliminary, subject to change.

**Short-Term Financing Record**

The District has utilized tax anticipation warrants (“TAWs”) to manage its cash flow needs. Below is a table of its short-term borrowing for the last five fiscal years.

TAW		Repayment	
<u>Issue Date</u>	<u>Amount</u>	<u>Date</u>	<u>Fund</u>
02/25/20	\$ 10,000,000	06/26/20	Educational
02/25/20	15,000,000	10/31/20	Educational
02/11/21	25,000,000	07/31/21	Educational
03/28/22	10,000,000	07/31/22	Educational
04/25/23	8,000,000	07/31/23	Educational

**Future Financing**

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

**Default Record**

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

**SUMMARY OF OPERATING RESULTS**

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

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

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Local Sources.....	55.46 %	54.32 %	53.83 %	51.41 %	52.26 %
State Sources.....	39.28	40.81	40.14	38.78	39.78
Federal Sources.....	<u>5.25</u>	<u>4.86</u>	<u>6.02</u>	<u>9.81</u>	<u>7.95</u>
Total.....	<u>100.00 %</u>				

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

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

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

	Operations and Maintenance Fund		Combined Educational Fund and Operations and Maintenance Fund		Transportation Fund	Working Cash Fund <sup>(1)</sup>	IMRF/Social Security Fund	Debt Service Fund	Combined Operating Funds and Debt Service Fund
<u>2020</u>									
Receipts.....	\$ 173,315,476	\$ 18,914,123	\$ 192,229,599	\$ 12,540,268	\$ 297,968	\$ 5,916,783	\$ 35,490,223	\$ 246,474,841	
Disbursements.....	170,482,280	17,002,331	187,484,611	13,505,760	-	6,150,970	35,203,990	242,345,331	
Net Surplus (Deficit).....	2,833,196	1,911,792	4,744,988	(965,492)	297,968	(234,187)	286,233	4,129,510	
Other Sources (Uses).....	-	-	-	-	-	-	-	-	
Beginning Fund Balance.....	(8,497,658)	629,618	(7,868,040)	9,954,142	14,440,065	211,367	17,140,118	33,877,652	
Ending Fund Balance.....	<u>\$ (5,664,462)</u>	<u>\$ 2,541,410</u>	<u>\$ (3,123,052)</u>	<u>\$ 8,988,650</u>	<u>\$ 14,738,033</u>	<u>\$ (22,820)</u>	<u>\$ 17,426,351</u>	<u>\$ 38,007,162</u>	
<u>2021</u>									
Receipts.....	\$ 177,347,872	\$ 19,493,759	\$ 196,841,631	\$ 9,175,113	\$ 172,472	\$ 7,191,601	\$ 35,541,664	\$ 248,922,481	
Disbursements.....	181,122,747	17,735,372	198,858,119	16,516,225	-	6,232,425	36,009,669	257,616,438	
Net Surplus (Deficit).....	(3,774,875)	1,758,387	(2,016,488)	(7,341,112) <sup>(3)</sup>	172,472	959,176	(468,005)	(8,693,957)	
Other Sources (Uses).....	2,111,027	-	2,111,027	6,839,140	-	-	1,086,374	10,036,541	
Beginning Fund Balance.....	(5,664,462)	2,541,410	(3,123,052)	8,988,650	14,738,033	(22,820)	17,426,351	38,007,162	
Student Activity Fund..... <sup>(2)</sup>	1,885,838	-	1,885,838	-	-	-	-	1,885,838	
Ending Fund Balance.....	<u>\$ (5,442,472)</u>	<u>\$ 4,299,797</u>	<u>\$ (1,142,675)</u>	<u>\$ 8,486,678</u>	<u>\$ 14,910,505</u>	<u>\$ 936,356</u>	<u>\$ 18,044,720</u>	<u>\$ 41,235,584</u>	
<u>2022</u>									
Receipts.....	\$ 203,788,944	\$ 20,002,907	\$ 223,791,851	\$ 7,285,694	\$ 187,559	\$ 7,953,000	\$ 36,402,776	\$ 275,620,880	
Disbursements.....	192,141,472	18,417,235	210,558,707	13,370,409	-	6,664,976	35,107,692	265,701,784	
Net Surplus (Deficit).....	11,647,472	1,585,672	13,233,144	(6,084,715) <sup>(3)</sup>	187,559	1,288,024	1,295,084	9,919,096	
Other Sources (Uses).....	(720,559)	(309,091)	(1,029,650)	-	17,843,021 <sup>(4)</sup>	-	1,347,706	18,161,077	
Beginning Fund Balance.....	(5,442,472)	4,299,797	(1,142,675)	8,486,678	14,910,505	936,356	18,044,720	41,235,584	
Ending Fund Balance.....	<u>\$ 5,484,441</u>	<u>\$ 5,576,378</u>	<u>\$ 11,060,819</u>	<u>\$ 2,401,963</u>	<u>\$ 32,941,085</u>	<u>\$ 2,224,380</u>	<u>\$ 20,687,510</u>	<u>\$ 69,315,757</u>	
<u>2023</u>									
Receipts.....	\$ 214,415,082	\$ 21,311,280	\$ 235,726,362	\$ 9,352,249	\$ 1,153,895	\$ 8,519,941	\$ 36,621,892	\$ 291,374,339	
Disbursements.....	201,626,133	18,023,579	219,649,712	16,627,309	-	6,462,148	37,968,326	280,707,495	
Net Surplus (Deficit).....	12,788,949	3,287,701	16,076,650	(7,275,060) <sup>(3)</sup>	1,153,895	2,057,793	(1,346,434)	10,666,844	
Other Sources (Uses).....	(720,559)	484,672	(235,887)	1,437,793	(5,031,570) <sup>(5)</sup>	-	1,046,637	(2,783,027)	
Beginning Fund Balance.....	5,484,441	5,576,378	11,060,819	2,401,963	32,941,085	2,224,380	20,687,510	69,315,757	
Ending Fund Balance.....	<u>\$ 17,552,831</u>	<u>\$ 9,348,751</u>	<u>\$ 26,901,582</u>	<u>\$ (3,435,304)</u>	<u>\$ 29,063,410</u>	<u>\$ 4,282,173</u>	<u>\$ 20,387,713</u>	<u>\$ 77,199,574</u>	
<u>Preliminary 2024 <sup>(6)</sup></u>									
Receipts.....	\$ 216,506,209	\$ 20,964,766	\$ 237,470,975	\$ 9,916,525	\$ 195,000	\$ 7,585,000	\$ 36,655,987	\$ 291,823,487	
Disbursements.....	203,439,054	17,959,418	221,398,472	14,851,392	-	6,737,116	36,655,987	279,642,967	
Net Surplus (Deficit).....	13,067,155	3,005,348	16,072,503	(4,934,867)	195,000	847,884	-	12,180,520	
Other Sources (Uses).....	-	-	-	-	-	-	-	-	
Beginning Fund Balance.....	17,552,831	9,348,751	26,901,582	(3,435,304)	29,063,410	4,282,173	20,387,713	77,199,574	
Ending Fund Balance.....	<u>\$ 30,619,986</u>	<u>\$ 12,354,099</u>	<u>\$ 42,974,085</u>	<u>\$ (8,370,171)</u>	<u>\$ 29,258,410</u>	<u>\$ 5,130,057</u>	<u>\$ 20,387,713</u>	<u>\$ 89,380,094</u>	

Fund Balance as % of Disbursements..... 19.41% 31.96%

See footnotes on next page.

- (1) See “Working Cash Fund” herein for a description of the Working Cash Fund.
  - (2) The District implemented GASB Statement No. 84, Fiduciary Activities which resulted in reclassifying \$1,885,838 of Student Activity Funds.
  - (3) The deficits in the Transportation Fund are the result of the District reducing the levy for such fund in order to use fund balance and State reimbursements not being received at the budgeted 80%. The District expects to increase the levy to an amount to keep up with expenditures.
  - (4) Includes proceeds from a bond issue.
  - (5) Transfer of \$5,031,570 from the Working Cash Fund to the Capital Projects Fund.
  - (6) The results are not final for the 2023-2024 year, as the accounting accrual period does not end until 60 days (August 31<sup>st</sup>) after the fiscal year end.
- Source: Compiled from the District’s Annual Financial Reports for fiscal years ended June 30, 2019-2023 and preliminary, unaudited fiscal year 2024 results provided by the District.

### **On-Behalf Payments Summary** (Years Ended June 30)

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

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

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

<u>Fiscal Year</u>	<u>On-Behalf Payments</u>
2019	\$ 47,758,647
2020	51,780,291
2021	54,010,153
2022	61,629,634
2023	62,447,248

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

### **Working Cash Fund**

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

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

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

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

levy for educational purposes for the fiscal year immediately succeeding the fiscal year in which the Working Cash Fund is abolished.

**Budget Summary**

Below is the District’s preliminary budget summary for the fiscal year ending June 30, 2025.

<u>Fund</u>	Preliminary	FY25	FY25	FY25	Estimated
	Fund Balances <u>July 1, 2024</u>	<u>Revenue</u>	<u>Expenditures</u>	Other Sources/ <u>(Uses)</u>	Fund Balances <u>June 30, 2025</u>
Educational.....	\$ 25,423,974	\$ 214,610,750	\$ 214,786,865	\$ -	\$ 25,247,859
Operations & Maintenance.....	12,354,099	22,561,808	18,923,605	-	15,992,302
Transportation.....	-	15,232,861	14,989,359	-	243,502
IMRF/Social Security.....	5,129,707	8,247,560	6,987,072	-	6,390,195
Working Cash.....	<u>7,891,051</u>	<u>214,885</u>	<u>-</u>	<u>(7,627,952)</u>	<u>477,984</u>
Total Operating Funds .....	<u>\$ 50,798,831</u>	<u>\$ 260,867,864</u>	<u>\$ 255,686,901</u>	<u>\$ (7,627,952)</u>	<u>\$ 48,351,842</u>
Debt Service.....	\$ 20,387,713	\$ 36,923,133	\$ 36,956,777	\$ -	\$ 20,354,069
Fire Prevention & Safety.....	387	-	-	-	387
Capital Projects.....	<u>2,700,000</u>	<u>1,619,770</u>	<u>8,020,000</u>	<u>7,627,952</u>	<u>3,927,722</u>
Total All Funds .....	<u>\$ 73,886,931</u>	<u>\$ 299,410,767</u>	<u>\$ 300,663,678</u>	<u>\$ -</u>	<u>\$ 72,634,020</u>

Source: The District

**STATE AID**

**General**

On June 5, 2024, Governor Pritzker signed the State’s \$53.1 billion general funds budget (Public Act 103-0589) for the fiscal year ending June 30, 2025 (the “Fiscal Year 2025 Budget”), which included a \$211 million surplus, additional contributions to the State’s pension system and the State’s Budget Stabilization Fund, commonly referred to as the State’s “rainy day” fund, which is set to surpass \$2.3 billion, and the elimination of the State’s bill backlog. In addition, the Fiscal Year 2025 Budget increased funding for education across early childhood, K-12 and higher education by more than \$500 million.

The State provides aid to local school districts on an annual basis as part of the State’s appropriation process. Many school districts throughout the State rely on such State aid as a significant part of their budgets. For the fiscal year ended June 30, 2023, 39.78% of the District’s General Fund revenue came from State funding sources. See “SUMMARY OF OPERATING RESULTS – Combined Educational Fund and Operations and Maintenance Fund Revenue Sources” herein for more information concerning the breakdown of the District’s revenue sources.

## **General State Aid - Evidence-Based Funding Model**

Beginning with fiscal year 2018, general State funds (“General State Aid”) have, pursuant to Public Act 100-0465, been distributed to school districts under the “Evidence Based Funding Model”. The Evidence-Based Funding Model sets forth a school funding formula that ties individual district funding to evidence-based best practices that certain research shows enhance student achievement in the classroom. Under the funding formula, ISBE will calculate an adequacy target (the “Adequacy Target”) each year for each district based upon its unique student population, regional wage differences and best practices. Each district will be placed in one of four tiers depending on how close the sum of its local resources available to support education (based on certain State resources and its expected property tax collections, its “Local Capacity Target”) and its Base Funding Minimum (as hereinafter defined) are to its Adequacy Target; Tier One and Tier Two for those districts that are the furthest away from their Adequacy Targets and Tier Three and Tier Four for those districts that are the closest to (or above) their Adequacy Targets. For each school year, all State funds appropriated for General State Aid in excess of the amount needed to fund the Base Funding Minimum for all school districts (“New State Funds”) will be distributed to districts based on tier placement. Of any New State Funds available, Tier One receives 50%, Tier Two receives 49%, Tier Three receives 0.9%, and Tier Four receives 0.1%. Tier Two includes all Tier One districts for the purpose of the allocation percentages for New State Funds.

The Fiscal Year 2025 Budget, like the prior three State budgets, appropriated General State Aid in an amount \$350 million greater than the appropriation in the prior fiscal year budget.

The Evidence-Based Funding Model also provides that each school district will be allocated at least as much in General State Aid in future years as it received in the most recently completed school year (such amount being that district’s “Base Funding Minimum”). The Base Funding Minimum for the District for school year 2017-2018 was \$62,830,123 (the “Initial Base Funding Minimum”). Mandated Categorical State Aid (as hereinafter defined) received by the District in fiscal year 2017, other than Mandated Categorical State Aid related to transportation and extraordinary special education, was included in the Initial Base Funding Minimum. Any New State Funds received by a district in a year become part of its Base Funding Minimum in the following year.

Evidence-Based Funding

<u>Fiscal Year</u>	<u>Base Funding Minimum</u>	<u>Tier Number</u>	<u>Amount of New State Funds</u>
2021 <sup>(1)</sup>	\$ 75,178,826	N/A <sup>(1)</sup>	N/A <sup>(1)</sup>
2022	75,583,492	1	\$ 5,875,586
2023	81,459,078	1	7,563,281
2024	89,022,360	1	8,738,907
2025	97,761,267	1	7,297,592

(1) The State fiscal year 2021 budget did not appropriate General State Aid in excess of the amount appropriated in the State fiscal year 2020 budget. Therefore, school districts did not receive New State Funds during State fiscal year 2021.

**Property Tax Relief Pool Funds**

For the purpose of encouraging high tax rate school districts to reduce property taxes, the Evidence-Based Funding Model also established a property tax relief grant program (the “Property Tax Relief Pool”). School districts must apply for the grant and indicate an amount of intended property tax relief, which relief may not be greater than 1% of EAV for a unit district, 0.69% of EAV for an elementary school district or 0.31% of EAV for a high school district, reduced, in each case, based on the Local Capacity Target of the applicant. Property Tax Relief Pool grants will be allocated to school districts based on each district’s percentage of the simple average operating tax rate of all school districts of the same type (unit, elementary or high), in order of priority from highest percentage to lowest, until the Property Tax Relief Pool is exhausted. A school district which receives a Property Tax Relief Pool grant is required to abate its property tax levy by the amount of intended property tax relief for the levy year in which the grant is to be received, and the succeeding levy year. The difference between the amount of the grant and the amount of the abatement is based on a statutory calculation which takes into account relative Local Capacity Targets. Pursuant to such calculation, a school district with a low Local Capacity Target will be required to abate less than a school district with a high Local Capacity Target, assuming the amount of Property Tax Relief Pool grants received by the school districts are the same. Property Tax Relief Pool grants received by a school district are included in future calculations of that district’s Base Funding Minimum, unless that district does not abate its property tax levy by the amount of intended property tax relief as described above. Of the \$350 million of New State Funds appropriated in the Fiscal Year 2025 Budget, \$50 million was allocated to the Property Tax Relief Pool, as was done in the prior three State budgets.

**Mandated Categorical State Aid**

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

Mandated Categorical State Aid payments from the State have been delayed and have been prorated as part of the appropriation process, as described below.

Prior to fiscal year 2018, the School Code provided for Mandated Categorical State Aid with respect to mandatory school programs relating to: (a) special education, (b) transportation, (c) free and reduced breakfast and lunch, and (d) orphanage tuition. Beginning with fiscal year 2018, Mandated Categorical State Aid is no longer the source of funding for mandatory school programs relating to special education, other than private facility tuition and transportation. Mandated Categorical State Aid received by a district in fiscal year 2017 for special education programming no longer available for Mandated Categorical State Aid in fiscal year 2018 is included in the Base Funding Minimum for that district.

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

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

### **Competitive Grant State Aid**

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

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

## **Payment for Mandated Categorical State Aid and Competitive Grant State Aid**

The State makes payments to school districts for Mandated Categorical State Aid and Competitive Grant State Aid (together, “Categorical State Aid”) in accordance with a voucher system involving ISBE. ISBE vouchers payments to the State on a periodic basis. The time between vouchers varies depending on the type of Categorical State Aid in question. For example, with respect to the categories of Mandated Categorical State Aid related to extraordinary special education and transportation, ISBE vouchers the State for payments on a quarterly basis. With respect to Competitive Grant State Aid, a payment schedule is established as part of the application process, and ISBE vouchers the State for payment in accordance with this payment schedule.

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

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

## **Federal COVID-19 Funds Distributed to the District**

The COVID-19 pandemic, along with various governmental measures taken to protect public health in light of the pandemic, had an adverse impact on global economies, including economic conditions in the United States. In response to the pandemic, federal legislation, particularly the (i) Coronavirus Aid, Relief, and Economic Security Act (commonly known as ESSER I), (ii) the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (commonly known as ESSER II), and (iii) the American Rescue Plan of 2021 (commonly known as ESSER III), was enacted to provide funds to mitigate the economic downturn and health care crisis caused by COVID-19.

The amount of funds the District received from ESSER I was \$984,403. The District received additional funds in the amount of \$3,318,621 pursuant to ESSER II. Finally, the District was allocated \$12,760,874 of ESSER III funds, which were fully expended by September 30, 2024.

The District used ESSER funds to pay for certain staff and will continue to do so. In its budget for fiscal year 2025, the District has included \$2.5 million in Evidence-Based Funding to cover these positions and maintain staffing levels going forward.

## **SCHOOL DISTRICT FINANCIAL PROFILE**

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

The system uses five indicators which are individually scored, placed into a category of a four, three, two or one, with four being the best possible, and weighted in order to arrive at a composite district financial profile. The indicators and the weights assigned to those indicators are as follows: fund balance to revenue ratio (35%); expenditures to revenue ratio (35%); days cash on hand (10%); percent of short term borrowing ability remaining (10%); and percent of long-term debt margin remaining (10%).

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

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

For each school district, ISBE calculates an original financial profile score (the "Original Score") and an adjusted financial profile score (the "Adjusted Score"). The Original Score is calculated based solely on such school district's audited financial statements as of the close of the most recent fiscal year. The Adjusted Score is calculated based initially on a school district's audited financial statements for the most recent fiscal year, with adjustments made to reflect the

impact on the Original Score of timing differences between such school district’s actual and expected receipt of State payments, as required by Section 1A-8 of the School Code. ISBE has implemented this statutory requirement by adding in payments expected to be received during the calculation year but not actually received until the following fiscal year, as well as by subtracting certain State payments received during the current fiscal year but attributable to a prior fiscal year. Such adjustments may have a varying effect on a school district’s Adjusted Score based on the amount of time by which such State payments are delayed and the accounting basis adopted by such school district. Due to the manner in which such requirement has been implemented by ISBE, a school district’s Adjusted Score may be different than it otherwise would have been in certain years based on the scheduled receipt of State payments.

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

Fiscal Year (June 30)	Original Score	Designation Based on Original Score	Adjusted Score	Designation Based on Adjusted Score
2018	2.45	Financial Watch	2.45	Financial Watch
2019	2.80	Financial Early Warning	2.45	Financial Watch
2020	3.15	Financial Review	3.15	Financial Review
2021	2.45	Financial Watch	2.45	Financial Watch
2022	3.25	Financial Review	3.25	Financial Review
2023 <sup>(1)</sup>	3.25	Financial Review	N/A	N/A

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

**RETIREMENT PLANS**

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

The following summarizes certain provisions of the Pension Plans and the funded status of the Pension Plans, as more completely described in Note 12 to the Audit, attached hereto as Appendix B.

## **Background Regarding Pension Plans**

### *The Actuarial Valuation*

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

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

### *GASB Standards*

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

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

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

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

### *Pension Plans Remain Governed by the Pension Code*

As described above, the GASB Standards establish requirements for financial reporting purposes. However, the Pension Plans are ultimately governed by the provisions of the Pension

Code in all respects, including, but not limited to, the amounts to be contributed by the District to the Pension Plans in each year.

### **Teachers' Retirement System of the State of Illinois**

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

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

For information relating to the actuarial assumptions and methods used by TRS, including the Discount Rate and the sensitivity of the Net Pension Liability to changes in the Discount Rate, see Note 12 to the Audit.

#### *Employer Funding of Teachers' Retirement System*

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

<u>Fiscal Year</u>	<u>TRS</u>
<u>Ended June 30</u>	<u>Contributions</u>
2019	\$ 753,577
2020	864,456
2021	904,337
2022	1,094,290
2023	1,220,065

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

For information regarding additional contributions the District may be required to make to TRS with respect to certain salary increases and other programs, see Note 12 to the Audit.

## Illinois Municipal Retirement Fund

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

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

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

See Note 12 to the Audit for additional information on the IMRF’s actuarial methods and assumptions, including information regarding the Discount Rate and the sensitivity of the Net Pension Liability to changes in the Discount Rate.

### *Contributions*

Both employers and employees contribute to the IMRF. At present, employees contribute 4.50% of their salary to the IMRF, as established by statute. Employers are required to make all additional contributions necessary to fund the benefits provided by the IMRF to its employees. The annual rate at which an employer must contribute to the IMRF is established by the IMRF Board. The District’s contribution rate for calendar year 2023 was 7.70% of covered payroll.

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

Calendar Year Ended	IMRF
<u>December 31</u>	<u>Contributions</u>
2019	\$ 2,489,140
2020	2,663,258
2021	2,900,615
2022	2,448,166
2023	2,430,011

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

### Measures of Financial Position

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

Calendar Year Ended December 31	Total Pension Liability	Fiduciary Net Position	Net Pension Liability (Asset)	Fiduciary Net Position	
				as a % of Total Pension Liability	Discount Rate
2019	\$ 82,331,081	\$ 72,472,027	\$ 9,859,054	88.03%	7.25%
2020	85,906,720	83,616,258	2,290,462	97.33%	7.25%
2021	93,038,593	97,526,303	(4,487,710)	104.82%	7.25%
2022	99,256,451	86,491,576	12,764,875	87.14%	7.25%
2023	107,123,667	97,917,016	9,206,651	91.41%	7.25%

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

See Note 12 to the Audit, and the related required supplementary information disclosures, for a description of the IMRF, the IMRF Account, the District's funding policy, information on the assumptions and methods used by the actuary, and the financial reporting information required by the GASB Standards.

### Post-Employment Benefit Trust

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

The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67% during the year ended June 30, 2023, 0.67% during the year ended June 30, 2022 and 0.92% during the year ended June 30, 2021. For the year ended June 30, 2023, the District paid \$854,340 to the THIS fund. For the years ended June 30, 2022 and June 30, 2021, the District paid \$813,532 and \$1,056,644, respectively, to the THIS Fund, which was 100% of the required contribution.

### **TAX EXEMPTION**

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The District has covenanted to comply with all requirements

that must be satisfied in order for the interest on the Bonds to be excludible from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

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

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

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

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

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

For an investor who purchases an OID Bond in the initial public offering at the OID Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the District complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludible from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Code; and (d) the accretion of

original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Department under State income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

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

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

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

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

The Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the

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

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

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

### **LITIGATION**

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

### **BOND RATINGS**

S&P is expected to assign its municipal bond rating of “AA” (Stable Outlook) to the Bonds with the understanding that upon delivery of the Bonds the Policy will be issued by AG. See “BOND INSURANCE” above. Moody’s has assigned its municipal underlying rating of “A1” (Stable Outlook) to the Bonds.

The ratings reflect only the views of S&P and Moody’s (the “Rating Agencies”) and any explanation of the significance of such ratings may only be obtained from the Rating Agencies. Certain information concerning the Bonds and the District not included in this Official Statement was furnished to the Rating Agencies and AG by the District. There is no assurance that the ratings will be maintained for any given period of time or that such ratings may not be changed by the Rating Agencies, if, in the rating agency’s judgment, circumstances so warrant. Any downward change in or withdrawal of the ratings may have an adverse effect on the market price of the Bonds. Except as may be required by the Undertaking described below under the heading “CONTINUING DISCLOSURE,” neither the District nor the Underwriter undertakes responsibility to

bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such ratings or to oppose any such revision or withdrawal.

### **CONTINUING DISCLOSURE**

The District will enter into a Continuing Disclosure Undertaking (the “Undertaking”) for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the “MSRB”) pursuant to the requirements of the Rule. No person, other than the District, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a statement of other terms of the Undertaking, including termination, amendment and remedies, are set forth in “Appendix C – Form of Continuing Disclosure Undertaking.”

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

The District failed to timely file notice of the bond rating upgrade that occurred on June 29, 2023. Such bond rating change and reportable event were filed on July 31, 2023. The District has retained PMA to act as the District’s Dissemination Agent for its continuing disclosure filings. A failure by the District to comply with the Undertaking will not constitute a default under the Bond Resolution and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. The District must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

### **CERTAIN LEGAL MATTERS**

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois (“Chapman and Cutler”), Bond Counsel, who has been retained by, and acts as, Bond Counsel to the District. Chapman and Cutler has also been retained by the District to serve as Disclosure Counsel to the District with respect to the Bonds. Although as Disclosure Counsel to the District, Chapman and Cutler has assisted the District with certain disclosure matters, Chapman and Cutler has not undertaken to independently verify the accuracy, completeness or fairness of any of the statements contained in this Official Statement or other offering material related to the Bonds and does not guarantee the accuracy, completeness or fairness of such information. Chapman and Cutler’s engagement as Disclosure Counsel was undertaken solely at the request and for the benefit of the District, to assist it in discharging its responsibility with respect to this Official Statement, and not for the benefit of any other person (including any person purchasing Bonds

from the Underwriter), and did not include any obligation to establish or confirm factual matters, forecasts, projections, estimates or any other financial or economic information in connection therewith. Further, Chapman and Cutler makes no representation as to the suitability of the Bonds for investment by any investor. Whitt Law LLC, Aurora, Illinois, will pass on certain matters for the District.

### **UNDERWRITING**

Raymond James & Associates, Inc., Chicago, Illinois (the “Underwriter”), has agreed, subject to the terms of a purchase contract (the “Purchase Contract”) to purchase the Bonds from the District at a price of \$\_\_\_\_\_. The Purchase Contract provides, in part, that the obligation of the Underwriter is subject to certain conditions precedent and that the Underwriter will be obligated to purchase all of the Bonds if any of the Bonds are purchased. The Underwriter has further agreed to offer the Bonds to the public at the approximate initial offering yield as set forth on the inside cover hereto. The Underwriter may offer and sell the Bonds to certain dealers and others at yields different than the offering yield stated on the inside cover hereto. The offering yield may be changed from time to time by the Underwriter. The aggregate underwriting fee for the Bonds equals \_\_\_\_ percent of the par amount of the Bonds.

### **MUNICIPAL ADVISOR**

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

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

The Municipal Advisor’s duties, responsibilities, and fees in connection with this issuance arise solely from the services for which it is engaged to perform as municipal advisor on the Bonds. PMA’s compensation for serving as municipal advisor on the Bonds is conditional on the successful closing of the Bonds. PMA receives additional fees for the services used by the

District, if any, described in the paragraph above. The fees for these services arise from separate agreements with the District and with institutions of which the District may be a member.

### **THE OFFICIAL STATEMENT**

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

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

#### **Accuracy and Completeness of the Official Statement**

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

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

/s/

\_\_\_\_\_  
Chief Financial Officer/CSBO/School Treasurer  
Community Unit School District Number 308  
Kendall, Kane and Will Counties, Illinois

October \_\_, 2024

**Form of Legal Opinion of Bond Counsel**

**PROPOSED FORM OF OPINION OF BOND COUNSEL**

**[LETTERHEAD OF CHAPMAN AND CUTLER LLP]**

**[TO BE DATED CLOSING DATE]**

Community Unit School District Number 308  
Kendall, Kane and Will Counties, Illinois

We hereby certify that we have examined certified copy of the proceedings (the “*Proceedings*”) of the Board of Education of Community Unit School District Number 308, Kendall, Kane and Will Counties, Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered \_\_\_\_\_% General Obligation Refunding School Bonds, Series 2024B (the “*Bonds*”), to the amount of \$\_\_\_\_\_, dated \_\_\_\_\_, 2024, due on February 1, 2030, and we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

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

It is our opinion that, subject to the District’s compliance with certain covenants, under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended. Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

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

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

## **Appendix B**

### **Annual Financial Report for Fiscal Year Ended June 30, 2023**

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

ANNUAL FINANCIAL REPORT  
OF  
**OSWEGO COMMUNITY UNIT  
SCHOOL DISTRICT 308**  
**OSWEGO, ILLINOIS**

As of and for the Year Ended June 30, 2023

Officials Issuing Report

Raphael Obafemi, Chief Financial Officer/CSBO

Department Issuing Report

Business Office

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## TABLE OF CONTENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

---

	<i><u>Pages</u></i>
<b><i>Introductory Section</i></b>	
Transmittal Letter	i - iii
Organizational Chart	iv
List of Principal Officials	v
<b><i>Financial Section</i></b>	
Independent Auditors' Report	1 - 4
<b>Required Supplementary Information</b>	
Management's Discussion and Analysis (MD&A) - Unaudited	5 - 11
<b>Basic Financial Statements</b>	
<u>Government-Wide Financial Statements</u>	
Statement of Net Position	12
Statement of Activities	13
<u>Fund Financial Statements</u>	
Balance Sheet - Governmental Funds	14 - 15
Reconciliation of the Governmental Funds - Balance Sheet to the Statement of Net Position	16
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	17 - 18
Reconciliation of the Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	19
Notes to Basic Financial Statements	20 - 49
<b>Required Supplementary Information</b>	
Illinois Municipal Retirement Fund - Schedule of Changes in the District's Net Pension Liability/(Asset) and Related Ratios	50 - 51
Illinois Municipal Retirement Fund - Schedule of District Contributions	52
Teachers' Retirement System - Schedule of the District's Proportionate Share of the Collective Net Pension Liability (Asset) and Schedule of District Contributions	53 - 54
Retirees' Health Plan - Schedule of Changes in the District's Total OPEB Liability and Related Ratios	55
Retirees' Health Plan - Schedule of District Contributions	56
Teachers' Health Insurance Security Fund - Schedule of the District's Proportionate Share of the Collective OPEB Liability and Schedule of District Contributions	57

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## TABLE OF CONTENTS

AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

---

	<i><u>Page(s)</u></i>
<b>Required Supplementary Information - (Continued)</b>	
<u>General and Major Special Revenue Funds - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual</u>	
General Fund	58 - 67
Operations and Maintenance Fund	68 - 69
Transportation Fund	70 - 71
Municipal Retirement/Social Security Fund	72 - 73
Notes to Required Supplementary Information	74
<b>Supplementary Information</b>	
<u>Major Debt Service and Major Capital Projects Funds - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual</u>	
Debt Service Fund	75
Capital Projects Fund	76
Fire Prevention and Life Safety Fund	77
General Fund - Combining Balance Sheet	78
General Fund - Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	79
<u>General Fund Accounts - Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual</u>	
Educational Accounts	80 - 89
Working Cash Accounts	90
General Long-Term Debt - Capital Appreciation Bonds, Series 2008	91
General Long-Term Debt - General Obligation Refunding Bonds, Series 2011	92
General Long-Term Debt - General Obligation School Refunding Bonds, Series 2013	93
General Long-Term Debt - General Obligation School Refunding Bonds, Series 2014	94
General Long-Term Debt - General Obligation Refunding School Bonds, Series 2015	95
General Long-Term Debt - General Obligation Refunding School Bonds, Series 2016	96
General Long-Term Debt - General Obligation Refunding School Bonds, Series 2017B	97
General Long-Term Debt - General Obligation Refunding School Bonds, Series 2020A	98
General Long-Term Debt - General Obligation Refunding School Bonds, Series 2020B	99
General Long-Term Debt - General Obligation Limited Tax School Bonds, Series 2022	100

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## TABLE OF CONTENTS

AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

---

	<u><i>Page(s)</i></u>
<b><i>Other Information</i></b>	
Net Position by Component	101 - 102
Expenses, Program Revenues, and Net (Expense) Revenue	103 - 104
General Revenues and Total Change in Net Position	105 - 106
Fund Balances, Governmental Funds	107 - 108
Governmental Funds Revenues	109 - 110
Governmental Funds Expenditures and Debt Service Ratio	111 - 112
Other Financing Sources and Uses and Net Changes in Fund Balances - Governmental Funds	113 - 114
Assessed Value and Actual Value of Taxable Property	115 - 116
Direct and Overlapping Property Tax Rates	117 - 118
Property Tax Levies and Collections	119
Outstanding Debt by Type	120 - 121
Legal Debt Margin Information	122 - 123
Demographic and Economic Statistics	124
Full-Time Equivalent District Employees by Type	125
Operating Statistics	126
Capital Asset Information	127 - 128



December 8, 2023

President, Members of the Board of Education,  
and Community Residents of  
Oswego Community Unit School District No. 308  
Oswego, Illinois

The Annual Financial Report (AFR) of Oswego Community Unit School District No. 308 (the District), Oswego, Illinois, as of and for the year ended June 30, 2023, is submitted herewith. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data, as presented, is accurate in all material aspects; that is presented in a manner designed to fairly set forth the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds; and that all disclosures necessary for public understanding of the District's financial status have been incorporated within this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter and should be read in conjunction with it.

## **FINANCIAL STATEMENTS**

The AFR includes all funds and account groups of the District and is presented in three sections: Introductory, Financial, and Other. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officers and elected officials. The financial section includes the independent auditors' report on financial statements and schedules, Management's Discussion and Analysis (MD&A), basic financial statements and required and other supplemental information such as the combining and individual fund financial statements and schedules. The other information section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the U.S. Office of Management and Budget's (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Information related to this single audit, including a schedule of federal financial assistance and the independent auditors' reports on the internal control structure and on compliance with applicable laws and regulations, is included under separate cover.

The financial reporting entity of the District is to include the District, as the primary government, organizations for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. Based on these criteria there are no other organizations or agencies whose financial statements should be combined with the general purpose financial statements of the District.

## **HISTORY**

The District began as a single school building in 1837. Over the next 100 years the residents were served by a separate elementary and high school district. Then in 1961 the voters approved consolidating into a single unit district creating Oswego CUSD No. 308 as it stands today. The District is made up of 68.6 square miles in Kendall, Will and Kane Counties, Illinois and currently serves approximately 17,200 students from Oswego, Montgomery, Aurora, Plainfield, Joliet and unincorporated portions of Kendall and Will Counties in Illinois.

## **ACCOUNTING SYSTEMS AND BUDGETARY CONTROL**

The District administration is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

Budgetary control is maintained at line item levels within each program and/or cost centers before being combined to form totals by fund. All actual activity compared to budget is reported to the District's management on a monthly basis. This monthly report compares each line item account balance to the annual budget with accumulation to the cost center and fund levels. Full disclosures are made if extraordinary variances appear during the year. A description of the budget development cycle is discussed in detail in Note 1 to the required supplementary information.

## **PROSPECTS FOR THE FUTURE**

The Board has taken action to address budget deficits by cutting expenditures to move towards a path of balanced budgets and increased fund balances.

## **STRATEGIC PLAN**

In FY21, the school leadership team developed a comprehensive priorities and initiatives plan – Envision308. It addresses student learning, support for student learning, finances, facilities, and community partnerships in compliance with the Every Student Succeeds Act and the Evidence Based Funding Model.

## **LOCAL DISTRICT ECONOMY**

The Village of Oswego and the District attendance area does not depend on any one source of revenue. The general economic outlook for the Oswego area is moderate. The District's economic base continues to be diversified with new improvements scheduled for the downtown Oswego area. It is expected that development will continue at a steady rate in the foreseeable future with new construction coming from commercial and residential properties. Current projections continue to provide a stable economic outlook for the District.

## **REPORTING ENTITY**

The governing body consists of a seven-member Board of Education elected within the district's boundaries. Based on the legislative authority codified in the Illinois School code, the Board of Education has the following powers:

- a. The corporate power to and be sued in all courts;
- b. The power to levy and collect taxes and to issue bonds;

- c. The power to contract for appointed administrators, teachers, and other personnel as well as for goods and services.

The District defines its reporting entity by applying the criteria set forth by the Government Accounting Standards Board (GASB) to potential component units. Briefly, a component unit is an organization for which the District is financially accountable, or other organizations that, because of the nature and significance of their relationship with the District, would cause the District's financial statements to be misleading or incomplete if they were omitted from the reporting entity. These criteria are discussed in more detail in Note A to the financial statements. Using these criteria, management has determined that the district has no component units, no is it a component unit of other organization.

### **FINANCIAL POLICIES**

The District continues to monitor its compliance with the financial policies it has adopted. For all operating funds, the District goal is to submit balanced budgets with current revenues matching or exceeding expenditures. One-time non-recurring revenues is not to be used for operating purposes but for one-time purchases. Finally, the policy of conducting analyses of all vacancies for potential budget reduction continues to be conducted.

### **INDEPENDENT AUDIT**

The School Code of Illinois and the District require an annual audit of the financial statements of all funds of the District. The audit for the year ended June 30, 2023. It was performed by Baker Tilly, independent certified public accountants, who were selected by the District's Board of Education. Their report has been included in the financial section of this report.

### **ACKNOWLEDGEMENT**

We wish to thank the entire staff of the Business Office for their dedicated service in the preparation of the Annual Financial Report on a timely basis.

We would also like to extend our appreciation to the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

### **CLOSING STATEMENT**

It is our intention that this Annual Financial Report will provide the District's management, bond investors, and stakeholders with a meaningful financial presentation. We hope that all readers of this report will obtain a clear and concise understanding of the District's financial condition as of June 30, 2023.

Respectfully submitted:

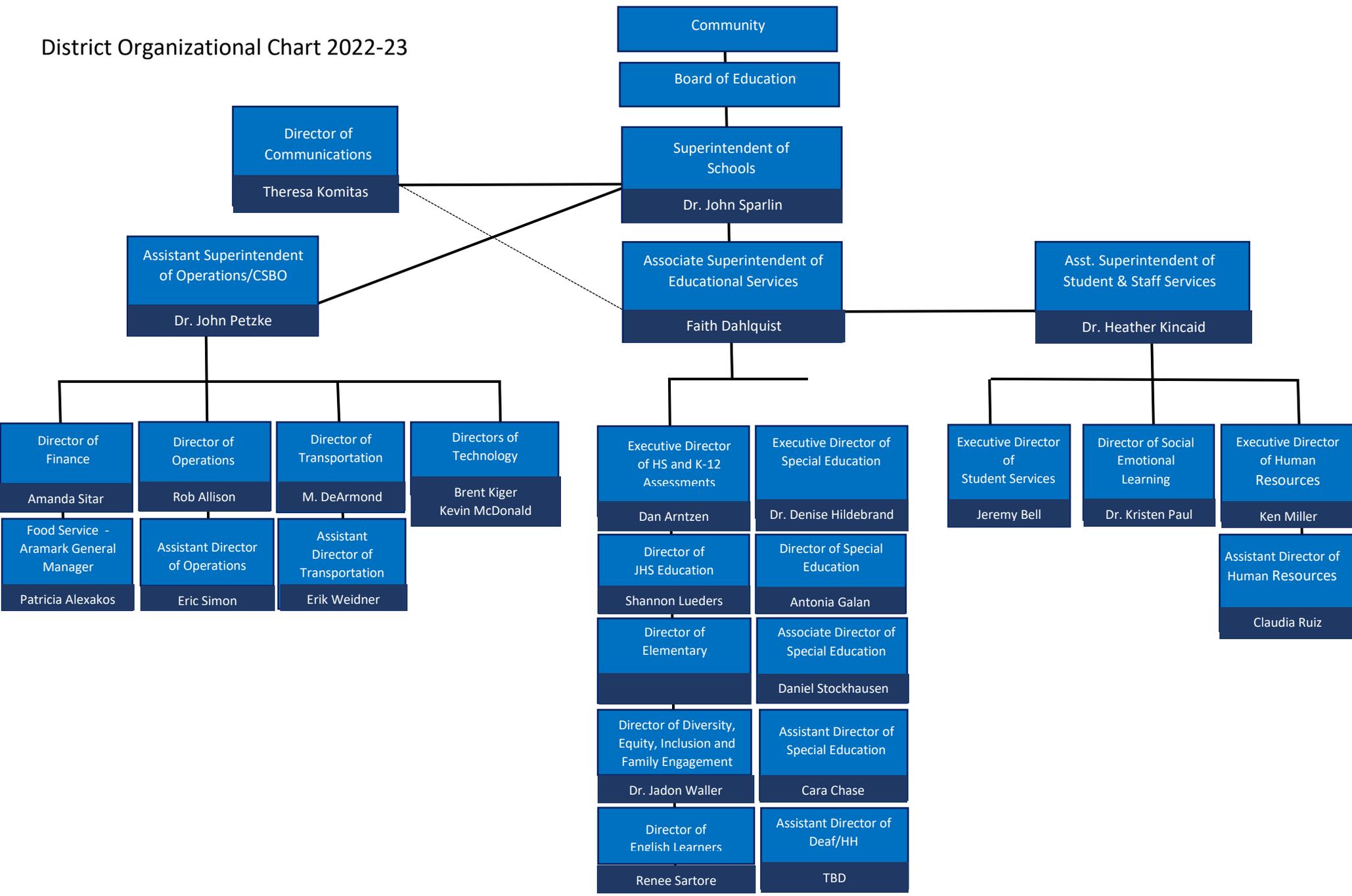


Dr. Andalib Khelghati  
Superintendent of Schools



Raphael Obafemi  
Chief Financial Officer/CSBO

# District Organizational Chart 2022-23



**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT NO. 308**

**4175 Route 71  
Oswego, Illinois 60543**

**List of Principal Officials for the  
Fiscal Year Ended June 30, 2023**

**BOARD OF EDUCATION**

**Term Expires**

LaTonya Simelton, President	2025
Eugene Gatewood, Vice President	2025
Jared Ploger, Secretary	2025
Jennifer Johnson	2025
Amy Murillo	2027
Dominick Cirone	2027
Mary Jo Wenmouth	2027

**ADMINISTRATIVE STAFF**

Dr. Andalib Khelghati, Superintendent of Schools  
Ms. Faith Dahlquist, Associate Superintendent for Educational Services  
Dr. Heather Kincaid, Assistant Superintendent of Student and Staff Services  
Mr. Raphael Obafemi, Chief Financial Officer/CSBO

**Official Issuing Report**

Mr. Raphael Obafemi, Chief Financial Officer/CSBO

**Department Issuing Report**

Business Services

## Independent Auditors' Report

To the Board of Education of  
Oswego Community Unit School District 308

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of the Oswego Community Unit School District 308 (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 financial position of the governmental activities and each major fund of the District as of June 30, 2023 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit for the year ended June 30, 2023 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information for the year ended June 30, 2023 as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2023, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2023.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the District as of and for the year ended June 30, 2022 (not presented herein), and have issued our report thereon dated January 27, 2023, which contained qualified and unmodified opinions on the respective financial statements of the governmental activities and each major fund. Our opinion on the governmental activities was qualified due to inaccuracies that were made in the Teachers Retirement System (TRS) Report on Allocation of Pension Amounts. Our opinion on each major fund was unmodified. The supplementary information for the year ended June 30, 2022 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2022 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or to those 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 supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2022.

### ***Other Information***

Management is responsible for the other information. The other information comprises the introductory and other information sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

### **Report on Summarized Comparative Information**

We have previously audited the District's 2022 financial statements, and we expressed qualified and unmodified audit opinions on the respective financial statements of the governmental activities and each major fund in our report dated January 27, 2023. Our opinion on the governmental activities was qualified due to inaccuracies that were made in the Teachers Retirement System (TRS) Report on Allocation of Pension Amounts. Our opinion on each major fund was unmodified. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 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 District'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.

*Baker Tilly US, LLP*

Oak Brook, Illinois  
December 8, 2023

# **Oswego Community Unit School District 308**

## **Management's Discussion and Analysis (Unaudited)**

### **As of and for the Year Ended June 30, 2023**

---

The discussion and analysis of Oswego Community Unit School District 308'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. The management of the District encourages readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and 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 required to be presented in the Management's Discussion and Analysis (the "MD&A").

#### **Financial Highlights**

- In total, net position increased by \$41.5. This represents a 59% increase from 2022.
- General revenues accounted for \$250.3 in revenue or 72% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$98.2 or 28% of total revenues of \$348.5.
- The District had \$307.0 in expenses related to government activities. However, only \$98.2 of these expenses were offset by program specific charges and grants.

#### **Overview of the Financial Statements**

This 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, and
- Notes to basic financial statements.

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

#### *Government-wide financial statements*

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

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

The statement of activities presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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.

# **Oswego Community Unit School District 308**

## **Management's Discussion and Analysis (Unaudited)**

### **As of and for the Year Ended June 30, 2023**

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#### *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.

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 seven 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, Operations and Maintenance Fund, Transportation Fund, IMRF/Social Security Fund, Debt Service Fund, Capital Projects Fund, and Fire Prevention and Safety Fund, all of which are considered to be major funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with this 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 required supplementary information concerning the District's progress in funding its obligation to provide pension and other retirement benefits.

**Oswego Community Unit School District 308**  
**Management's Discussion and Analysis (Unaudited)**  
**As of and for the Year Ended June 30, 2023**

**Government-Wide Financial Analysis**

The District's combined net position was higher on June 30, 2023, than it was the year before, increasing 59% to \$(29.5).

<b>Table 1</b>		
<b>Condensed Statements of Net Position</b>		
<b>(in millions of dollars)</b>		
	<u>2022</u>	<u>2023</u>
<b>Assets:</b>		
Current and other assets	\$ 192.5	\$ 192.9
Capital assets	331.7	321.1
Total assets	<u>524.2</u>	<u>514.0</u>
Total deferred outflows of resources	<u>20.5</u>	<u>30.8</u>
<b>Liabilities:</b>		
Current liabilities	42.5	35.6
Long-term debt outstanding	428.9	354.8
Total liabilities	<u>471.4</u>	<u>390.4</u>
Total deferred inflows of resources	<u>144.3</u>	<u>183.9</u>
<b>Net position:</b>		
Net investment in capital assets	52.7	70.2
Restricted	24.0	20.1
Unrestricted	<u>(147.7)</u>	<u>(119.8)</u>
Total net position	<u>\$ (71.0)</u>	<u>\$ (29.5)</u>

Revenues in the governmental activities of the District of \$348.5 exceeded expenses by \$41.5. This was attributable primarily to increased revenues.

**Oswego Community Unit School District 308**  
**Management's Discussion and Analysis (Unaudited)**  
**As of and for the Year Ended June 30, 2023**

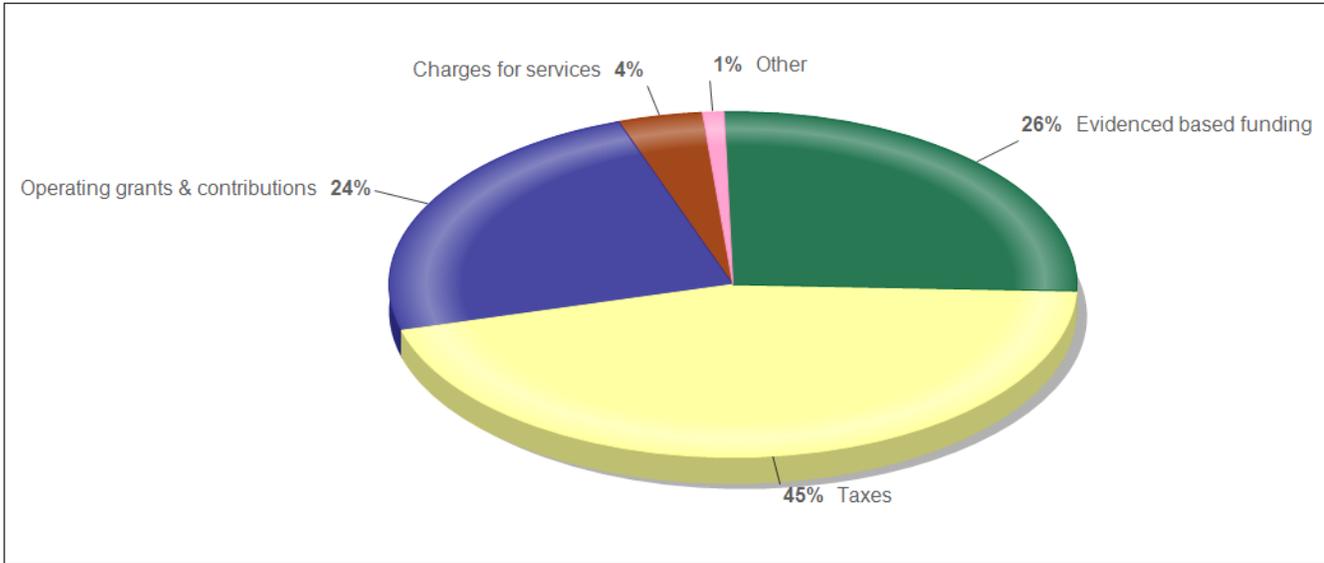
<b>Table 2</b>		
<b>Changes in Net Position</b>		
<b>(in millions of dollars)</b>		
	<u>2022</u>	<u>2023</u>
<b>Revenues:</b>		
<i>Program revenues:</i>		
Charges for services	\$ 10.6	\$ 13.1
Operating grants & contributions	26.9	85.0
Capital grants & contributions	-	0.1
<i>General revenues:</i>		
Taxes	151.7	157.1
Evidenced based funding	82.4	89.0
Other	1.4	4.2
Total revenues	<u>273.0</u>	<u>348.5</u>
<b>Expenses:</b>		
Instruction	139.5	199.4
Pupil & instructional staff services	34.1	34.0
Administration & business	16.3	15.5
Transportation	12.9	15.8
Operations & maintenance	21.0	20.6
Interest & fees	11.9	11.8
Other	9.8	9.9
Total expenses	<u>245.5</u>	<u>307.0</u>
Increase (decrease) in net position	27.5	41.5
Net position, beginning of year	<u>(98.5)</u>	<u>(71.0)</u>
Net position, end of year	<u>\$ (71.0)</u>	<u>\$ (29.5)</u>

Property taxes accounted for the largest portion of the District's revenues, contributing 45%. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$307.0, mainly related to instructing and caring for the students and student transportation at 84%.

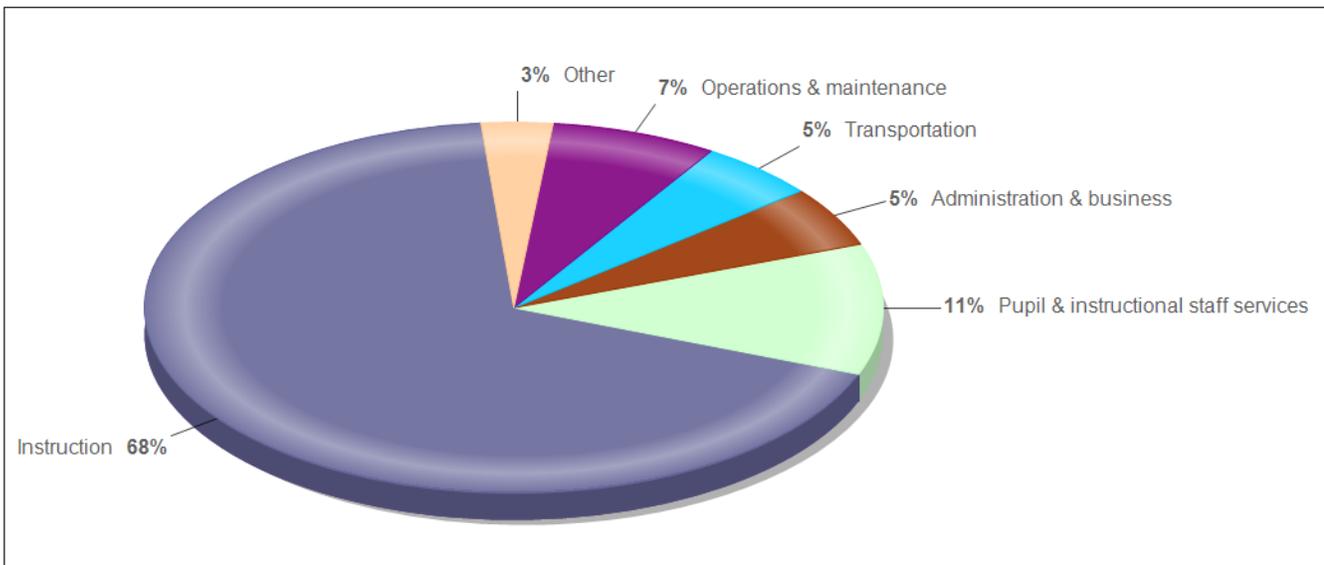
**Oswego Community Unit School District 308**  
**Management's Discussion and Analysis (Unaudited)**  
**As of and for the Year Ended June 30, 2023**

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**District-Wide Revenues by Source**



**District-Wide Expenses by Function**



**Financial Analysis of the District's Funds**

The District's Governmental Funds balance increased from \$73.9 to \$84.6.

Individual fund balances increased/decreased in the current year as follows: General Fund increased from \$38.4 to \$46.6. Transportation Fund decreased from \$2.4 to (\$3.4), Operations and Maintenance Fund increased from \$5.6 to \$9.3, and Capital Projects Fund increased from \$4.6 to \$7.4. Fund balance in the IMRF Fund increased from \$2.2 to \$4.3, Debt Service Fund decreased from \$20.7 to \$20.4, and Fire Prevention and Life Safety Fund had no change in the current year.

# Oswego Community Unit School District 308

## Management's Discussion and Analysis (Unaudited)

### As of and for the Year Ended June 30, 2023

#### General Fund Budgetary Highlights

The School District's budget, is prepared according to Illinois law using the modified accrual basis of accounting, which is the same basis that is used for financial reporting, except that pension contributions made by the State of Illinois on-behalf of the School District, for which revenues and expenditures are equal, are not included in either budgeted revenues or expenditures.

For the General Fund, actual revenues were approximately \$278.0 million, 6% more than budgeted and actual expenditures were \$264.1 million, 3% more than budgeted. Both the revenue and expenditure variances related to the On Behalf Payment to TRS from the State.

#### Capital Assets and Debt Administration

##### Capital assets

By the end of 2023, the District had compiled a total investment of \$527.1 (\$321.1 net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$14.1. More detailed information about capital assets can be found in Note 6 of the basic financial statements.

<b>Table 3</b>		
<b>Capital Assets (net of depreciation)</b>		
<b>(in millions of dollars)</b>		
	<u>2022</u>	<u>2023</u>
Land	\$ 14.4	\$ 14.4
Construction in progress	1.3	2.5
Buildings and improvements	301.0	294.1
Equipment	3.1	2.7
Vehicles	6.1	2.6
Land improvements	5.8	4.8
Total	<u>\$ 331.7</u>	<u>\$ 321.1</u>

##### Long-term debt

The District retired \$30.0 in bonds in 2023. At the end of fiscal 2023, the District had a debt margin of \$303.4. More detailed information on long-term debt can be found in Note 8 of the basic financial statements.

<b>Table 4</b>		
<b>Outstanding Long-Term Debt</b>		
<b>(in millions of dollars)</b>		
	<u>2022</u>	<u>2023</u>
General obligation bonds	\$ 317.8	\$ 291.8
Leases	8.0	4.4
Net pension, OPEB liabilities and other	103.1	58.6
Total	<u>\$ 428.9</u>	<u>\$ 354.8</u>

# **Oswego Community Unit School District 308**

## **Management's Discussion and Analysis (Unaudited)**

### **As of and for the Year Ended June 30, 2023**

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#### **Factors Bearing on the District's Future**

At the time these financial statements were prepared and audited, the District was aware of the following circumstances that will significantly affect financial operations in the future:

FY23 was the sixth year of the state of Illinois' new Evidence Based Funding model. For FY23, the district's designation of a Tier 1 district continued with its adequacy target of 66%. If legislators continue to commit funding to the EBF, the District will continue to see increases in state revenue and in fund balances.

The District continues to pursue cost cutting measures and new revenue streams that will be needed to balance future budgets. Beginning with FY17, the District has made over \$19M in budget reductions and revenue enhancements in an effort to balance the budget. The District will continue to pay close attention to information regarding potential local, state and federal revenue opportunities as well as continue to review budget areas for continued savings.

#### **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:

Raphael Obafemi  
Oswego Community Unit School District 308  
4175 Route 71  
Oswego, Illinois 60543

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## STATEMENT OF NET POSITION

AS OF JUNE 30, 2023

### GOVERNMENTAL ACTIVITIES

#### Assets

Cash and investments	\$ 105,856,986
Student activity cash	2,358,403
Receivables (net of allowance for uncollectibles):	
Property taxes	73,946,646
Replacement taxes	1,007,627
Intergovernmental	7,970,882
Other	1,806,564
Lease receivable	18,267
Capital assets:	
Land	14,350,117
Construction in progress	2,480,095
Capital assets being depreciated, net of accumulated depreciation	<u>304,231,981</u>
Total assets	<u>514,027,568</u>

#### Deferred outflows of resources

Deferred charge on refunding	2,648,886
Deferred outflows related to pensions	19,834,926
Deferred outflows related to OPEB	<u>8,309,556</u>
Total deferred outflows of resources	<u>30,793,368</u>

#### Liabilities

Accounts payable	3,321,553
Salaries and wages payable	17,703,546
Tax anticipation warrants payable	8,000,000
Interest payable	3,687,436
Health claims payable	2,800,438
Long-term liabilities:	
Other long-term liabilities - due within one year	31,220,652
Other long-term liabilities - due after one year	<u>323,625,543</u>
Total liabilities	<u>390,359,168</u>

#### Deferred inflows of resources

Property taxes levied for a future period	76,106,466
Deferred inflows related to pensions	10,872,644
Deferred inflows related to OPEB	96,926,153
Deferred inflows related to leases	<u>18,267</u>
Total deferred inflows of resources	<u>183,923,530</u>

#### Net position

Net investment in capital assets	70,240,267
Restricted for:	
Operations and maintenance	9,348,751
Capital projects	466,671
Food service	10,278,625
Unrestricted	<u>(119,796,076)</u>
Total net position	<u>\$ (29,461,762)</u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2023

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE			NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES
<b>Governmental activities</b>					
Instruction:					
Regular programs	\$ 90,004,319	\$ 5,001,778	\$ 6,786,187	\$ -	(78,216,354)
Special programs	37,493,769	1,225,751	10,498,608	-	(25,769,410)
Other instructional programs	17,307,892	171,445	454,045	-	(16,682,402)
Student activities	3,004,693	3,196,846	-	-	192,153
State retirement contributions	54,567,018	-	54,567,018	-	-
Support Services:					
Pupils	27,402,498	-	429,463	-	(26,973,035)
Instructional staff	6,594,077	-	806,809	-	(5,787,268)
General administration	2,320,335	-	40,488	-	(2,279,847)
School administration	7,701,841	-	47,685	-	(7,654,156)
Business	5,492,467	2,588,562	3,838,226	50,000	984,321
Transportation	15,794,545	136,259	6,794,647	-	(8,863,639)
Operations and maintenance	20,616,805	824,928	672,533	-	(19,119,344)
Central	6,140,141	-	-	-	(6,140,141)
Other supporting services	289,036	-	21,025	-	(268,011)
Community services	329,415	-	-	-	(329,415)
Payments to other districts and gov't units - excluding special education	86,024	-	-	-	(86,024)
Interest and fees	11,796,713	-	-	-	(11,796,713)
<b>Total governmental activities</b>	<b><u>\$ 306,941,588</u></b>	<b><u>\$ 13,145,569</u></b>	<b><u>\$ 84,956,734</u></b>	<b><u>\$ 50,000</u></b>	<b><u>(208,789,285)</u></b>

General revenues:

Taxes:

Real estate taxes, levied for general purposes	91,970,920
Real estate taxes, levied for specific purposes	22,577,431
Real estate taxes, levied for debt service	36,180,837
Personal property replacement taxes	6,389,944
State aid-formula grants	89,038,887
Investment income	2,702,385
Miscellaneous	1,497,219
<b>Total general revenues</b>	<b><u>250,357,623</u></b>

Change in net position	41,568,338
Net position, beginning of year	<u>(71,030,100)</u>
Net position, end of year	<b><u>\$ (29,461,762)</u></b>

See Notes to Basic Financial Statements

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## GOVERNMENTAL FUNDS

BALANCE SHEET

AS OF JUNE 30, 2023

WITH COMPARATIVE TOTALS AS OF JUNE 30, 2022

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
<b>Assets</b>				
Cash and investments	\$ 61,697,925	\$ 10,577,098	\$ -	\$ 4,678,140
Student activity cash	2,358,403	-	-	-
Receivables (net allowance for uncollectibles):				
Property taxes	45,627,259	6,760,995	1,167,823	3,234,792
Replacement taxes	1,007,627	-	-	-
Intergovernmental	6,253,905	-	1,716,977	-
Other	582,877	-	103,755	-
Lease receivable	-	18,267	-	-
Loan to transportation fund	<u>5,168,788</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total assets</b>	<b><u>\$ 122,696,784</u></b>	<b><u>\$ 17,356,360</u></b>	<b><u>\$ 2,988,555</u></b>	<b><u>\$ 7,912,932</u></b>
<b>Liabilities</b>				
Accounts payable	\$ 584,957	\$ 960,247	\$ 32,919	\$ -
Salaries and wages payable	17,324,397	62,625	18,849	297,675
Tax anticipation warrants payable	8,000,000	-	-	-
Loan from educational accounts	-	-	5,168,788	-
Health claims payable	<u>2,800,438</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>28,709,792</u></b>	<b><u>1,022,872</u></b>	<b><u>5,220,556</u></b>	<b><u>297,675</u></b>
<b>Deferred inflows of resources</b>				
Property taxes levied for a future period	46,938,104	6,966,470	1,203,303	3,333,084
Unavailable state and federal aid receivable	432,647	-	-	-
Deferred inflows related to leases	<u>-</u>	<u>18,267</u>	<u>-</u>	<u>-</u>
<b>Total deferred inflows of resources</b>	<b><u>47,370,751</u></b>	<b><u>6,984,737</u></b>	<b><u>1,203,303</u></b>	<b><u>3,333,084</u></b>
<b>Fund balance</b>				
Restricted	10,278,625	9,348,751	-	4,282,173
Assigned	2,358,403	-	-	-
Unassigned	<u>33,979,213</u>	<u>-</u>	<u>(3,435,304)</u>	<u>-</u>
<b>Total fund balance (deficit)</b>	<b><u>46,616,241</u></b>	<b><u>9,348,751</u></b>	<b><u>(3,435,304)</u></b>	<b><u>4,282,173</u></b>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<b><u>\$ 122,696,784</u></b>	<b><u>\$ 17,356,360</u></b>	<b><u>\$ 2,988,555</u></b>	<b><u>\$ 7,912,932</u></b>

DEBT SERVICE FUND	CAPITAL PROJECTS FUND	FIRE PREVENTION AND LIFE SAFETY FUND	TOTAL	
			2023	2022
\$ 20,897,441	\$ 8,005,995	\$ 387	\$ 105,856,986	\$ 101,679,102
-	-	-	2,358,403	2,166,250
17,155,777	-	-	73,946,646	72,212,879
-	-	-	1,007,627	1,003,145
-	-	-	7,970,882	7,805,204
-	1,119,932	-	1,806,564	1,687,313
-	-	-	18,267	53,670
-	-	-	5,168,788	-
<u>\$ 38,053,218</u>	<u>\$ 9,125,927</u>	<u>\$ 387</u>	<u>\$ 198,134,163</u>	<u>\$ 186,607,563</u>
\$ -	\$ 1,743,430	\$ -	\$ 3,321,553	\$ 2,548,057
-	-	-	17,703,546	16,957,782
-	-	-	8,000,000	10,000,000
-	-	-	5,168,788	-
-	-	-	2,800,438	8,890,327
-	1,743,430	-	36,994,325	38,396,166
17,665,505	-	-	76,106,466	73,935,860
-	-	-	432,647	327,091
-	-	-	18,267	53,670
<u>17,665,505</u>	-	-	<u>76,557,380</u>	<u>74,316,621</u>
20,387,713	466,284	387	44,763,933	38,758,633
-	6,916,213	-	9,274,616	6,744,882
-	-	-	30,543,909	28,391,261
<u>20,387,713</u>	<u>7,382,497</u>	<u>387</u>	<u>84,582,458</u>	<u>73,894,776</u>
<u>\$ 38,053,218</u>	<u>\$ 9,125,927</u>	<u>\$ 387</u>	<u>\$ 198,134,163</u>	<u>\$ 186,607,563</u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION AS OF JUNE 30, 2023

Total fund balances - governmental funds		\$ 84,582,458
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Net capital assets used in governmental activities and included in the Statement of Net Position do not require the expenditure of financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet.		321,062,193
Certain revenues receivable by the District and recognized in the Statement of Net Position do not provide current financial resources and are included as deferred inflows of resources in the Governmental Funds Balance Sheet.		432,647
Deferred outflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		19,834,926
Deferred outflows of resources related to OPEB do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		8,309,556
Deferred charge on refunding included in the Statement of Net Position is not available to pay for current period expenditures and, therefore, is not included in the Governmental Funds Balance Sheet.		2,648,886
Deferred inflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		(10,872,644)
Deferred inflows of resources related to OPEB do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		(96,926,153)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position. Balances at June 30, 2023 are:		
Bonds payable	\$ (272,108,769)	
Accrued incurred but not reported health claims	(1,319,900)	
Unamortized bond premium	(19,698,655)	
Net OPEB liability	(31,189,487)	
Net pension liability	(22,705,737)	
Lease liabilities	(4,358,942)	
Compensated absences	<u>(3,464,705)</u>	(354,846,195)
Interest on long-term liabilities accrued in the Statement of Net Position will not be paid with current financial resources and, therefore, is not recognized in the Governmental Funds Balance Sheet.		<u>(3,687,436)</u>
Net position of governmental activities		<u>\$ (29,461,762)</u>

See Notes to Basic Financial Statements

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## GOVERNMENTAL FUNDS

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2022

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
<b>Revenues</b>				
Property taxes	\$ 91,411,023	\$ 13,566,100	\$ 2,342,962	\$ 6,490,122
Corporate personal property replacement taxes	4,474,305	-	-	1,915,639
State aid	150,217,763	6,009,009	6,794,647	-
Federal aid	18,173,498	575,378	-	-
Investment income	1,703,963	258,538	3,091	114,180
Student activities	3,196,846	-	-	-
Other	8,838,827	902,255	211,549	-
Total revenues	<u>278,016,225</u>	<u>21,311,280</u>	<u>9,352,249</u>	<u>8,519,941</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular programs	84,652,397	-	-	1,158,101
Special programs	36,408,130	-	-	1,043,231
Other instructional programs	17,818,177	-	-	384,581
Student activities	3,004,693	-	-	-
State retirement contributions	62,447,248	-	-	-
Support Services:				
Pupils	24,276,863	-	-	668,755
Instructional staff	7,054,702	-	-	284,868
General administration	5,875,427	-	-	111,849
School administration	11,628,805	-	-	435,525
Business	5,339,792	-	-	79,540
Transportation	6,760	-	13,388,358	744,321
Operations and maintenance	7,042	17,133,706	-	1,141,476
Central	4,758,958	-	-	354,124
Other supporting services	245,148	-	-	28,064
Community services	326,646	-	-	27,713
Payments to other districts and gov't units	86,024	-	-	-
Debt Service:				
Principal	-	-	1,595,137	-
Interest and other	66,242	-	206,021	-
Capital outlay	70,327	889,873	1,437,793	-
Total expenditures	<u>264,073,381</u>	<u>18,023,579</u>	<u>16,627,309</u>	<u>6,462,148</u>
Excess (deficiency) of revenues over expenditures	<u>13,942,844</u>	<u>3,287,701</u>	<u>(7,275,060)</u>	<u>2,057,793</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers (out)	(5,752,129)	(326,078)	-	-
Principal on bonds sold	-	-	-	-
Premium on bonds sold	-	-	-	-
Lease value	-	810,750	1,437,793	-
Total other financing sources (uses)	<u>(5,752,129)</u>	<u>484,672</u>	<u>1,437,793</u>	<u>-</u>
Net change in fund balance	8,190,715	3,772,373	(5,837,267)	2,057,793
Fund balance, beginning of year	<u>38,425,526</u>	<u>5,576,378</u>	<u>2,401,963</u>	<u>2,224,380</u>
Fund balance (deficit), end of year	<u>\$ 46,616,241</u>	<u>\$ 9,348,751</u>	<u>\$ (3,435,304)</u>	<u>\$ 4,282,173</u>

See Notes to Basic Financial Statements

DEBT SERVICE FUND	CAPITAL PROJECTS FUND	FIRE PREVENTION AND LIFE SAFETY FUND	TOTAL	
			2023	2022
\$ 36,180,837	\$ -	\$ -	\$ 149,991,044	\$ 145,038,785
-	-	-	6,389,944	6,122,748
-	50,000	-	163,071,419	153,348,622
-	-	-	18,748,876	21,957,175
441,055	181,558	-	2,702,385	68,817
-	-	-	3,196,846	2,780,794
-	2,231,455	-	12,184,086	9,683,667
<u>36,621,892</u>	<u>2,463,013</u>	<u>-</u>	<u>356,284,600</u>	<u>339,000,608</u>
-	-	-	85,810,498	82,272,884
-	-	-	37,451,361	35,597,320
-	-	-	18,202,758	17,748,387
-	-	-	3,004,693	2,544,406
-	-	-	62,447,248	61,629,634
-	-	-	24,945,618	22,859,398
-	-	-	7,339,570	7,298,138
-	-	-	5,987,276	4,188,274
-	-	-	12,064,330	11,720,010
-	-	-	5,419,332	5,975,385
-	-	-	14,139,439	12,627,500
-	2,185,166	-	20,467,390	20,026,539
-	-	-	5,113,082	5,599,386
-	-	-	273,212	275,480
-	-	-	354,359	223,357
-	-	-	86,024	92,758
27,756,567	-	-	29,351,704	26,408,896
10,211,759	-	-	10,484,022	10,410,789
-	2,505,552	-	4,903,545	1,779,395
<u>37,968,326</u>	<u>4,690,718</u>	<u>-</u>	<u>347,845,461</u>	<u>329,277,936</u>
<u>(1,346,434)</u>	<u>(2,227,705)</u>	<u>-</u>	<u>8,439,139</u>	<u>9,722,672</u>
1,046,637	5,031,570	-	6,078,207	1,187,920
-	-	-	(6,078,207)	(1,187,920)
-	-	-	-	16,245,000
-	-	-	-	2,074,347
-	-	-	2,248,543	-
<u>1,046,637</u>	<u>5,031,570</u>	<u>-</u>	<u>2,248,543</u>	<u>18,319,347</u>
(299,797)	2,803,865	-	10,687,682	28,042,019
<u>20,687,510</u>	<u>4,578,632</u>	<u>387</u>	<u>73,894,776</u>	<u>45,852,757</u>
<u>\$ 20,387,713</u>	<u>\$ 7,382,497</u>	<u>\$ 387</u>	<u>\$ 84,582,458</u>	<u>\$ 73,894,776</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023

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Net change in fund balances - total governmental funds	\$	10,687,682
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeds current year net capital outlay and lease term adjustments in the current period.		(10,618,811)
Certain revenues included in the Statement of Activities do not provide current financial resources and, therefore, are included as deferred inflows of resources in the fund statements.		105,556
The issuance of long-term debt (bonds, capital leases, etc.) provides current financial resources to the governmental funds, while its principal repayment consumes current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. This is the amount of current year, net effect of those differences.		30,380,459
Governmental funds report the effects of premiums, discounts and similar items when the debt is issued. However, these amounts are deferred and amortized in the Statement of Activities. This is the amount of the current year, net effect of these differences.		2,306,254
In the Statement of Activities operating expenses are measured by the amounts incurred during the year. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources:		
Interest payable	\$	409,958
Compensated absences		(585,723)
Net OPEB liability		67,529,302
Deferred outflows related to OPEB		(4,113,374)
Deferred inflows related to OPEB		(53,057,700)
Accretion on bonds		(4,026,923)
Accrued incurred but not reported health claims		266,700
Net pension liability		(22,705,737)
Net pension asset		(5,920,955)
Deferred outflows related to pensions		15,354,330
Deferred inflows related to pensions		15,557,320
State on-behalf contribution revenue		(7,880,230)
State on-behalf contribution expense		<u>7,880,230</u>
		<u>8,707,198</u>
Change in net position of governmental activities	\$	<u><u>41,568,338</u></u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Oswego Community Unit School District 308 (the "District") operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to the accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District:

### Reporting Entity

This report includes all of the funds of the District. The reporting entity for the District consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The District has not identified any organizations that meet this criteria.

### Basis of Presentation

#### *Government-wide Financial Statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) 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 demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues 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 revenues are reported instead as general revenues.

#### *Governmental Funds Financial Statements*

Governmental funds financial statements are organized and operated on the basis of funds and are used to account for the District's general governmental activities. Fund accounting segregates funds according to their intended purpose, and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, fund balance, revenues and expenditures. The minimum number of funds is maintained consistent with legal and managerial requirements.

Separate financial statements are provided for all governmental funds.

### Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, expenditures for unmatured principal and interest on general long-term debt are recognized when due; and certain compensated absences, claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

### *Major Governmental Funds*

General Fund - the general operating fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and state government aid.

This fund also includes student activity funds held and controlled by the District, under the direction of District personnel, and administrative involvement of the Board of Education.

Special Revenue Funds - account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes, other than those accounted for in the Debt Service Fund or Capital Projects Funds.

*Operations and Maintenance Fund* - accounts for expenditures made for repair and maintenance of the District's buildings and land. Revenue traditionally consists primarily of local property taxes.

*Transportation Fund* - accounts for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

*Municipal Retirement / Social Security Fund* - accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for non-certified employees. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

Debt Service Fund - accounts for the accumulation of resources that are restricted, committed, or assigned for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service.

Capital Project Funds - accounts for the financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

*Capital Projects Fund* - accounts for construction projects and renovations financed through bond issuances and other local revenue sources.

*Fire Prevention and Life Safety Fund* - accounts for State-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes.

On-behalf payments (payments made by a third party for the benefit of the district, such as payments made by the state to the Teachers' Retirement System) have been recognized in the financial statements.

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

Property taxes, replacement taxes, certain state and federal aid, and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and recognized as revenue at that time.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until earned.

*All Financial Statements*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity**

*Deposits and Investments*

State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly-rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments are stated at fair value. Changes in fair value of investments are included as investment income.

*Receivables and Payables*

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". These amounts are eliminated in the governmental activities column in the statement of net position. Receivables are expected to be collected within one year.

*Unearned Revenue*

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

*Property Tax Revenues*

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2022 levy resolution was approved during the December 5, 2022 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

The tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by the approval of the voters of the District.

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)**

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lesser of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is “new growth” in the District’s tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation. The PTELL limits applicable to the 2022 and 2021 tax levies were 5.0% and 1.4%, respectively.

Property taxes are collected by the County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 60 days of the respective installment dates.

The 2022 property tax levy is recognized as a receivable in fiscal 2023, net of estimated uncollectible amounts approximating 0.10% and less amounts already received. The District considers that the first installment of the 2022 levy is to be used to finance operations in fiscal 2023. The District has determined that the second installment of the 2022 levy is to be used to finance operations in fiscal 2024 and has included the corresponding receivable as a deferred inflow of resources.

***Personal Property Replacement Taxes***

Personal property replacement taxes are first allocated to the Municipal Retirement / Social Security Fund, and the balance is allocated to the remaining funds at the discretion of the District.

***Prepaid Items***

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

***Capital Assets***

Capital assets, which include land, construction in progress, land improvements, buildings and building improvements, equipment, vehicles and intangible assets are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life of more than 1 year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

<i>Assets</i>	<i>Years</i>
Land improvements	15-20
Buildings and improvements	20-50
Equipment	5-20
Vehicles	8

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

### *Deferred Outflows of Resources*

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arise from advance refunding of debt. The difference between the cost of the securities placed in trust for future payment of refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide statements.

### *Compensated Absences*

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2023 are determined on the basis of current salary rates and include salary related payments.

All full-time twelve-month maintenance employees are eligible for paid vacation. On July 1 of each year, employees accrue a year of vacation service and upon initial employment, the employee will accrue 1 day per month. Days are earned as follows: 12 days per 0-5 years of service, 18 days for 6-15 years of service, and 24 days for 16 + years of service. Upon termination, following full year of employment, employees shall be compensated at their regular salary rate for unused accrued vacation days.

Administrative employees accrue a year of vacation service on July 1. Upon employment, 12 month administrative employees earn 1 day per month. Days are earned as follows: 12 days for 0-5 years of service, 18 days for 6-15 years, and 24 days for more than 16 years. Vacation days can be carried over to a maximum of double their yearly allotment. Failure to utilize these days will result in the employee forfeiting the days.

Maintenance and transportation employees receive 12 sick days per year, accumulating up to 240 days. IMRF requires 240 days for the maximum benefit of one year toward retirement. For maintenance employees, any days over the 240 days, the District will pay \$60 for each day over 240 days up to and not to exceed 100 days at the time of retirement or termination. If an employee who wishes to retire has a balance of accrued, unused sick leave days under 240, employee will be compensated by the district at a rate of \$80 per day up to 100 days. When a maintenance employee terminates employment with the district for other than retirement, employee shall cash out all unused, accumulated sick leave days at \$60 per day. For transportation employees, any days over 240 days, the District will pay \$80 for each day over 240 days up to and not to exceed 80 days at the time of retirement.

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

### *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the applicable bonds using the effective interest method. The balance at year end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the period incurred. 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 on debt issuances are reported as other financing uses.

### *Deferred Inflows of Resources*

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

### *Equity Classifications*

Equity is classified as net position in the government-wide financial statements and displayed in three components:

*Net investment in capital assets* - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets less than any unspent debt proceeds.

*Restricted net position* - Consists of net position with constraints placed on its use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

*Unrestricted net position* - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and then unrestricted resources.

Equity is classified as fund balance in the fund financial statements and displayed in five components:

*Nonspendable* - includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually (principal endowment) (e.g. inventory, pre-paid items, permanent scholarships).

*Restricted* - includes amounts constrained for a specific purpose by external parties (e.g. Debt Service, Capital Projects, State and Federal Grant Funds). The restricted fund balance in the General Fund is comprised \$10,278,625 for the operation of the District's food service program.

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

*Committed* - includes amounts constrained for a specific purpose by a government using its highest level of decision making authority, the Board of Education. This formal action (a resolution) must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Board of Education board that originally created the commitment.

*Assigned* - includes General Fund amounts constrained for a specific purpose by the Board of Education or by an official that has been delegated authority to assign amounts. The Board of Education has declared that authority to any other body or official to assign amounts for a specific purpose within the General Fund may assign amounts for a specific purpose. The Board of Education may also take official action to assign amounts. The assigned fund balance in the General Fund of \$2,358,403 is for student activity purposes. Additionally, all remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.

*Unassigned* - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended in the General Fund is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. In all other funds (Special Revenue, Debt Service, Capital Projects), assigned fund balance will be spent first, followed by committed fund balance, and then restricted fund balance.

Governmental fund balances reported on the fund financial statements at June 30, 2023 are as follows:

The restricted fund balances are for the purpose of the respective funds as described above in the Major Governmental Funds section. The committed and assigned fund balances, if any, are for the purpose of the respective fund as described above in the Major Governmental Funds section.

### *Comparative Data*

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2022, from which such summarized information was derived.

### *Eliminations and Reclassifications*

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified.

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Excess of Expenditures over Budget**

For the year ended June 30, 2023, expenditures exceeded budget in the General Fund, the Debt Service Fund, the Transportation Fund, and the Municipal Retirement/Social Security Fund by \$7,253,315, \$1,039,087, \$2,514,037, and \$66,570, respectively. The excesses were funded by available fund balances or other funding sources.

**Deficit Fund Equity**

The Transportation Fund had a deficit fund balance of \$3,435,304 as of June 30, 2023. District management expects to fund this deficit through future restricted revenue sources.

**NOTE 3 - DEPOSITS AND INVESTMENTS**

At year end, the District's cash and investments was comprised of the following:

	<i>Carrying Value</i>	<i>Statement Balances</i>
Deposits with financial institutions	\$ 1,887,717	\$ 6,362,600
Illinois Funds	347,677	347,677
Other investments - ISDLAF	<u>105,979,995</u>	<u>105,979,995</u>
Total	<u>\$ 108,215,389</u>	<u>\$ 112,690,272</u>
Reconciliation to financial statements		
Per statement of net position		
Cash and investments		\$ 105,856,986
Student activity cash		<u>2,358,403</u>
Total		<u>\$ 108,215,389</u>

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State Statutes limit the investments in commercial paper and corporate bonds to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The District is also authorized to invest in ISDLAF and the Illinois Funds. The District restricted its investments to only investments listed above.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. The trust is not registered with the SEC as an investment company. Investments are rated AAAM and are valued at share price, which is the price for which the investment could be sold.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are rated AAAM and are valued at Illinois Funds' share price, which is the price for which the investment could be sold.

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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**NOTE 3 - DEPOSITS AND INVESTMENTS - (CONTINUED)**

*Concentration of Credit Risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's investment policy does not restrict the amount of investment in any one issuer. The ISDLAF is not subject to concentration of credit risk.

*Custodial Credit Risk - Deposits.* 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 limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2023, the bank balance of the District's deposits with financial institutions totaled \$6,362,600; of this amount, \$51,298 was uncollateralized and uninsured.

*Custodial Credit Risk - Investments.* With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring all investments be secured by private insurance or collateral.

Separate cash and investment accounts are not maintained for all District funds; instead, the individual funds maintain their invested and uninvested balances in the common checking and investment accounts, with accounting records being maintained to show the portion of the common account balance attributable to each participating fund.

**NOTE 4 - INTERFUND LOANS**

The composition of interfund loan balances as of June 30, 2023 for the District's individual major funds, is as follows:

<b><i>Loan Receivable Fund</i></b>	<b><i>Loan Payable Fund</i></b>	<b><i>Amount</i></b>
General	Transportation	\$ 5,168,788
Total		<u>\$ 5,168,788</u>

The above interfund balances exist in order to minimize the amount of borrowing that is needed to comply with the School Code and save financing costs. All amounts will be repaid in more than one year.

**NOTE 5 - INTERFUND TRANSFERS**

Also during the year, the Board of Education authorized the abatement of a portion of the General Fund (Working Cash Accounts), thereby transferring fund balance of \$5,031,570 to the Capital Projects Fund.

During the year, the Board transferred \$720,559 and \$326,078 from the General Fund (Educational Accounts) and the Operations and Maintenance Fund, respectively, to the Debt Service Fund to fund capital lease payments.

State law allows for the above transfers.

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 6 - CAPITAL ASSETS**

Capital asset activity for the District for the year ended June 30, 2023 was as follows:

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
<b><u>Capital assets not being depreciated / amortized:</u></b>				
Land	\$ 14,350,117	\$ -	\$ -	\$ 14,350,117
Construction in progress	<u>1,322,793</u>	<u>3,525,493</u>	<u>2,368,191</u>	<u>2,480,095</u>
Total capital assets not being depreciated / amortized	<u>15,672,910</u>	<u>3,525,493</u>	<u>2,368,191</u>	<u>16,830,212</u>
<b><u>Capital assets being depreciated / amortized:</u></b>				
Land improvements	19,094,912	53,110	-	19,148,022
Buildings	461,063,743	2,329,574	-	463,393,317
Equipment	17,477,895	966,980	-	18,444,875
Equipment - right-to-use lease asset	2,556,915	810,750	-	3,367,665
Vehicles	826,315	8,049	-	834,364
Vehicles - right-to-use lease asset	<u>7,836,382</u>	<u>1,437,793</u>	<u>4,164,771</u>	<u>5,109,404</u>
Total capital assets being depreciated	<u>508,856,162</u>	<u>5,606,256</u>	<u>4,164,771</u>	<u>510,297,647</u>
<b><u>Less Accumulated Depreciation / Amortization for:</u></b>				
Land improvements	13,290,920	956,073	-	14,246,993
Buildings	160,060,591	9,244,571	-	169,305,162
Equipment	15,957,819	1,197,426	-	17,155,245
Equipment - right-to-use lease asset	991,759	1,006,567	-	1,998,326
Vehicles	1,675,829	103,297	-	1,779,126
Vehicles - right-to-use lease asset	<u>873,150</u>	<u>1,595,137</u>	<u>887,473</u>	<u>1,580,814</u>
Total accumulated depreciation / amortization	<u>192,850,068</u>	<u>14,103,071</u>	<u>887,473</u>	<u>206,065,666</u>
Net capital assets being depreciated / amortized	<u>316,006,094</u>	<u>(8,496,815)</u>	<u>3,277,298</u>	<u>304,231,981</u>
Net governmental activities capital assets	<u>\$ 331,679,004</u>	<u>\$ (4,971,322)</u>	<u>\$ 5,645,489</u>	<u>\$ 321,062,193</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 6 - CAPITAL ASSETS - (CONTINUED)**

Depreciation expense was recognized in the operating activities of the District as follows:

<i>Governmental Activities</i>	<i>Depreciation</i>
Regular programs	\$ 4,091,915
Special programs	1,803,075
Other instructional programs	1,131,788
Pupils	1,182,931
Instructional staff	482,579
General administration	113,852
School administration	399,363
Business	285,403
Transportation	2,227,882
Operations and maintenance	1,333,446
Central	1,003,632
Other supporting services	13,221
Community services	<u>33,984</u>
Total depreciation expense - governmental activities	<u>\$ 14,103,071</u>

**NOTE 7 - LESSOR AGREEMENTS**

The District leases agricultural land under noncancelable operating leases to third parties. The District recognized \$35,403 in lease revenue and \$1,197 in interest revenue during the current fiscal year related to these leases. As of June 30, 2023, the District's receivable for lease payments was \$18,267. Additionally, the District reported deferred inflows of resources associated with the leases that will be recognized as revenue over the lease term. As of June 30, 2023, the District reported deferred inflows of resources of \$18,267.

<i>Description</i>	<i>Date of Issue</i>	<i>Final Maturity</i>	<i>Interest Rate</i>	<i>Outstanding Principal</i>
Stewart Farms Partnership	1/30/2022	1/29/2024	2.18%	\$ <u>18,267</u>
Total				\$ <u>18,267</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 8 - LONG TERM LIABILITIES**

*Changes in General Long-term Liabilities.* The following is the long-term liability activity for the District for the year ended June 30, 2023:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
General obligation bonds	\$ 210,530,000	\$ -	\$ 23,350,000	\$ 187,180,000	\$ 10,555,000
Private placement bonds	11,755,000	-	3,150,000	8,605,000	5,135,000
Capital appreciation bonds	72,546,846	4,026,923	250,000	76,323,769	12,160,000
Unamortized premium	22,924,155	-	3,225,500	19,698,655	-
Unamortized discount	<u>(5,301)</u>	<u>-</u>	<u>(5,301)</u>	<u>-</u>	<u>-</u>
Total bonds payable	<u>317,750,700</u>	<u>4,026,923</u>	<u>29,970,199</u>	<u>291,807,424</u>	<u>27,850,000</u>
IBNR health claims	1,586,600	-	266,700	1,319,900	-
Lease liabilities	7,989,401	2,248,543	5,879,002	4,358,942	2,270,652
Compensated absences	2,878,962	1,695,126	1,109,403	3,464,685	1,100,000
Net pension liability	-	26,224,713	3,518,976	22,705,737	-
Net OPEB liability	<u>98,718,789</u>	<u>103,368</u>	<u>67,632,650</u>	<u>31,189,507</u>	<u>-</u>
Total long-term liabilities - governmental activities	<u>\$ 428,924,452</u>	<u>\$ 34,298,673</u>	<u>\$ 108,376,930</u>	<u>\$ 354,846,195</u>	<u>\$ 31,220,652</u>

The obligations for the compensated absences, TRS net OPEB liability and net pension liability will be repaid from the General Fund. The IMRF net pension liability will be repaid from the Municipal Retirement/Social Security Fund.

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 8 - LONG TERM LIABILITIES - (CONTINUED)**

*General Obligation Bonds.* General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

<b>Purpose</b>	<b>Interest Rates</b>	<b>Original Indebtedness</b>	<b>Carrying Amount</b>
Series 2008 General Obligation Capital Appreciation Bonds dated May 6, 2008 are due in annual installments through February 1, 2028	5.24%	\$ 79,998,396	\$ 76,323,769
Series 2011 General Obligation School Refunding Bonds dated March 7, 2011 are due in annual installments through February 1, 2027	5.25% - 5.5%	22,840,000	1,235,000
Series 2013 General Obligation School Refunding Bonds dated December 26, 2013 are due in annual installments through October 1, 2032	2.0% - 4.75%	9,585,000	6,770,000
Series 2014 General Obligation School Refunding Bonds dated April 23, 2014 are due in annual installments through February 1, 2030	2.0% - 4.17%	9,825,000	9,660,000
Series 2015 General Obligation School Refunding Bonds dated April 1, 2015 are due in annual installments through February 1, 2030	3.0% - 4.0%	15,170,000	11,810,000
Series 2016 General Obligation Refunding Bonds dated March 1, 2016 are due in annual installments through February 1, 2036	4.0% - 5.0%	96,780,000	95,275,000
Series 2017B General Obligation Refunding School Bonds dated October 3, 2017 are due in annual installments through October 1, 2023	3.0% - 5.0%	16,720,000	3,890,000
Series 2020A General Obligation Refunding School Bonds dated November 12, 2020 are due in annual installments through February 1, 2029	5.00%	44,690,000	44,690,000
Series 2022 General Obligation Limited Tax School Bonds dated February 22, 2022 are due in annual installments through February 1, 2028	5.00%	<u>16,245,000</u>	<u>13,850,000</u>
<b>Total</b>		<u><u>\$ 311,853,396</u></u>	<u><u>\$ 263,503,769</u></u>

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2023, \$4,215,818 of bonds outstanding are considered defeased.

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 8 - LONG TERM LIABILITIES - (CONTINUED)**

Annual debt service requirements to maturity for general obligation bonds are as follows for governmental type activities:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2024	\$ 22,715,000	\$ 8,953,238	\$ 31,668,238
2025	24,930,000	8,516,563	33,446,563
2026	29,165,000	7,805,313	36,970,313
2027	29,935,000	7,032,813	36,967,813
2028	30,290,000	6,674,313	36,964,313
2029 - 2033	90,260,000	23,309,719	113,569,719
2034 - 2036	<u>46,460,000</u>	<u>4,721,250</u>	<u>51,181,250</u>
Total	<u>\$ 273,755,000</u>	<u>\$ 67,013,209</u>	<u>\$ 340,768,209</u>

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 13.8% of the most recent available equalized assessed valuation of the District. As of June 30, 2023, the statutory debt limit for the District was \$342,566,448, providing a debt margin of \$303,382,506.

Principal maturities include \$10,251,231 of future accreted interest on capital appreciation bonds, which will be included as long-term debt on the statement of net position.

On November 7, 2006, the voters of the District approved a referendum providing for the issuance of \$450,000,000 in general obligation bonds for the purpose of building and equipping one new high school building, four new junior high school buildings, eight new elementary school buildings, an early childhood building, a maintenance building, a transportation facility, additions to existing school buildings, and alter, repair, equip, and provide technology improvements to existing buildings. Based on provisions specifically added for the District to the School Code of the State of Illinois Section 19-1, the bonds issued in the current year and future years related to this referendum are not subject to the District's legal debt limitation. Of the general obligation bonds outstanding at June 30, 2022, \$194,773,792 is not subject to the District's legal debt limitation.

*Private placement bonds.* Private placement bonds are direct obligations and pledge the full faith and credit of the District. Private placement bonds are bonds sold directly to pre-selected investors or institutions rather than on the open market. Private placement bonds currently outstanding are as follows:

<i>Purpose</i>	<i>Interest Rates</i>	<i>Original Indebtedness</i>	<i>Carrying Amount</i>
Series 2020B General Obligation Refunding School Bonds dated November 12, 2020 are due in annual installments through February 1, 2025	1.1% - 1.4%	\$ 11,755,000	\$ 8,605,000
Total		<u>\$ 11,755,000</u>	<u>\$ 8,605,000</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 8 - LONG TERM LIABILITIES - (CONTINUED)**

Annual debt service requirements to maturity for private placement bonds are as follows for governmental type activities:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2024	\$ 5,135,000	\$ 113,628	\$ 5,248,628
2025	<u>3,470,000</u>	<u>48,927</u>	<u>3,518,927</u>
Total	<u>\$ 8,605,000</u>	<u>\$ 162,555</u>	<u>\$ 8,767,555</u>

*Leases.* The District has entered into lease agreements as a lessee for financing the temporary acquisition of buses and equipment. These agreements qualify as leases for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. The obligations for the leased buses will be repaid from the Transportation Fund, the obligations for all other leases will be repaid from the Debt Service Fund and funded by a transfer of resources from the General Fund (Educational Accounts).

<i>Description</i>	<i>Date of Issue</i>	<i>Final Maturity</i>	<i>Interest Rates</i>	<i>Balance</i>
Santander Leasing LLC (Bus Lease)	07/01/2017	07/01/2026	7.00%	\$ 2,989,603
Xerox Copiers	12/01/2017	01/01/2023	6.00%	658,285
Chromebooks	10/01/2020	07/15/2023	1.00%	<u>711,054</u>
Total				<u>\$ 4,358,942</u>

Annual debt service requirements to maturity for the lease liabilities are as follows:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2024	\$ 2,270,652	\$ 215,264	\$ 2,460,391
2025	1,377,004	159,021	1,561,550
2026	421,581	49,042	470,623
2027	<u>289,705</u>	<u>35,202</u>	<u>324,907</u>
Total	<u>\$ 4,358,942</u>	<u>\$ 458,529</u>	<u>\$ 4,817,471</u>

**NOTE 9 - SHORT-TERM DEBT**

A summary of activity in short-term debt of the District is as follows:

	<i>Beginning Balance</i>	<i>Issued</i>	<i>Retired</i>	<i>Ending Balance</i>
Tax anticipation warrants payable	<u>\$ 10,000,000</u>	<u>\$ 8,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 8,000,000</u>
Total	<u>\$ 10,000,000</u>	<u>\$ 8,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 8,000,000</u>

The short-term debt was issued to meet current obligations.

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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**NOTE 10 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; workers compensation; and natural disasters. To protect from such risks, the District participates in the following public entity risk pools: IASB Illinois School District Agency Property/Casualty Self-Insurance Pool. The day-to-day operations of the Pool are managed through a Board of Trustees, elected by member districts. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reductions in insurance coverage from coverage in any of the past three fiscal years.

The District is a member of the IASB Endorsed Workers' Compensation Self-Insurance Trust, which has been formed to reduce local school districts' workers' compensation costs. The day-to-day operations of the Trust are managed through a Board of Trustees, elected by the member districts. Each member district has a financial responsibility for the annual membership contributions which are calculated to provide for the administrative expenses, specific and aggregate excess insurance coverage, and the funding of anticipated losses and loss adjustment expenses which will be borne directly by the membership.

The District is self-insured for medical, dental, and vision coverage that is provided to District personnel. A third party administrator administers claims for a monthly fee per participant. Expenditures are recorded as incurred in the form of direct contributions from the District to the third party administrator for payment of employee health claims and administration fees. The District's liability will not exceed \$230,000 per employee for PPO and \$120,000 per person for HMO, as provided by stop-loss provisions incorporated in the plan. All claim handling procedures are performed by an independent claims administrator.

At June 30, 2023, total unpaid claims, including an estimate of claims that have been incurred but not reported to the administrative agent, totaled \$4,120,338. The claims payable amount of \$2,800,438 is recorded in the General Fund, while the incurred but not reported amount of \$1,319,900 is reported within long-term liabilities on the Statement of Net Position. The estimates are developed based on reports prepared by the administrative agent. The District does not allocate overhead costs or other nonincremental costs to the claims liability. For the two years ended June 30, 2022 and June 30, 2023, changes in the liability reported in the General Fund and long-term liabilities for unpaid claims are summarized as follows:

	<i>Claims Payable Beginning of Year</i>	<i>Current Year Claims and Changes in Estimates</i>	<i>Claims Payments</i>	<i>Claims Payable End of Year</i>
Fiscal Year 2022	\$ 4,215,256	\$ 28,888,714	\$ 22,627,043	\$ 10,476,927
Fiscal Year 2023	\$ 10,476,927	\$ 16,448,801	\$ 22,805,390	\$ 4,120,338

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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**NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS**

**Teachers' Health Insurance Security**

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

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

*Benefits Provided.* The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund.

*On Behalf Contributions to THIS Fund.* The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.90% of pay during the year ended June 30, 2023. State of Illinois contributions of \$1,147,620 were recognized as revenues and expenditures by the District during the year in the General Fund based on the current financial resources measurement basis. On the economic resources measurement basis, the District recognized revenues and expenditures of (\$13,168,098) in the Governmental Activities equal to the proportion of the State of Illinois's OPEB expense associated with the employer.

*Contributions.* The District also makes contributions to THIS Fund. The District's THIS Fund contribution was 0.67% during the year ended June 30, 2023. The percentage of employer required contributions in the future will not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. For the year ended June 30, 2023, the District paid \$854,340 to the THIS Fund, respectively, which was 100 percent of the required contribution for the year.

*THIS Fiduciary Net Position.* Detailed information about the THIS Fund's fiduciary net position as of June 30, 2022 is available in the separately issued THIS Annual Financial Report.

*Net OPEB Liability.* At June 30, 2023, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for the state's retiree insurance 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 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 collection net OPEB liability	\$ 30,192,930
State's proportionate share of the collective net OPEB liability associated with the District	<u>41,074,511</u>
Total	<u>\$ 71,267,441</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)**

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2021 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 THIS for the measurement year ended June 30, 2022, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2022 and 2021, the District's proportion was 0.439942% and 0.442480%, respectively.

*Actuarial Assumptions.* The net OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	3.50% to 8.50%
Investment Rate of Return	2.75%
Healthcare Cost Trend Rates - Initial	Medicare and Non-Medicare - 8.00%
Healthcare Cost Trend Rates - Ultimate	4.25%
Fiscal Year the Ultimate Rate is Reached	2039

Mortality rates were based on the RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. For disabled annuitants, mortality rates were based on the RP-Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2017.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

*Discount Rate.* At June 30, 2022, the discount rate used to measure the total OPEB liability was a blended rate of 3.69%, which was a change from the June 30, 2021 rate of 1.92%. Since THIS is financed on a pay-as-you-go basis, the discount rate is based on the 20-year general obligation bond index.

*Sensitivity of the Net OPEB Liability to Changes in the Discount Rate.* The following presents the net OPEB liability of the District, as well as what the District's 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 discount rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
Net OPEB Liability	<u>\$ 33,466,242</u>	<u>\$ 30,192,930</u>	<u>\$ 26,667,074</u>

*Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (initial rate of 7.00% decreasing to an ultimate rate of 3.25%) for Medicare and non-Medicare coverage or 1-percentage-point higher (initial rate of 9.00% decreasing to an ultimate rate of 5.25%) for Medicare and non-Medicare coverage than the current healthcare cost trend rate:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rate</b>	<b>1% Increase</b>
Net OPEB Liability	<u>\$ 25,446,069</u>	<u>\$ 30,192,930</u>	<u>\$ 35,234,249</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)**

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.* For the year ended June 30, 2023, the District recognized OPEB expense of \$(9,473,455) and on-behalf revenue and expenses of \$(13,168,098) for support provided by the state. At June 30, 2023, the District's deferred outflows of resources and deferred inflows of resources related to OPEBs were from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Differences Between Expected and Actual Experience	\$ -	\$ 19,747,661
Changes in Assumptions	27,238	74,477,925
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	3,669	-
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	7,154,200	1,630,103
District Contributions Subsequent to the Measurement Date	<u>854,340</u>	<u>-</u>
Total	<u>\$ 8,039,447</u>	<u>\$ 95,855,689</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net OPEB liability for the year ending June 30, 2024. The remaining amounts reported as deferred outflows and inflows of resources related to OPEB (\$88,670,582) will be recognized in OPEB expense as follows in these reporting years:

	<i>Year Ending June 30,</i>	<i>Amount</i>
2024		\$ (11,309,573)
2025		(11,309,573)
2026		(11,309,573)
2027		(11,309,572)
2028		(11,310,490)
Thereafter		<u>(32,121,801)</u>
Total		<u>\$ (88,670,582)</u>

**Retirees' Health Plan**

*Plan Description.* The District administers a single-employer defined benefit healthcare plan ("the Retirees' Health Plan"). The plan provides health insurance contributions for eligible retirees and their spouses through the District's group health insurance plan which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and state that eligible retirees and their spouses receive lifetime health insurance at established contribution rates. The Retirees' Health Plan does not issue a publicly available financial report.

*Contributions and Benefits Provided.* Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the board and the union. The District makes the same monthly health insurance contribution on behalf of the retiree as it makes on behalf of all other active employees during that year. For the year ended 2023, the District made no direct contributions to the plan. Plan members receiving benefits contribute 100 percent of their premium costs for a family plan and a single plan, respectively. For the year ended 2023, there were no member contributions.

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)**

*Employees Covered by Benefit Terms.* At June 30, 2022, the actuarial valuation date, the following employees were covered by the benefit terms:

Retired Plan Members	5
Active Employees Not Yet Eligible	-
Active Employees Fully Eligible	<u>969</u>
 Total	 <u><u>974</u></u>

*Total OPEB Liability.* The District's total OPEB liability of \$996,577 was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2022.

Inflation	3.00%
Election at Retirement	10.00%
Discount Rate	4.13%
Healthcare Cost Trend Rate - Initial	4.50%
Healthcare Cost Trend Rate - Ultimate	4.50%

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2023.

Mortality rates were based on Rates of Mortality found in the December 31, 2021 IMRF Actuarial Valuation Report and the June 30, 2021 Teachers' Retirement System Actuarial Valuation Report, respectively.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the District's historical data as well as health care trend rates based on recent experience.

*Changes in Total OPEB Liability.* The District's changes in total OPEB liability for the year ended June 30, 2023 was as follows:

	<b>Total OPEB Liability</b>
Balance at June 30, 2022	\$ 920,696
Service Cost	66,222
Interest	37,146
Changes in Assumptions and Other Inputs	(2,526)
Benefit Payments	<u>(24,961)</u>
 Balance at June 30, 2023	 <u><u>\$ 996,577</u></u>

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.13%) or 1-percentage-point higher (5.13%) than the current discount rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
Total OPEB Liability	<u>\$ 1,061,960</u>	<u>\$ 996,577</u>	<u>\$ 936,055</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)**

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.* The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.50%) or 1-percentage-point higher (5.50%) than the current healthcare cost trend rates:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rate</b>	<b>1% Increase</b>
Total OPEB Liability	\$ 913,362	\$ 996,577	\$ 1,091,982

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.* For the year ended June 30, 2023, the District recognized OPEB expense of \$(3,285). The District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference Between Expected and Actual Experience Assumption Changes	\$ -	\$ 927,609
	<u>270,109</u>	<u>142,855</u>
Total	<u>\$ 270,109</u>	<u>\$ 1,070,464</u>

The amounts reported as deferred outflows and inflows of resources related to OPEB (\$800,355) will be recognized in OPEB expense as follows:

	<b>Year Ending June 30,</b>	<b>Amount</b>
2024		\$ (106,654)
2025		(106,654)
2026		(123,335)
2027		(132,792)
2028		(141,349)
Thereafter		<u>(189,571)</u>
Total		<u>\$ (800,355)</u>

**NOTE 12 - 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.

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 12 - RETIREMENT SYSTEMS - (CONTINUED)**

For the year ended June 30, 2023, the District recognized the following balances in the government-wide financial statements:

	<i>Total Pension Liability</i>	<i>Net Pension Asset</i>	<i>Net Pension Liability</i>	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>	<i>Pension Expense/ (Income)</i>
TRS	\$ -	\$ -	\$ 9,940,862	\$ 10,790,725	\$ 10,399,875	\$ (1,598,946)
IMRF	<u>99,256,451</u>	-	<u>12,764,875</u>	<u>9,044,201</u>	<u>472,769</u>	<u>2,813,014</u>
Total	<u>\$ 99,256,451</u>	<u>\$ -</u>	<u>\$ 22,705,737</u>	<u>\$ 19,834,926</u>	<u>\$ 10,872,644</u>	<u>\$ 1,214,068</u>

**Teachers' Retirement System**

*Plan Description.* The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active nonannuitants 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 1* members have TRS or reciprocal system service prior to January 1, 2011. *Tier 1* members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

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

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

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

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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## NOTE 12 - 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 percent of the total actuarial liabilities of the System by the end of fiscal year 2045.

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

*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 with the pension expense associated with the District, and the District recognized revenue and expenses of \$67,735,116 in governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$61,299,628 in the General Fund based on the current financial resources measurement basis.

*2.2 Formula Contributions.* Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2023, were \$739,578, 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 District 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 more higher.

For the year ended June 30, 2023, the District pension contribution was 10.49 percent of salaries paid from federal and special trust funds. Contributions for the year ended June 30, 2023, were \$331,232, which was equal to the District's required contribution. These contributions are deferred because they were paid after the June 30, 2022 measurement date.

*Salary increases over 6 percent.* The District is also 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. For the year ended June 30, 2023, the District paid \$124,966 to TRS for employer contributions due on salary increases in excess of 6 percent.

*Excess sick leave.* 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 paid \$24,289 to TRS for sick leave days granted in excess of the normal annual allotment.

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

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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**NOTE 12 - RETIREMENT SYSTEMS - (CONTINUED)**

*Net Pension Liability.* At June 30, 2023, 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 collective net pension liability/(asset)	\$ 9,940,862
State's proportionate share of the collective net pension liability/(asset) associated with the District	<u>862,303,953</u>
Total	<u>\$ 872,244,815</u>

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, 2021, and rolled forward to June 30, 2022. The District's proportion of the net pension 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 and 2021, the District's proportion was 0.01185690 percent and (0.00183723) percent, respectively.

*Summary of Significant Accounting Policies.* For purposes of measuring the collective net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of TRS and additions to/deductions from TRS fiduciary net position have been determined on the same basis as they are reported by TRS. 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.

*Actuarial Assumptions.* The assumptions used to measure the total pension liability in the June 30, 2022 actuarial valuation included (a) 7.00% investment rate of return net of pension plan investment expense, including inflation, (b) projected salary increases varies by amount of service credit, and (c) inflation of 2.5%.

*Mortality.* The assumed mortality rates are based on the Society of Actuaries PubT-2010 mortality tables, adjusted for TRS experience, with generational improvement based on Scale MP-2020. The actuarial assumptions used were based on the results of an experience study dated August 12, 2021.

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

## NOTE 12 - RETIREMENT SYSTEMS - (CONTINUED)

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

<i>Asset Class</i>	<i>Target Allocation</i>	<i>Long-Term Expected Real Rate of Return</i>
U.S. equities large cap	16.30 %	5.73 %
U.S. equities small/mid cap	1.90 %	6.78 %
International equities developed	14.10 %	6.56 %
Emerging market equities	4.70 %	8.55 %
U.S. bonds core	6.90 %	1.15 %
Cash equivalents	1.20 %	(0.32)%
TIPS	0.50 %	0.33 %
International debt developed	1.20 %	6.56 %
Emerging international debt	3.70 %	3.76 %
Real estate	16.00 %	5.42 %
Private debt	12.50 %	5.29 %
Hedge funds	4.00 %	3.48 %
Private equity	15.00 %	10.04 %
Infrastructure	2.00 %	5.86 %

*Discount Rate.* At June 30, 2022, the discount rate used to measure the total pension liability was a blended rate of 7.00 percent, which was the same as the prior valuation. 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 1's* liability is partially funded by *Tier 2* members, as the *Tier 2* member contribution is higher than the cost of *Tier 2* benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 12 - RETIREMENT SYSTEMS - (CONTINUED)**

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

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
District's proportionate share of the collective net pension liability (asset)	\$ <u>12,157,763</u>	\$ <u>9,940,862</u>	\$ <u>8,102,533</u>

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* For the year ended June 30, 2023, the District recognized pension expense of \$(1,598,946) and on-behalf revenue of \$67,735,116 for support provided by the state. At June 30, 2023, the District's deferred outflows of resources and deferred inflows of resources related to pensions were from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 19,981	\$ 54,810
Net difference between projected and actual earnings on pension plan investments	9,094	-
Assumption changes	45,837	18,979
Changes in proportion and differences between District contributions and proportionate share of contributions	9,645,003	10,326,086
District contributions subsequent to the measurement date	<u>1,070,810</u>	<u>-</u>
Total	\$ <u>10,790,725</u>	\$ <u>10,399,875</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability for the year ending June 30, 2024. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$679,960) will be recognized in pension expense as follows:

<b>Year Ending June 30,</b>	<b>Amount</b>
2024	\$ (1,749,911)
2025	(366,727)
2026	(362,172)
2027	872,529
2028	<u>926,321</u>
Total	\$ <u>(679,960)</u>

**Illinois Municipal Retirement Fund**

*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 District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer pension plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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## NOTE 12 - RETIREMENT SYSTEMS - (CONTINUED)

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Public Act 96-0889 created a second tier for IMRF's Regular Plan. IMRF assigns a benefit tier to a member when he or she is enrolled in IMRF. The tier is determined by the member's first IMRF participation date. If the member first participated in IMRF before January 1, 2011, they participate in *Regular Tier 1*. If the member first participated in IMRF on or after January 1, 2011, they participate in *Regular Tier 2*.

For *Regular Tier 1*, pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 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 *Regular Tier 1*, the pension is increased by 3% of the original amount on January 1 every year after retirement. For *Regular Tier 2*, pension benefits vest after ten years of service. Participating members who retire at or after age 67 with 10 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 *Regular 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. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

*Plan Membership.* At December 31, 2022, the measurement date, membership of the plan was as follows:

Retirees and beneficiaries	492
Inactive, non-retired members	1,293
Active members	<u>880</u>
Total	<u><u>2,665</u></u>

*Contributions.* As set by statute, District employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's actuarially determined contribution rate for calendar year 2022 was 8.24 percent of annual covered payroll. The District 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Net Pension Liability/(Asset).* The net pension liability/(asset) was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

*Summary of Significant Accounting Policies.* For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of IMRF and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. 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.

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

**NOTE 12 - RETIREMENT SYSTEMS - (CONTINUED)**

*Actuarial Assumptions.* The assumptions used to measure the total pension liability in the December 31, 2022 annual actuarial valuation included (a) 7.25% investment rate of return, (b) projected salary increases from 2.85% to 13.75%, and (c) price inflation of 2.25%. The retirement age is based on experience-based table of rates that are specific to the type of eligibility condition. The tables were 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 were used. 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 were used.

*Long-Term Expected Real Rate of Return.* 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 arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Projected Returns/Risk</b>	
		<b>One Year Arithmetic</b>	<b>Ten Year Geometric</b>
Equities	35.50 %	7.82 %	6.50 %
International equities	18.00 %	9.23 %	7.60 %
Fixed income	25.50 %	5.01 %	4.90 %
Real estate	10.50 %	7.10 %	6.20 %
Alternatives	9.50 %		
Private equity		13.43 %	9.90 %
Hedge funds		-	-
Commodities		7.42 %	6.25 %
Cash equivalents	1.00 %	4.00 %	4.00 %

*Discount Rate.* The discount rate used to measure the total pension liability for IMRF was 7.25%, the same rate as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits payments to determine the total pension liability.

## OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

### NOTE 12 - RETIREMENT SYSTEMS - (CONTINUED)

*Discount Rate Sensitivity.* The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate of 7.25% as well as what the net pension liability/(asset) would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
Total pension liability	\$ 111,478,748	\$ 99,256,451	\$ 89,697,006
Plan fiduciary net position	<u>86,491,576</u>	<u>86,491,576</u>	<u>86,491,576</u>
Net pension liability/(asset)	<u>\$ 24,987,172</u>	<u>\$ 12,764,875</u>	<u>\$ 3,205,430</u>

*Changes in Net Pension Liability/(Asset).* The District's changes in net pension liability/(asset) for the calendar year ended December 31, 2022 was as follows:

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability/ (Asset) (a) - (b)</b>
Balances at December 31, 2021	\$ 93,038,593	\$ 97,526,303	\$ (4,487,710)
Service cost	2,842,752	-	2,842,752
Interest on total pension liability	6,714,426	-	6,714,426
Differences between expected and actual experience of the total pension liability	355,085	-	355,085
Benefit payments, including refunds of employee contributions	(3,694,405)	(3,694,405)	-
Contributions - employer	-	2,448,166	(2,448,166)
Contributions - employee	-	1,337,027	(1,337,027)
Net investment income	-	(11,068,042)	11,068,042
Other (net transfer)	-	(57,473)	57,473
Balances at December 31, 2022	<u>\$ 99,256,451</u>	<u>\$ 86,491,576</u>	<u>\$ 12,764,875</u>

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* For the year ended June 30, 2023, the District recognized pension expense of \$2,813,014. The District's deferred outflows and inflows of resources related to pension were from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 929,151	\$ 300,537
Assumption changes	-	172,232
Net difference between projected and actual earnings on pension plan investments	6,922,357	-
Contributions subsequent to the measurement date	<u>1,192,693</u>	<u>-</u>
Total	<u>\$ 9,044,201</u>	<u>\$ 472,769</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

NOTES TO BASIC FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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**NOTE 12 - RETIREMENT SYSTEMS - (CONTINUED)**

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending June 30, 2024. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$7,378,739) will be recognized in pension expense as follows:

	<u>Year Ending June 30,</u>	<u>Amount</u>
2024		\$ (14,604)
2025		1,584,955
2026		2,180,405
2027		<u>3,627,983</u>
Total		<u>\$ 7,378,739</u>

**NOTE 13 - CONSTRUCTION COMMITMENTS**

As of June 30, 2023, the District is committed to approximately \$1,504,689 in expenditures in the upcoming years for various construction projects. These expenditures will be paid through the available fund balances and building bonds already issued.

**NOTE 14 - CONTINGENT LIABILITIES**

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District’s attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

**NOTE 15 - STATE AND FEDERAL AID CONTINGENCIES**

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under the terms of the grants. Management believes such disallowance, if any, would be immaterial.

**NOTE 16 - SUBSEQUENT EVENTS**

On August 22, 2023, the District issued \$6,500,000 of General Obligation Refunding Bonds (Series 2023A) with 4% interest rate to refund the District's outstanding General Obligation Refunding School Bonds, Series 2013, dated December 26, 2013, and pay costs associated with the issuance of the Bonds.

**NOTE 17 - EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS**

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 99, *Omnibus 2022*, GASB Statement No. 100, *Accounting Changes and Error Corrections an amendment of GASB Statement No. 62*, and GASB Statement No. 101, *Compensated Absences*.

When they become effective, application of these standards may restate portions of these financial statements.

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY/(ASSET)  
AND RELATED RATIOS  
Nine Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Total pension liability</b>			
Service cost	\$ 2,842,752	\$ 2,723,139	\$ 3,049,290
Interest	6,714,426	6,207,330	5,961,301
Differences between expected and actual experience	355,085	1,501,297	(1,381,476)
Changes of assumptions	-	-	(791,696)
Benefit payments, including refunds of member contributions	<u>(3,694,405)</u>	<u>(3,299,893)</u>	<u>(3,261,780)</u>
<b>Net change in total pension liability</b>	6,217,858	7,131,873	3,575,639
<b>Total pension liability - beginning</b>	<u>93,038,593</u>	<u>85,906,720</u>	<u>82,331,081</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 99,256,451</u>	<u>\$ 93,038,593</u>	<u>\$ 85,906,720</u>
<b>Plan fiduciary net position</b>			
Employer contributions	\$ 2,448,166	\$ 2,900,615	\$ 2,663,258
Employee contributions	1,337,027	1,374,584	1,259,851
Net investment income	(11,068,042)	13,487,706	9,989,168
Benefit payments, including refunds of member contributions	(3,694,405)	(3,299,893)	(3,261,780)
Other (net transfer)	<u>(57,473)</u>	<u>(552,967)</u>	<u>493,734</u>
<b>Net change in plan fiduciary net position</b>	(11,034,727)	13,910,045	11,144,231
<b>Plan fiduciary net position - beginning</b>	<u>97,526,303</u>	<u>83,616,258</u>	<u>72,472,027</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 86,491,576</u>	<u>\$ 97,526,303</u>	<u>\$ 83,616,258</u>
<b>Employer's net pension liability/(asset) - ending (a) - (b)</b>	<u>\$ 12,764,875</u>	<u>\$ (4,487,710)</u>	<u>\$ 2,290,462</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	87.14%	104.82%	97.33%
<b>Covered payroll</b>	\$ 29,717,322	\$ 29,965,680	\$ 27,898,763
<b>Employer's net pension liability/(asset) as a percentage of covered payroll</b>	42.95%	-14.98%	8.21%

**Notes to Schedule:**

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

Actuary valuations are as of December 31st, which is 6 months prior to the end of the fiscal year.

See Auditors' Report and Notes to Required Supplementary Information

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 2,946,053	\$ 2,686,353	\$ 2,888,334	\$ 2,432,424	\$ 2,277,530	\$ 2,378,809
5,499,622	5,049,405	4,815,397	4,014,194	3,634,674	3,241,771
923,610	987,585	(117,797)	6,062,200	818,864	(877,913)
-	2,360,626	(2,018,999)	(172,995)	145,300	1,956,600
<u>(2,844,055)</u>	<u>(2,520,696)</u>	<u>(2,170,964)</u>	<u>(1,877,397)</u>	<u>(1,623,474)</u>	<u>(1,196,378)</u>
6,525,230	8,563,273	3,395,971	10,458,426	5,252,894	5,502,889
<u>75,805,851</u>	<u>67,242,578</u>	<u>63,846,607</u>	<u>53,388,181</u>	<u>48,135,287</u>	<u>42,632,398</u>
<u>\$ 82,331,081</u>	<u>\$ 75,805,851</u>	<u>\$ 67,242,578</u>	<u>\$ 63,846,607</u>	<u>\$ 53,388,181</u>	<u>\$ 48,135,287</u>
\$ 2,489,140	\$ 2,767,636	\$ 2,452,379	\$ 2,497,562	\$ 2,023,394	\$ 1,933,826
1,313,435	1,302,489	1,193,657	1,204,951	950,600	903,011
10,759,320	(2,832,279)	8,676,977	3,203,852	227,037	2,542,020
(2,844,055)	(2,520,696)	(2,170,964)	(1,877,397)	(1,623,474)	(1,196,378)
<u>307,579</u>	<u>496,119</u>	<u>(1,067,425)</u>	<u>1,943,086</u>	<u>(1,132,958)</u>	<u>(302,653)</u>
12,025,419	(786,731)	9,084,624	6,972,054	444,599	3,879,826
<u>60,446,608</u>	<u>61,233,339</u>	<u>52,148,715</u>	<u>45,176,661</u>	<u>44,732,062</u>	<u>40,852,236</u>
<u>\$ 72,472,027</u>	<u>\$ 60,446,608</u>	<u>\$ 61,233,339</u>	<u>\$ 52,148,715</u>	<u>\$ 45,176,661</u>	<u>\$ 44,732,062</u>
<u>\$ 9,859,054</u>	<u>\$ 15,359,243</u>	<u>\$ 6,009,239</u>	<u>\$ 11,697,892</u>	<u>\$ 8,211,520</u>	<u>\$ 3,403,225</u>
88.03%	79.74%	91.06%	81.68%	84.62%	92.93%
\$ 29,035,516	\$ 27,977,301	\$ 26,463,376	\$ 26,790,253	\$ 21,033,203	\$ 19,872,551
33.96%	54.90%	22.71%	43.66%	39.04%	17.13%

See Auditors' Report and Notes to Required Supplementary Information

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

**ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF DISTRICT CONTRIBUTIONS**

Nine Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 2,448,707	\$ 2,885,695	\$ 2,655,962	\$ 2,488,344	\$ 2,705,405
Contributions in relation to the actuarially determined contribution	<u>(2,448,166)</u>	<u>(2,900,615)</u>	<u>(2,663,258)</u>	<u>(2,489,140)</u>	<u>(2,767,636)</u>
Contribution deficiency (excess)	<u>\$ 541</u>	<u>\$ (14,920)</u>	<u>\$ (7,296)</u>	<u>\$ (796)</u>	<u>\$ (62,231)</u>
Covered payroll	\$ 29,717,322	\$ 29,965,680	\$ 27,898,763	\$ 29,035,516	\$ 27,977,301
Contributions as a percentage of covered payroll	8.24%	9.68%	9.55%	8.57%	9.89%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Actuarially determined contribution	\$ 2,526,321	\$ 2,526,321	\$ 2,023,394	\$ 1,927,637	
Contributions in relation to the actuarially determined contribution	<u>(2,452,379)</u>	<u>(2,497,562)</u>	<u>(2,023,394)</u>	<u>(1,933,826)</u>	
Contribution deficiency (excess)	<u>\$ 73,942</u>	<u>\$ 28,759</u>	<u>\$ -</u>	<u>\$ (6,189)</u>	
Covered payroll	\$ 26,463,376	\$ 26,790,253	\$ 21,033,203	\$ 19,872,551	
Contributions as a percentage of covered payroll	9.27%	9.32%	9.62%	9.73%	

**Notes to Schedule:**

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

**Valuation date:**

Actuarially determined contribution rates are calculated as of December 31 each year, which are 6 months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	Aggregate Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	21 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
Mortality	MP-2020

**Other information:**

There were no benefit changes during the year.

See Auditors' Report and Notes to Required Supplementary Information

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

**TEACHERS' RETIREMENT SYSTEM**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
COLLECTIVE NET PENSION LIABILITY (ASSET) AND SCHEDULE OF DISTRICT CONTRIBUTIONS  
Nine Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>
District's proportion of the net pension liability	0.0118568972%	-0.0018372272%	0.0142388948%
District's proportionate share of the net pension liability	\$ 9,940,862	\$ (1,433,245)	\$ 12,276,100
State's proportionate share of the net pension liability	<u>862,303,953</u>	<u>(120,121,139)</u>	<u>961,527,887</u>
Total net pension liability	<u>\$ 872,244,815</u>	<u>\$ (121,554,384)</u>	<u>\$ 973,803,987</u>
Covered payroll	\$ 127,513,369	\$ 121,422,619	\$ 114,852,565
District's proportionate share of the net pension liability as a percentage of covered payroll	7.80%	-1.18%	10.69%
Plan fiduciary net position as a percentage of the total pension liability	42.80%	45.10%	37.80%
Contractually required contribution	\$ 1,065,126	\$ 704,251	\$ 715,884
Contributions in relation to the contractually required contribution	<u>(1,070,810)</u>	<u>(984,887)</u>	<u>(727,731)</u>
Contribution deficiency (excess)	<u>\$ (5,684)</u>	<u>\$ (280,636)</u>	<u>\$ (11,847)</u>
Contributions as a percentage of covered payroll	0.8398%	0.8111%	0.6336%

**Notes to Schedule:**

The District implemented GASB 68 in 2015. Information for fiscal years prior to 2015 is not applicable.

Actuary valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pension liability is reported.

**Key Assumptions:**

Long-term expected rate of return	7.00%	7.00%	7.00%
Municipal bond index	3.54%	2.16%	2.21%
Single equivalent discount rate	7.00%	7.00%	7.00%
Inflation rate	2.50%	2.25%	2.50%
Projected salary increases	3.75% to 8.75% varying by service	3.50% to 8.50% varying by service	4.00% to 9.50% varying by service

See Auditors' Report and Notes to Required Supplementary Information

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.013347953%	0.016092136%	0.0356728050%	0.0142521452%	0.01370221%	0.01174675%
\$ 10,826,280	\$ 12,542,989	\$ 27,253,360	\$ 11,250,080	\$ 8,976,330	\$ 7,148,870
<u>770,494,497</u>	<u>859,247,332</u>	<u>1,759,561,355</u>	<u>498,205,539</u>	<u>485,203,745</u>	<u>444,917,466</u>
<u>\$ 781,320,777</u>	<u>\$ 871,790,321</u>	<u>\$ 1,786,814,715</u>	<u>\$ 509,455,619</u>	<u>\$ 494,180,075</u>	<u>\$ 452,066,336</u>
\$ 111,629,235	\$ 107,759,582	\$ 105,161,954	\$ 99,976,318	\$ 83,011,287	\$ 74,900,207
9.70%	11.64%	25.92%	11.25%	10.81%	9.54%
39.60%	40.00%	39.30%	36.40%	41.50%	43.00%
\$ 660,662	\$ 625,017	\$ 624,120	\$ 760,128	\$ 613,758	\$ 476,115
<u>(715,542)</u>	<u>(700,608)</u>	<u>(1,407,280)</u>	<u>(1,412,051)</u>	<u>(570,519)</u>	<u>(480,125)</u>
<u>\$ (54,880)</u>	<u>\$ (75,591)</u>	<u>\$ (783,160)</u>	<u>\$ (651,923)</u>	<u>\$ 43,239</u>	<u>\$ (4,010)</u>
0.6410%	0.6502%	1.3382%	1.4124%	0.6873%	0.6410%
7.00%	7.00%	7.00%	7.00%	7.50%	7.50%
3.50%	3.87%	3.58%	2.85%	3.73%	N/A
7.00%	7.00%	7.00%	6.83%	7.47%	7.50%
2.50%	2.50%	2.50%	2.50%	3.00%	3.00%
4.00% to 9.50%	4.00% to 9.50%	3.25% to 9.25%	3.25% to 9.25%	3.75% to 9.75%	5.75%
varying by service	varying by service	varying by service	varying by service	varying by service	

See Auditors' Report and Notes to Required Supplementary Information

**COMMUNITY UNIT SCHOOL DISTRICT 308**  
**RETIREES' HEALTH PLAN**  
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY  
AND RELATED RATIOS  
Six Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB liability</b>						
Service cost	\$ 66,222	\$ 87,004	\$ 205,967	\$ 199,009	\$ 108,144	\$ 105,732
Interest	37,146	42,881	44,564	40,550	42,490	35,583
Changes of benefit terms	-	-	-	(279,061)	-	(35,369)
Differences between expected and actual experience	-	(1,064,708)	66,187	128,324	30,180	(30,576)
Changes of assumptions	(2,526)	(111,487)	(50,093)	(41,355)	(75,510)	(68,219)
Benefit payments, including refunds of member contributions	<u>(24,961)</u>	<u>-</u>	<u>-</u>	<u>178,842</u>	<u>(9,351)</u>	<u>214,359</u>
<b>Net change in total OPEB liability</b>	75,881	(1,046,310)	266,625	226,309	95,953	221,510
<b>Total OPEB liability - beginning</b>	<u>920,696</u>	<u>1,967,006</u>	<u>1,700,381</u>	<u>1,474,072</u>	<u>1,378,119</u>	<u>1,156,609</u>
<b>Total OPEB liability - ending (a)</b>	<u>\$ 996,577</u>	<u>\$ 920,696</u>	<u>\$ 1,967,006</u>	<u>\$ 1,700,381</u>	<u>\$ 1,474,072</u>	<u>\$ 1,378,119</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Covered-employee payroll</b>	\$ 23,654,464	\$ 23,654,464	\$ 25,236,548	\$ 25,236,548	\$ 23,467,878	\$ 23,467,878
<b>District's total OPEB liability as a percentage of covered payroll</b>	4.21%	3.89%	7.79%	6.74%	6.28%	5.87%

**Notes to Schedule:**

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available. There are no assets accumulated in a trust that meets the criteria of GASB codification P52.101 to pay related benefits for the OPEB plan.

See Auditors' Report and Notes to Required Supplementary Information

**COMMUNITY UNIT SCHOOL DISTRICT 308**

**RETIREES' HEALTH PLAN**  
**SCHEDULE OF DISTRICT CONTRIBUTIONS**  
 Six Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>					
Covered payroll	\$ 23,467,878	\$ 23,467,878	\$ 23,467,878	\$ 23,467,878	\$ 23,467,878	\$ 23,467,878
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Notes to Schedule:**

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

**Valuation date:**

Actuary valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	Aggregate Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	Non-Taxing Bodies: 10 year rolling period
Asset valuation method	Market Value
Election at retirement	10.00%
Salary increases	2.85%
Investment rate of return	7.25%
Healthcare cost trend rate - initial	8.00%
Healthcare cost trend rate - ultimate	4.00%
Mortality	MP-2020

**Other information:**

There were no benefit changes during the year.

See Auditors' Report and Notes to Required Supplementary Information

**COMMUNITY UNIT SCHOOL DISTRICT 308**  
**TEACHERS' HEALTH INSURANCE SECURITY FUND**  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE  
COLLECTIVE OPEB LIABILITY AND SCHEDULE OF DISTRICT CONTRIBUTIONS  
Six Most Recent Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability	0.439942%	0.443421%	0.441277%	0.438434%	0.443612%	0.446295%
District's proportionate share of the net OPEB liability	\$ 30,192,930	\$ 97,798,093	\$ 117,978,339	\$ 121,294,072	\$ 114,909,069	\$ 115,811,702
State's proportionate share of the net OPEB liability	<u>41,074,511</u>	<u>132,599,940</u>	<u>159,828,520</u>	<u>164,247,649</u>	<u>154,298,099</u>	<u>152,089,542</u>
Total net OPEB liability	<u>\$ 71,267,441</u>	<u>\$ 230,398,033</u>	<u>\$ 277,806,859</u>	<u>\$ 285,541,721</u>	<u>\$ 269,207,168</u>	<u>\$ 267,901,244</u>
Covered payroll	\$ 121,422,619	\$ 114,852,656	\$ 111,629,235	\$ 107,759,582	\$ 105,161,954	\$ 99,976,318
District's proportionate share of the net OPEB liability as a percentage of covered payroll	24.87%	85.15%	105.69%	112.56%	109.27%	115.84%
Plan fiduciary net position as a percentage of the total pension liability	5.24%	1.40%	0.70%	0.25%	-0.07%	-0.17%
Contractually required contribution	\$ 854,340	\$ 813,532	\$ 1,056,644	\$ 1,026,989	\$ 991,388	\$ 925,425
Contributions in relation to the contractually required contribution	<u>(854,340)</u>	<u>(813,532)</u>	<u>(1,056,644)</u>	<u>(1,026,989)</u>	<u>(991,388)</u>	<u>(925,425)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions as a percentage of covered payroll	0.7036%	0.7083%	0.9466%	0.9530%	0.9427%	0.9256%

**Notes to Schedule:**

The District implemented GASB 75 in fiscal year 2018. Information for fiscal years prior to 2018 is not applicable.

Actuary valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

**Key Assumptions:**

Long-term expected rate of return	2.75%	2.75%	0.00%	0.00%	0.00%	0.00%
Municipal bond index	3.69%	1.92%	2.45%	3.13%	3.62%	3.56%
Single equivalent discount rate	3.69%	1.92%	2.45%	3.13%	3.62%	3.56%
Inflation rate	2.25%	2.50%	2.50%	2.50%	2.75%	2.75%
Healthcare cost trend rates - initial	Medicare and Non-Medicare - 8.00%	Medicare and Non-Medicare - 8.00%	Medicare and Non-Medicare - 8.25%	Medicare - 9.00% Non-Medicare - 8.00%	Medicare - 9.00% Non-Medicare - 8.00%	Medicare - 9.00% Non-Medicare - 8.00%
Healthcare cost trend rates - ultimate	4.25%	4.25%	4.25%	4.50%	4.50%	4.50%
Mortality	PubT-2010	RP-2014 Tables	RP-2014 Tables	RP-2014 Tables	RP-2014 Tables	RP-2014 Tables

See Auditors' Report and Notes to Required Supplementary Information

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 80,605,000	\$ 82,041,110	\$ 1,436,110	\$ 78,055,100
Special education levy	9,220,000	9,369,913	149,913	9,036,131
Corporate personal property replacement taxes	2,409,057	4,474,305	2,065,248	4,427,934
Regular tuition from pupils or parents (in state)	-	110,074	110,074	93,186
Special education tuition from other LEA's (in state)	1,360,000	1,225,751	(134,249)	1,520,413
Investment income	143,000	1,703,963	1,560,963	47,097
Sales to pupils - lunch	1,320,000	1,756,589	436,589	30,369
Sales to pupils - breakfast	90,000	133,185	43,185	(19)
Sales to pupils - a la carte	561,600	698,788	137,188	11
Admissions - athletic	50,000	94,328	44,328	97,300
Admissions - other	16,500	-	(16,500)	-
Fees	422,700	663,087	240,387	704,581
Other pupil activity revenue	462,000	420,180	(41,820)	659,483
Student activities	-	3,196,846	3,196,846	2,780,794
Rentals - regular textbook	2,600,000	3,186,728	586,728	3,198,533
Rentals - summer school textbook	150,000	133,602	(16,398)	143,128
Other - textbooks	5,000	11,163	6,163	22,801
Contributions and donations from private sources	40,000	-	(40,000)	-
Refund of prior years' expenditures	50,000	68,178	18,178	62,800
Driver's education fees	175,000	37,843	(137,157)	66,488
Other	450,000	299,331	(150,669)	160,303
<b>Total local sources</b>	<b>100,129,857</b>	<b>109,624,964</b>	<b>9,495,107</b>	<b>101,106,433</b>
<b>State sources</b>				
Evidence based funding	83,013,351	83,029,878	16,527	76,943,212
Special education - private facility tuition	1,539,012	2,640,637	1,101,625	2,099,707
Special education - orphanage - individual	447,542	467,899	20,357	339,115
Special education - orphanage - summer	2,000	5,805	3,805	1,559
CTE - Secondary program improvement	191,106	191,106	-	198,137
CTE - Agriculture education	-	2,727	2,727	-
State free lunch & breakfast	-	15,311	15,311	123,198
Driver education	165,000	68,142	(96,858)	234,916
Early childhood - block grant	1,334,485	1,334,485	-	1,334,485
Other restricted revenue from state sources	100,000	14,525	(85,475)	18,189
On behalf payment to TRS from the state	61,629,634	62,447,248	817,614	61,629,634
<b>Total state sources</b>	<b>148,422,130</b>	<b>150,217,763</b>	<b>1,795,633</b>	<b>142,922,152</b>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Federal sources</b>				
National school lunch program	\$ 2,200,000	\$ 2,958,464	\$ 758,464	\$ 7,150,449
Special milk program	-	2,202	2,202	1,397
School breakfast program	-	366,250	366,250	1,757,615
Summer food service admin/program	-	-	-	72,018
Food service - other	-	484,239	484,239	490,201
Title I - Low income	1,088,306	857,128	(231,178)	976,341
Title I - Low income - neglected, private	208,141	-	(208,141)	-
Title I - Other	-	153,252	153,252	385,757
Title IV - Safe & drug free schools - formula	74,695	80,193	5,498	90,888
Title IV - 21st Century	47,000	-	(47,000)	-
Federal - special education - preschool flow-through	32,322	49,026	16,704	42,032
Federal - special education - IDEA - flow-through/low incident	2,809,504	2,585,288	(224,216)	3,152,309
Federal - special education - IDEA - room & board	-	790,895	790,895	708,978
CTE - Perkins - Title III E - tech. prep.	-	88,867	88,867	78,644
CTE - Other	88,868	-	(88,868)	-
Emergency immigrant assistance	-	10,385	10,385	-
Title III - English language acquisition	264,556	171,345	(93,211)	154,246
Title II - Teacher quality	516,047	418,122	(97,925)	219,542
Medicaid matching funds - administrative outreach	250,000	298,483	48,483	386,965
Medicaid matching funds - fee-for-service program	675,000	1,290,056	615,056	796,828
Other restricted revenue from federal sources	5,494,079	7,569,303	2,075,224	5,113,342
<b>Total federal sources</b>	<u>13,748,518</u>	<u>18,173,498</u>	<u>4,424,980</u>	<u>21,577,552</u>
<b>Total revenues</b>	<u>262,300,505</u>	<u>278,016,225</u>	<u>15,715,720</u>	<u>265,606,137</u>
<b>Expenditures</b>				
<b>Instruction</b>				
<b>Regular programs</b>				
Salaries	40,364,572	69,148,522	(28,783,950)	66,425,684
Employee benefits	7,521,771	9,542,770	(2,020,999)	11,144,253
On-behalf payments to TRS from the state	61,629,634	62,447,248	(817,614)	61,629,634
Purchased services	376,608	643,768	(267,160)	682,106
Supplies and materials	2,281,698	3,873,002	(1,591,304)	1,732,993
Capital outlay	-	5,000	(5,000)	-
Other objects	-	-	-	7,101
Non-capitalized equipment	32,845	1,444,335	(1,411,490)	1,019,682
<b>Total</b>	<u>112,207,128</u>	<u>147,104,645</u>	<u>(34,897,517)</u>	<u>142,641,453</u>
<b>Tuition payment to charter schools</b>				
Purchased services	65,424	-	65,424	-
<b>Total</b>	<u>65,424</u>	<u>-</u>	<u>65,424</u>	<u>-</u>

See Auditors' Report and Notes to Required Supplementary Information

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Pre-K programs</b>				
Salaries	\$ 18,400,554	\$ -	\$ 18,400,554	\$ -
Employee benefits	2,592,320	-	2,592,320	-
Purchased services	59,136	500	58,636	450
Supplies and materials	752,096	34,276	717,820	68,968
Non-capitalized equipment	<u>15,400</u>	<u>559</u>	<u>14,841</u>	<u>-</u>
Total	<u>21,819,506</u>	<u>35,335</u>	<u>21,784,171</u>	<u>69,418</u>
<b>Special education programs</b>				
Salaries	23,250,191	20,523,303	2,726,888	19,939,200
Employee benefits	4,017,234	3,351,465	665,769	3,979,871
Purchased services	743,514	2,239,095	(1,495,581)	681,960
Supplies and materials	377,425	433,659	(56,234)	159,612
Capital outlay	-	-	-	3,960
Non-capitalized equipment	<u>21,000</u>	<u>13,498</u>	<u>7,502</u>	<u>9,738</u>
Total	<u>28,409,364</u>	<u>26,561,020</u>	<u>1,848,344</u>	<u>24,774,341</u>
<b>Special education programs Pre-K</b>				
Salaries	3,041,252	2,740,153	301,099	2,539,746
Employee benefits	214,266	549,043	(334,777)	599,948
Purchased services	10,532	-	10,532	-
Supplies and materials	<u>5,000</u>	<u>1,169</u>	<u>3,831</u>	<u>22,736</u>
Total	<u>3,271,050</u>	<u>3,290,365</u>	<u>(19,315)</u>	<u>3,162,430</u>
<b>Remedial and supplemental programs K - 12</b>				
Salaries	822,652	708,984	113,668	809,579
Employee benefits	23,964	114,332	(90,368)	157,521
Purchased services	51,331	97,917	(46,586)	68,549
Supplies and materials	101,378	129,359	(27,981)	188,036
Non-capitalized equipment	<u>2,050</u>	<u>1,041</u>	<u>1,009</u>	<u>1,041</u>
Total	<u>1,001,375</u>	<u>1,051,633</u>	<u>(50,258)</u>	<u>1,224,726</u>
<b>Remedial and supplemental programs Pre - K</b>				
Employee benefits	<u>383,963</u>	<u>-</u>	<u>383,963</u>	<u>-</u>
Total	<u>383,963</u>	<u>-</u>	<u>383,963</u>	<u>-</u>
<b>CTE programs</b>				
Salaries	2,839,946	2,922,361	(82,415)	2,649,154
Employee benefits	369,898	441,915	(72,017)	475,043
Purchased services	47,299	37,458	9,841	21,508
Supplies and materials	97,771	106,421	(8,650)	98,949
Capital outlay	28,837	28,327	510	35,935
Non-capitalized equipment	<u>61,975</u>	<u>62,358</u>	<u>(383)</u>	<u>64,878</u>
Total	<u>3,445,726</u>	<u>3,598,840</u>	<u>(153,114)</u>	<u>3,345,467</u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Interscholastic programs</b>				
Salaries	\$ 4,109,875	\$ 3,579,006	\$ 530,869	\$ 3,367,697
Employee benefits	231,362	237,691	(6,329)	163,564
Purchased services	405,328	380,783	24,545	347,631
Supplies and materials	179,900	233,264	(53,364)	208,656
Capital outlay	-	37,000	(37,000)	-
Other objects	89,205	103,478	(14,273)	173,046
Non-capitalized equipment	<u>15,500</u>	<u>48,607</u>	<u>(33,107)</u>	<u>30,179</u>
Total	<u>5,031,170</u>	<u>4,619,829</u>	<u>411,341</u>	<u>4,290,773</u>
<b>Summer school programs</b>				
Salaries	1,038,156	639,976	398,180	1,279,544
Employee benefits	44,646	48,415	(3,769)	55,949
Purchased services	-	8,718	(8,718)	8,434
Supplies and materials	<u>90,000</u>	<u>11,364</u>	<u>78,636</u>	<u>10,667</u>
Total	<u>1,172,802</u>	<u>708,473</u>	<u>464,329</u>	<u>1,354,594</u>
<b>Gifted programs</b>				
Salaries	487,180	527,264	(40,084)	481,483
Employee benefits	<u>58,222</u>	<u>52,489</u>	<u>5,733</u>	<u>77,769</u>
Total	<u>545,402</u>	<u>579,753</u>	<u>(34,351)</u>	<u>559,252</u>
<b>Driver's education programs</b>				
Salaries	400,376	628,243	(227,867)	612,924
Employee benefits	74,103	74,040	63	84,658
Purchased services	8,000	1,537	6,463	8,705
Supplies and materials	9,000	8,703	297	7,585
Other objects	<u>60,400</u>	<u>58,322</u>	<u>2,078</u>	<u>72,526</u>
Total	<u>551,879</u>	<u>770,845</u>	<u>(218,966)</u>	<u>786,398</u>
<b>Bilingual programs</b>				
Salaries	6,131,470	6,027,680	103,790	5,436,978
Employee benefits	893,545	973,846	(80,301)	1,027,087
Purchased services	95,540	54,871	40,669	38,456
Supplies and materials	<u>21,607</u>	<u>22,114</u>	<u>(507)</u>	<u>16,577</u>
Total	<u>7,142,162</u>	<u>7,078,511</u>	<u>63,651</u>	<u>6,519,098</u>
<b>Truant's alternative and optional programs</b>				
Salaries	443,929	428,649	15,280	374,906
Employee benefits	73,534	60,075	13,459	66,333
Purchased services	-	481	(481)	6,413
Supplies and materials	<u>3,355</u>	<u>2,713</u>	<u>642</u>	<u>1,764</u>
Total	<u>520,818</u>	<u>491,918</u>	<u>28,900</u>	<u>449,416</u>
<b>Special education programs K -12 - private tuition</b>				
Other objects	<u>7,000,000</u>	<u>5,505,112</u>	<u>1,494,888</u>	<u>5,377,301</u>
Total	<u>7,000,000</u>	<u>5,505,112</u>	<u>1,494,888</u>	<u>5,377,301</u>

See Auditors' Report and Notes to Required Supplementary Information

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Student activities</b>				
Student activities	\$ -	\$ 3,004,693	\$ (3,004,693)	\$ 2,544,406
Total	<u>-</u>	<u>3,004,693</u>	<u>(3,004,693)</u>	<u>2,544,406</u>
Total instruction	<u>192,567,769</u>	<u>204,400,972</u>	<u>(11,833,203)</u>	<u>197,099,073</u>
<b>Support services</b>				
<b>Pupils</b>				
<b>Attendance and social work services</b>				
Salaries	6,072,247	5,763,336	308,911	5,167,966
Employee benefits	829,611	902,673	(73,062)	904,169
Purchased services	77,900	107,542	(29,642)	177,565
Supplies and materials	<u>19,500</u>	<u>14,001</u>	<u>5,499</u>	<u>-</u>
Total	<u>6,999,258</u>	<u>6,787,552</u>	<u>211,706</u>	<u>6,249,700</u>
<b>Guidance services</b>				
Salaries	2,653,008	2,665,410	(12,402)	2,686,260
Employee benefits	488,790	395,937	92,853	465,777
Purchased services	89,865	100,615	(10,750)	103,452
Supplies and materials	<u>1,845</u>	<u>978</u>	<u>867</u>	<u>2,267</u>
Total	<u>3,233,508</u>	<u>3,162,940</u>	<u>70,568</u>	<u>3,257,756</u>
<b>Health services</b>				
Salaries	2,094,216	1,833,099	261,117	2,015,134
Employee benefits	382,650	268,410	114,240	329,519
Purchased services	732,800	2,536,341	(1,803,541)	1,096,318
Supplies and materials	47,314	78,486	(31,172)	49,190
Other objects	3,000	520	2,480	428
Non-capitalized equipment	<u>40,000</u>	<u>16,505</u>	<u>23,495</u>	<u>975</u>
Total	<u>3,299,980</u>	<u>4,733,361</u>	<u>(1,433,381)</u>	<u>3,491,564</u>
<b>Psychological services</b>				
Salaries	2,384,474	2,057,393	327,081	2,054,499
Employee benefits	239,584	226,016	13,568	270,110
Purchased services	15,000	312,946	(297,946)	290,603
Supplies and materials	<u>33,000</u>	<u>31,946</u>	<u>1,054</u>	<u>24,174</u>
Total	<u>2,672,058</u>	<u>2,628,301</u>	<u>43,757</u>	<u>2,639,386</u>
<b>Speech pathology and audiology services</b>				
Salaries	5,589,983	5,390,392	199,591	5,134,733
Employee benefits	746,130	785,726	(39,596)	862,722
Purchased services	5,000	207,523	(202,523)	53,200
Supplies and materials	<u>11,000</u>	<u>10,463</u>	<u>537</u>	<u>2,031</u>
Total	<u>6,352,113</u>	<u>6,394,104</u>	<u>(41,991)</u>	<u>6,052,686</u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Other support services - pupils</b>				
Salaries	\$ 178,155	\$ 546,865	\$ (368,710)	\$ 435,138
Employee benefits	6,097	6,016	81	8,509
Purchased services	15,000	341	14,659	62
Supplies and materials	<u>25,000</u>	<u>17,383</u>	<u>7,617</u>	<u>28,480</u>
Total	<u>224,252</u>	<u>570,605</u>	<u>(346,353)</u>	<u>472,189</u>
Total pupils	<u>22,781,169</u>	<u>24,276,863</u>	<u>(1,495,694)</u>	<u>22,163,281</u>
<b>Instructional staff</b>				
<b>Improvement of instructional services</b>				
Salaries	3,236,136	2,881,433	354,703	2,688,440
Employee benefits	239,256	530,830	(291,574)	508,649
Purchased services	516,854	408,255	108,599	401,907
Supplies and materials	75,894	24,234	51,660	30,014
Other objects	<u>149,840</u>	<u>129,431</u>	<u>20,409</u>	<u>128,305</u>
Total	<u>4,217,980</u>	<u>3,974,183</u>	<u>243,797</u>	<u>3,757,315</u>
<b>Educational media services</b>				
Salaries	2,283,233	2,169,206	114,027	2,151,728
Employee benefits	400,060	446,223	(46,163)	487,237
Purchased services	113,879	74,590	39,289	29,196
Supplies and materials	219,348	116,231	103,117	56,444
Non-capitalized equipment	<u>49</u>	<u>-</u>	<u>49</u>	<u>180,951</u>
Total	<u>3,016,569</u>	<u>2,806,250</u>	<u>210,319</u>	<u>2,905,556</u>
<b>Assessment and testing</b>				
Salaries	124,574	68,251	56,323	48,853
Employee benefits	21,905	8,994	12,911	114
Purchased services	154,060	114,729	39,331	76,442
Supplies and materials	<u>202,000</u>	<u>82,295</u>	<u>119,705</u>	<u>222,508</u>
Total	<u>502,539</u>	<u>274,269</u>	<u>228,270</u>	<u>347,917</u>
Total instructional staff	<u>7,737,088</u>	<u>7,054,702</u>	<u>682,386</u>	<u>7,010,788</u>
<b>General administration</b>				
<b>Board of education services</b>				
Salaries	108,415	107,590	825	102,895
Employee benefits	5,368	5,246	122	6,489
Purchased services	272,500	419,792	(147,292)	311,849
Supplies and materials	14,000	4,390	9,610	15,365
Other objects	<u>20,000</u>	<u>28,204</u>	<u>(8,204)</u>	<u>20,126</u>
Total	<u>420,283</u>	<u>565,222</u>	<u>(144,939)</u>	<u>456,724</u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Executive administration services</b>				
Salaries	\$ 399,370	\$ 417,072	\$ (17,702)	\$ 391,870
Employee benefits	70,579	87,067	(16,488)	91,426
Purchased services	22,000	10,856	11,144	16,576
Supplies and materials	3,000	3,756	(756)	2,111
Other objects	<u>10,000</u>	<u>8,573</u>	<u>1,427</u>	<u>2,158</u>
Total	<u>504,949</u>	<u>527,324</u>	<u>(22,375)</u>	<u>504,141</u>
<b>Special area administration services</b>				
Salaries	2,083,548	1,950,963	132,585	1,927,259
Employee benefits	396,188	436,871	(40,683)	493,660
Supplies and materials	<u>865</u>	<u>447</u>	<u>418</u>	<u>135</u>
Total	<u>2,480,601</u>	<u>2,388,281</u>	<u>92,320</u>	<u>2,421,054</u>
<b>Tort immunity services</b>				
Purchased services	<u>2,290,000</u>	<u>2,394,600</u>	<u>(104,600)</u>	<u>700,527</u>
Total	<u>2,290,000</u>	<u>2,394,600</u>	<u>(104,600)</u>	<u>700,527</u>
Total general administration	<u>5,695,833</u>	<u>5,875,427</u>	<u>(179,594)</u>	<u>4,082,446</u>
<b>School administration</b>				
<b>Office of the principal services</b>				
Salaries	6,948,111	7,038,127	(90,016)	6,699,723
Employee benefits	1,497,066	1,744,881	(247,815)	1,920,571
Purchased services	24,980	15,204	9,776	23,984
Supplies and materials	93,252	129,781	(36,529)	126,484
Non-capitalized equipment	<u>-</u>	<u>18,345</u>	<u>(18,345)</u>	<u>-</u>
Total	<u>8,563,409</u>	<u>8,946,338</u>	<u>(382,929)</u>	<u>8,770,762</u>
<b>Other support services - school administration</b>				
Salaries	2,400,805	2,268,682	132,123	2,088,298
Employee benefits	<u>291,181</u>	<u>413,785</u>	<u>(122,604)</u>	<u>420,128</u>
Total	<u>2,691,986</u>	<u>2,682,467</u>	<u>9,519</u>	<u>2,508,426</u>
Total school administration	<u>11,255,395</u>	<u>11,628,805</u>	<u>(373,410)</u>	<u>11,279,188</u>
<b>Business</b>				
<b>Direction of business support services</b>				
Salaries	254,241	254,241	-	152,500
Employee benefits	<u>20,849</u>	<u>49,495</u>	<u>(28,646)</u>	<u>42,174</u>
Total	<u>275,090</u>	<u>303,736</u>	<u>(28,646)</u>	<u>194,674</u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Fiscal services</b>				
Salaries	\$ 455,429	\$ 411,960	\$ 43,469	\$ 277,191
Employee benefits	27,711	49,702	(21,991)	35,835
Purchased services	120,000	126,774	(6,774)	74,837
Supplies and materials	293,700	260,151	33,549	262,206
Other objects	210,000	180,202	29,798	125,891
Non-capitalized equipment	<u>17,500</u>	<u>2,849</u>	<u>14,651</u>	<u>867</u>
Total	<u>1,124,340</u>	<u>1,031,638</u>	<u>92,702</u>	<u>776,827</u>
<b>Operation and maintenance of plant services</b>				
Salaries	-	4,344	(4,344)	15,000
Employee benefits	978	-	978	230,155
Supplies and materials	<u>(280)</u>	<u>2,698</u>	<u>(2,978)</u>	<u>-</u>
Total	<u>698</u>	<u>7,042</u>	<u>(6,344)</u>	<u>245,155</u>
<b>Pupil transportation services</b>				
Salaries	-	5,810	(5,810)	6,513
Employee benefits	73	-	73	174,038
Purchased services	<u>1,000</u>	<u>950</u>	<u>50</u>	<u>-</u>
Total	<u>1,073</u>	<u>6,760</u>	<u>(5,687)</u>	<u>180,551</u>
<b>Food services</b>				
Salaries	3,000	-	3,000	-
Employee benefits	400	-	400	-
Purchased services	4,530,000	3,442,326	1,087,674	4,439,285
Supplies and materials	<u>38,600</u>	<u>562,092</u>	<u>(523,492)</u>	<u>517,429</u>
Total	<u>4,572,000</u>	<u>4,004,418</u>	<u>567,582</u>	<u>4,956,714</u>
Total business	<u>5,973,201</u>	<u>5,353,594</u>	<u>619,607</u>	<u>6,353,921</u>
<b>Central</b>				
<b>Direction of central support services</b>				
Salaries	145,494	107,912	37,582	108,800
Employee benefits	1,177	5,914	(4,737)	3,198
Purchased services	53,000	33,819	19,181	32,288
Supplies and materials	20,000	7,467	12,533	28,394
Other objects	500	-	500	-
Non-capitalized equipment	<u>2,400</u>	<u>2,321</u>	<u>79</u>	<u>-</u>
Total	<u>222,571</u>	<u>157,433</u>	<u>65,138</u>	<u>172,680</u>
<b>Planning, research, development and evaluation services</b>				
Salaries	50,000	49,393	607	19,200
Employee benefits	<u>-</u>	<u>72</u>	<u>(72)</u>	<u>19</u>
Total	<u>50,000</u>	<u>49,465</u>	<u>535</u>	<u>19,219</u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Information services</b>				
Salaries	\$ 281,891	\$ 317,053	\$ (35,162)	\$ 286,295
Employee benefits	37,063	62,602	(25,539)	65,488
Purchased services	68,300	34,447	33,853	20,339
Supplies and materials	127,270	95,793	31,477	84,765
Other objects	1,500	1,768	(268)	2,838
Non-capitalized equipment	<u>13,100</u>	<u>14,254</u>	<u>(1,154)</u>	<u>-</u>
Total	<u>529,124</u>	<u>525,917</u>	<u>3,207</u>	<u>459,725</u>
<b>Staff services</b>				
Salaries	714,927	584,178	130,749	716,185
Employee benefits	102,964	67,409	35,555	125,607
Purchased services	171,430	211,351	(39,921)	319,181
Supplies and materials	211,093	133,431	77,662	172,731
Other objects	48,000	93,986	(45,986)	8,092
Non-capitalized equipment	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>
Total	<u>1,249,414</u>	<u>1,090,355</u>	<u>159,059</u>	<u>1,341,796</u>
<b>Data processing services</b>				
Salaries	1,549,034	1,338,023	211,011	1,355,955
Employee benefits	198,158	181,168	16,990	245,667
Purchased services	1,356,950	804,746	552,204	964,512
Supplies and materials	302,500	277,388	25,112	245,193
Non-capitalized equipment	<u>2,464,750</u>	<u>334,463</u>	<u>2,130,287</u>	<u>402,032</u>
Total	<u>5,871,392</u>	<u>2,935,788</u>	<u>2,935,604</u>	<u>3,213,359</u>
Total central	<u>7,922,501</u>	<u>4,758,958</u>	<u>3,163,543</u>	<u>5,206,779</u>
<b>Other supporting services</b>				
Salaries	189,417	187,036	2,381	186,071
Employee benefits	30,472	34,914	(4,442)	45,506
Purchased services	5,841	2,812	3,029	159
Supplies and materials	<u>30,298</u>	<u>20,386</u>	<u>9,912</u>	<u>14,124</u>
Total	<u>256,028</u>	<u>245,148</u>	<u>10,880</u>	<u>245,860</u>
Total support services	<u>61,621,215</u>	<u>59,193,497</u>	<u>2,427,718</u>	<u>56,342,263</u>
<b>Community services</b>				
Salaries	491,257	267,803	223,454	158,461
Employee benefits	52,878	50,144	2,734	38,191
Purchased services	3,680	3,240	440	4,550
Supplies and materials	<u>8,677</u>	<u>5,459</u>	<u>3,218</u>	<u>6,810</u>
Total community services	<u>556,492</u>	<u>326,646</u>	<u>229,846</u>	<u>208,012</u>
<b>Payments to other districts and governmental units</b>				
<b>Payments for regular programs</b>				
Purchased services	<u>16,920</u>	<u>18,149</u>	<u>(1,229)</u>	<u>-</u>
Total	<u>16,920</u>	<u>18,149</u>	<u>(1,229)</u>	<u>-</u>

See Auditors' Report and Notes to Required Supplementary Information

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2022 ACTUAL
<b>Payments for community college programs</b>				
Other objects	\$ -	\$ 67,875	\$ (67,875)	\$ 63,148
Total	-	67,875	(67,875)	63,148
<b>Other payments to in-state governmental units</b>				
Purchased services	1,200	-	1,200	-
Total	1,200	-	1,200	-
<b>Payments for other programs - tuition</b>				
Other objects	46,470	-	46,470	29,610
Total	46,470	-	46,470	29,610
Total payments to other districts and governmental units	64,590	86,024	(21,434)	92,758
<b>Debt services</b>				
<b>Interest on short term debt</b>				
Tax anticipation warrants	240,000	66,242	173,758	29,000
Total	240,000	66,242	173,758	29,000
Total debt services	240,000	66,242	173,758	29,000
<b>Provision for contingencies</b>				
Total expenditures	1,770,000	-	1,770,000	-
Total expenditures	256,820,066	264,073,381	(7,253,315)	253,771,106
Excess (deficiency) of revenues over expenditures	5,480,439	13,942,844	8,462,405	11,835,031
<b>Other financing sources (uses)</b>				
Principal on bonds sold	-	-	-	16,245,000
Premium on bonds sold	-	-	-	1,756,291
Permanent transfer from working cash accounts	(5,031,570)	(5,031,570)	-	(158,270)
Transfer for principal on leases	-	(701,675)	(701,675)	(698,298)
Transfer for interest on leases	-	(18,884)	(18,884)	(22,261)
Total other financing sources (uses)	(5,031,570)	(5,752,129)	(720,559)	17,122,462
Net change in fund balance	\$ 448,869	8,190,715	\$ 7,741,846	28,957,493
Fund balance, beginning of year		38,425,526		9,468,033
Fund balance, end of year		\$ 46,616,241		\$ 38,425,526

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## OPERATIONS AND MAINTENANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 13,350,000	\$ 13,566,100	\$ 216,100	\$ 13,044,161
Investment income	1,500	258,538	257,038	1,551
Rentals	400,000	824,928	424,928	429,702
Other	100,000	77,327	(22,673)	647,870
Total local sources	<u>13,851,500</u>	<u>14,726,893</u>	<u>875,393</u>	<u>14,123,284</u>
<b>State sources</b>				
Evidence based funding	<u>6,009,009</u>	<u>6,009,009</u>	-	<u>5,500,000</u>
Total state sources	<u>6,009,009</u>	<u>6,009,009</u>	-	<u>5,500,000</u>
<b>Federal sources</b>				
Other restricted revenue from federal sources	<u>838,734</u>	<u>575,378</u>	(263,356)	<u>379,623</u>
Total federal sources	<u>838,734</u>	<u>575,378</u>	(263,356)	<u>379,623</u>
Total revenues	<u>20,699,243</u>	<u>21,311,280</u>	<u>612,037</u>	<u>20,002,907</u>
<b>Expenditures</b>				
<b>Support services</b>				
<b>Business</b>				
<b>Operation and maintenance of plant services</b>				
Salaries	7,794,979	7,593,523	201,456	7,216,579
Employee benefits	1,528,773	1,361,708	167,065	1,323,131
Purchased services	4,165,964	3,724,660	441,304	4,467,900
Supplies and materials	4,977,042	4,183,219	793,823	4,849,002
Capital outlay	150,000	889,873	(739,873)	191,664
Other objects	15,000	8,198	6,802	11,702
Non-capitalized equipment	<u>143,000</u>	<u>262,398</u>	<u>(119,398)</u>	<u>357,257</u>
Total	<u>18,774,758</u>	<u>18,023,579</u>	<u>751,179</u>	<u>18,417,235</u>
Total business	<u>18,774,758</u>	<u>18,023,579</u>	<u>751,179</u>	<u>18,417,235</u>
Total support services	<u>18,774,758</u>	<u>18,023,579</u>	<u>751,179</u>	<u>18,417,235</u>
Total expenditures	<u>18,774,758</u>	<u>18,023,579</u>	<u>751,179</u>	<u>18,417,235</u>
Excess (deficiency) of revenues over expenditures	<u>1,924,485</u>	<u>3,287,701</u>	<u>1,363,216</u>	<u>1,585,672</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**  
**OPERATIONS AND MAINTENANCE FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2023  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Other financing sources (uses)</b>				
Lease value	\$ -	\$ 810,750	\$ 810,750	\$ -
Transfer for principal on leases	-	(304,892)	(304,892)	(293,461)
Transfer for interest on leases	-	(21,186)	(21,186)	(15,630)
Total other financing sources (uses)	-	<u>484,672</u>	<u>484,672</u>	<u>(309,091)</u>
Net change in fund balance	<u>\$ 1,924,485</u>	3,772,373	<u>\$ 1,847,888</u>	1,276,581
Fund balance, beginning of year		<u>5,576,378</u>		<u>4,299,797</u>
Fund balance, end of year		<u>\$ 9,348,751</u>		<u>\$ 5,576,378</u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## TRANSPORTATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 2,305,000	\$ 2,342,962	\$ 37,962	\$ 2,256,496
Regular transportation fees from pupils or parents	30,000	-	(30,000)	31
Regular transportation fees from other LEAs (in state)	37,000	136,259	99,259	48,100
Investment income	50,000	3,091	(46,909)	1,070
Other	-	75,290	75,290	53,527
Total local sources	<u>2,422,000</u>	<u>2,557,602</u>	<u>135,602</u>	<u>2,359,224</u>
<b>State sources</b>				
Transportation - regular/vocational	3,000,000	2,853,184	(146,816)	1,852,120
Transportation - special education	<u>3,944,525</u>	<u>3,941,463</u>	<u>(3,062)</u>	<u>3,074,350</u>
Total state sources	<u>6,944,525</u>	<u>6,794,647</u>	<u>(149,878)</u>	<u>4,926,470</u>
Total revenues	<u>9,366,525</u>	<u>9,352,249</u>	<u>(14,276)</u>	<u>7,285,694</u>
<b>Expenditures</b>				
<b>Support Services</b>				
<b>Pupils</b>				
<b>Other support services - pupils</b>				
Employee benefits	<u>1,387</u>	<u>-</u>	<u>1,387</u>	<u>-</u>
Total	<u>1,387</u>	<u>-</u>	<u>1,387</u>	<u>-</u>
Total pupils	<u>1,387</u>	<u>-</u>	<u>1,387</u>	<u>-</u>
<b>Business</b>				
<b>Pupil transportation services</b>				
Salaries	4,708,314	4,959,417	(251,103)	4,747,352
Employee benefits	1,369,911	1,039,546	330,365	1,012,818
Purchased services	5,117,660	6,536,285	(1,418,625)	5,196,521
Supplies and materials	787,000	847,097	(60,097)	727,184
Capital outlay	-	1,437,793	(1,437,793)	-
Other objects	1,879,000	4,429	1,874,571	3,541
Non-capitalized equipment	<u>250,000</u>	<u>1,584</u>	<u>248,416</u>	<u>-</u>
Total	<u>14,111,885</u>	<u>14,826,151</u>	<u>(714,266)</u>	<u>11,687,416</u>
Total business	<u>14,111,885</u>	<u>14,826,151</u>	<u>(714,266)</u>	<u>11,687,416</u>
Total support services	<u>14,113,272</u>	<u>14,826,151</u>	<u>(712,879)</u>	<u>11,687,416</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308  
TRANSPORTATION FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Debt services</b>				
<b>Payments on long term debt</b>				
Interest on long term debt	\$ -	\$ 206,021	\$ (206,021)	\$ 270,856
Principal payments on long term debt	-	1,595,137	(1,595,137)	1,412,137
Total	-	1,801,158	(1,801,158)	1,682,993
Total debt services	-	1,801,158	(1,801,158)	1,682,993
Total expenditures	14,113,272	16,627,309	(2,514,037)	13,370,409
Excess (deficiency) of revenues over expenditures	(4,746,747)	(7,275,060)	(2,528,313)	(6,084,715)
<b>Other financing sources (uses)</b>				
Lease value	-	1,437,793	1,437,793	-
Total other financing sources (uses)	-	1,437,793	1,437,793	-
Net change in fund balance	\$ (4,746,747)	(5,837,267)	\$ (1,090,520)	(6,084,715)
Fund balance, beginning of year		2,401,963		8,486,678
Fund balance (deficit), end of year		\$ (3,435,304)		\$ 2,401,963

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

**MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023			2022
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 3,192,500	\$ 3,245,061	\$ 52,561	\$ 3,128,274
Social security/Medicare only levy	3,192,500	3,245,061	52,561	3,128,274
Corporate personal property replacement taxes	1,000,000	1,915,639	915,639	1,694,814
Investment income	-	114,180	114,180	1,638
Total local sources	<u>7,385,000</u>	<u>8,519,941</u>	<u>1,134,941</u>	<u>7,953,000</u>
<b>Federal sources</b>				
Other restricted revenue from federal sources	<u>24,542</u>	-	<u>(24,542)</u>	-
Total federal sources	<u>24,542</u>	-	<u>(24,542)</u>	-
Total revenues	<u>7,409,542</u>	<u>8,519,941</u>	<u>1,110,399</u>	<u>7,953,000</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Regular programs	1,883,814	1,158,101	725,713	1,261,065
Pre-K programs	233,602	-	233,602	-
Special education programs	847,235	870,268	(23,033)	897,941
Special education programs Pre-K	2,945	137,953	(135,008)	126,525
Remedial and supplemental programs K - 12	200	35,010	(34,810)	38,016
Remedial and supplemental programs Pre-K	99,846	-	99,846	-
CTE programs	32,885	40,531	(7,646)	36,509
Interscholastic programs	123,315	164,250	(40,935)	164,743
Summer school programs	5,631	21,815	(16,184)	60,415
Gifted programs	8,377	7,412	965	6,670
Driver's education programs	7,033	8,785	(1,752)	9,366
Bilingual programs	104,054	135,881	(31,827)	127,044
Truant's alternative and optional programs	<u>6,779</u>	<u>5,907</u>	<u>872</u>	<u>5,159</u>
Total instruction	<u>3,355,716</u>	<u>2,585,913</u>	<u>769,803</u>	<u>2,733,453</u>
<b>Support services</b>				
<b>Pupils</b>				
Attendance and social work services	157,667	183,798	(26,131)	158,689
Guidance services	31,975	36,770	(4,795)	38,304
Health services	224,927	191,151	33,776	221,177
Psychological services	26,194	28,729	(2,535)	28,687
Speech pathology and audiology services	194,278	169,456	24,822	198,285
Other support services - pupils	<u>28,012</u>	<u>58,851</u>	<u>(30,839)</u>	<u>50,975</u>
Total pupils	<u>663,053</u>	<u>668,755</u>	<u>(5,702)</u>	<u>696,117</u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Instructional staff</b>				
Improvement of instructional staff	\$ 38,953	\$ 203,077	\$ (164,124)	\$ 205,761
Educational media services	64,067	71,466	(7,399)	73,487
Assessment and testing	<u>6,955</u>	<u>10,325</u>	<u>(3,370)</u>	<u>8,102</u>
Total instructional staff	<u>109,975</u>	<u>284,868</u>	<u>(174,893)</u>	<u>287,350</u>
<b>General administration</b>				
Board of education services	11,700	16,668	(4,968)	16,938
Executive administration services	4,448	5,894	(1,446)	5,537
Special area administration services	<u>27,845</u>	<u>89,287</u>	<u>(61,442)</u>	<u>83,353</u>
Total general administration	<u>43,993</u>	<u>111,849</u>	<u>(67,856)</u>	<u>105,828</u>
<b>School administration</b>				
Office of the principal services	346,439	404,318	(57,879)	412,084
Other support services - school administration	<u>26,174</u>	<u>31,207</u>	<u>(5,033)</u>	<u>28,738</u>
Total school administration	<u>372,613</u>	<u>435,525</u>	<u>(62,912)</u>	<u>440,822</u>
<b>Business</b>				
Direction of business support services	2,392	16,721	(14,329)	2,082
Fiscal services	41,692	62,819	(21,127)	45,088
Operations and maintenance of plant services	947,720	1,141,476	(193,756)	1,157,131
Pupil transportation services	553,860	744,321	(190,461)	759,533
Food services	<u>200</u>	<u>-</u>	<u>200</u>	<u>-</u>
Total business	<u>1,545,864</u>	<u>1,965,337</u>	<u>(419,473)</u>	<u>1,963,834</u>
<b>Central</b>				
Direction of central support services	1,912	16,692	(14,780)	17,872
Planning, research, development and evaluation services	4,815	7,706	(2,891)	3,051
Information services	27,174	46,281	(19,107)	44,098
Staff services	92,322	93,281	(959)	118,172
Data processing services	<u>131,621</u>	<u>190,164</u>	<u>(58,543)</u>	<u>209,414</u>
Total central	<u>257,844</u>	<u>354,124</u>	<u>(96,280)</u>	<u>392,607</u>
<b>Other supporting services</b>	<u>22,218</u>	<u>28,064</u>	<u>(5,846)</u>	<u>29,620</u>
Total support services	<u>3,015,560</u>	<u>3,848,522</u>	<u>(832,962)</u>	<u>3,916,178</u>
<b>Community services</b>	<u>24,302</u>	<u>27,713</u>	<u>(3,411)</u>	<u>15,345</u>
Total expenditures	<u>6,395,578</u>	<u>6,462,148</u>	<u>(66,570)</u>	<u>6,664,976</u>
Net change in fund balance	<u>\$ 1,013,964</u>	2,057,793	<u>\$ 1,043,829</u>	1,288,024
Fund balance, beginning of year		<u>2,224,380</u>		<u>936,356</u>
Fund balance, end of year		<u>\$ 4,282,173</u>		<u>\$ 2,224,380</u>

See Auditors' Report and Notes to Required Supplementary Information

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2023

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## **STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### **Budgetary Data**

The budgeted amounts for the Governmental Funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

The Board of Education follows these procedures in establishing the budgetary data reflected in the general purpose financial statements:

1. 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.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.
4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.
5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.
6. All budget appropriations lapse at the end of the fiscal year.

The budget amounts shown in the financial statements are as originally adopted because there were no amendments during the past fiscal year.

### **Excess of Expenditures over Budget**

For the year ended June 30, 2023, expenditures exceeded budget in the General Fund, the Transportation Fund, and the Retirement/Social Security Fund \$7,253,315, \$2,514,037, and \$66,570 respectively. The excesses were funded by available fund balances or other funding sources.

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 36,505,987	\$ 36,180,837	\$ (325,150)	\$ 36,390,349
Investment income	<u>150,000</u>	<u>441,055</u>	<u>291,055</u>	<u>12,427</u>
Total local sources	<u>36,655,987</u>	<u>36,621,892</u>	<u>(34,095)</u>	<u>36,402,776</u>
Total revenues	<u>36,655,987</u>	<u>36,621,892</u>	<u>(34,095)</u>	<u>36,402,776</u>
<b>Expenditures</b>				
<b>Debt services</b>				
<b>Payments on long term debt</b>				
Interest on long term debt	10,300,601	10,207,309	93,292	9,788,902
Principal payments on long term debt	<u>26,628,638</u>	<u>27,756,567</u>	<u>(1,127,929)</u>	<u>24,996,759</u>
Total	<u>36,929,239</u>	<u>37,963,876</u>	<u>(1,034,637)</u>	<u>34,785,661</u>
<b>Other debt service</b>				
Purchased services	-	4,450	(4,450)	3,975
Other objects	<u>-</u>	<u>-</u>	<u>-</u>	<u>318,056</u>
Total	<u>-</u>	<u>4,450</u>	<u>(4,450)</u>	<u>322,031</u>
Total debt services	<u>36,929,239</u>	<u>37,968,326</u>	<u>(1,039,087)</u>	<u>35,107,692</u>
Total expenditures	<u>36,929,239</u>	<u>37,968,326</u>	<u>(1,039,087)</u>	<u>35,107,692</u>
Excess (deficiency) of revenues over expenditures	<u>(273,252)</u>	<u>(1,346,434)</u>	<u>(1,073,182)</u>	<u>1,295,084</u>
<b>Other financing sources (uses)</b>				
Premium on bonds sold	-	-	-	318,056
Transfer for principal on leases	-	1,006,567	1,006,567	991,759
Transfer for interest on leases	<u>-</u>	<u>40,070</u>	<u>40,070</u>	<u>37,891</u>
Total other financing sources (uses)	<u>-</u>	<u>1,046,637</u>	<u>1,046,637</u>	<u>1,347,706</u>
Net change in fund balance	<u>\$ (273,252)</u>	<u>(299,797)</u>	<u>\$ (26,545)</u>	<u>2,642,790</u>
Fund balance, beginning of year		<u>20,687,510</u>		<u>18,044,720</u>
Fund balance, end of year		<u>\$ 20,387,713</u>		<u>\$ 20,687,510</u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2022 ACTUAL
<b>Revenues</b>				
<b>Local sources</b>				
Other payments in lieu of taxes	\$ 1,569,770	\$ 738,144	\$ (831,626)	\$ 565,400
Investment income	50,000	181,558	131,558	5,034
Impact fees from municipal or county governments	-	1,417,878	1,417,878	1,179,660
Other	-	75,433	75,433	-
Total local sources	<u>1,619,770</u>	<u>2,413,013</u>	<u>793,243</u>	<u>1,750,094</u>
<b>State sources</b>				
School infrastructure - maintenance projects	-	50,000	50,000	-
Total state sources	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total revenues	<u>1,619,770</u>	<u>2,463,013</u>	<u>843,243</u>	<u>1,750,094</u>
<b>Expenditures</b>				
<b>Support services</b>				
<b>Business</b>				
<b>Facilities acquisition and construction service</b>				
Purchased services	-	2,102,547	(2,102,547)	240,412
Supplies and materials	-	9,036	(9,036)	-
Capital outlay	4,781,570	2,505,552	2,276,018	1,547,836
Non-capitalized equipment	250,000	73,583	176,417	158,270
Total	<u>5,031,570</u>	<u>4,690,718</u>	<u>340,852</u>	<u>1,946,518</u>
Total business	<u>5,031,570</u>	<u>4,690,718</u>	<u>340,852</u>	<u>1,946,518</u>
Total support services	<u>5,031,570</u>	<u>4,690,718</u>	<u>340,852</u>	<u>1,946,518</u>
Total expenditures	<u>5,031,570</u>	<u>4,690,718</u>	<u>340,852</u>	<u>1,946,518</u>
Excess (deficiency) of revenues over expenditures	<u>(3,411,800)</u>	<u>(2,227,705)</u>	<u>1,184,095</u>	<u>(196,424)</u>
<b>Other financing sources (uses)</b>				
Permanent transfer from working cash accounts	5,031,570	5,031,570	-	158,270
Total other financing sources (uses)	<u>5,031,570</u>	<u>5,031,570</u>	<u>-</u>	<u>158,270</u>
Net change in fund balance	<u>\$ 1,619,770</u>	<u>2,803,865</u>	<u>\$ 1,184,095</u>	<u>(38,154)</u>
Fund balance, beginning of year		<u>4,578,632</u>		<u>4,616,786</u>
Fund balance, end of year		<u>\$ 7,382,497</u>		<u>\$ 4,578,632</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

**FIRE PREVENTION AND LIFE SAFETY FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023			2022
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
<b>Revenues</b>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<b>Expenditures</b>				
Total expenditures	-	-	-	-
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund balance, beginning of year		<u>387</u>		<u>387</u>
Fund balance, end of year		<u>\$ 387</u>		<u>\$ 387</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**

**GENERAL FUND**

COMBINING BALANCE SHEET

AS OF JUNE 30, 2023

	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
<b>Assets</b>			
Cash and investments	\$ 32,631,814	\$ 29,066,111	\$ 61,697,925
Student activity cash	2,358,403	-	2,358,403
Receivables (net allowance for uncollectibles):			
Property taxes	45,538,308	88,951	45,627,259
Replacement taxes	1,007,627	-	1,007,627
Intergovernmental	6,253,905	-	6,253,905
Other	582,877	-	582,877
Loan to transportation fund	<u>5,168,788</u>	-	<u>5,168,788</u>
Total assets	<u>\$ 93,541,722</u>	<u>\$ 29,155,062</u>	<u>\$ 122,696,784</u>
<b>Liabilities, deferred inflows of resources, and fund balance</b>			
<b>Liabilities</b>			
Accounts payable	\$ 584,957	\$ -	\$ 584,957
Salaries and wages payable	17,324,397	-	17,324,397
Tax anticipation warrants payable	8,000,000	-	8,000,000
Health claims payable	<u>2,800,438</u>	-	<u>2,800,438</u>
Total liabilities	<u>28,709,792</u>	-	<u>28,709,792</u>
<b>Deferred inflows of resources</b>			
Property taxes levied for a future period	46,846,452	91,652	46,938,104
Unavailable state and federal aid receivable	<u>432,647</u>	-	<u>432,647</u>
Total deferred inflows of resources	<u>47,279,099</u>	<u>91,652</u>	<u>47,370,751</u>
<b>Fund balance</b>			
Restricted	10,278,625	-	10,278,625
Assigned	2,358,403	-	2,358,403
Unassigned	<u>4,915,803</u>	<u>29,063,410</u>	<u>33,979,213</u>
Total fund balance	<u>17,552,831</u>	<u>29,063,410</u>	<u>46,616,241</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 93,541,722</u>	<u>\$ 29,155,062</u>	<u>\$ 122,696,784</u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## GENERAL FUND

### COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2023

	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
<b>Revenues</b>			
Property taxes	\$ 91,232,776	\$ 178,247	\$ 91,411,023
Corporate personal property replacement taxes	4,474,305	-	4,474,305
State aid	150,217,763	-	150,217,763
Federal aid	18,173,498	-	18,173,498
Investment income	728,315	975,648	1,703,963
Student activities	3,196,846	-	3,196,846
Other	<u>8,838,827</u>	<u>-</u>	<u>8,838,827</u>
Total revenues	<u>276,862,330</u>	<u>1,153,895</u>	<u>278,016,225</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular programs	84,652,397	-	84,652,397
Special programs	36,408,130	-	36,408,130
Other instructional programs	17,818,177	-	17,818,177
Student activities	3,004,693	-	3,004,693
State retirement contributions	62,447,248	-	62,447,248
Support Services:			
Pupils	24,276,863	-	24,276,863
Instructional staff	7,054,702	-	7,054,702
General administration	5,875,427	-	5,875,427
School administration	11,628,805	-	11,628,805
Business	5,339,792	-	5,339,792
Transportation	6,760	-	6,760
Operations and maintenance	7,042	-	7,042
Central	4,758,958	-	4,758,958
Other supporting services	245,148	-	245,148
Community services	326,646	-	326,646
Payments to other districts and gov't units	86,024	-	86,024
Debt Service:			
Interest and fees	66,242	-	66,242
Capital outlay	<u>70,327</u>	<u>-</u>	<u>70,327</u>
Total expenditures	<u>264,073,381</u>	<u>-</u>	<u>264,073,381</u>
Excess (deficiency) of revenues over expenditures	<u>12,788,949</u>	<u>1,153,895</u>	<u>13,942,844</u>
<b>Other financing sources (uses)</b>			
Transfers (out)	<u>(720,559)</u>	<u>(5,031,570)</u>	<u>(5,752,129)</u>
Total other financing sources (uses)	<u>(720,559)</u>	<u>(5,031,570)</u>	<u>(5,752,129)</u>
Net change in fund balance	12,068,390	(3,877,675)	8,190,715
Fund balance, beginning of year	<u>5,484,441</u>	<u>32,941,085</u>	<u>38,425,526</u>
Fund balance, end of year	<u>\$ 17,552,831</u>	<u>\$ 29,063,410</u>	<u>\$ 46,616,241</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**  
**EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2023  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 80,430,000	\$ 81,862,863	\$ 1,432,863	\$ 77,894,222
Special education levy	9,220,000	9,369,913	149,913	9,036,131
Corporate personal property replacement taxes	2,409,057	4,474,305	2,065,248	4,427,934
Regular tuition from pupils or parents (in state)	-	110,074	110,074	93,186
Special education tuition from other LEA's (in state)	1,360,000	1,225,751	(134,249)	1,520,413
Investment income	128,000	728,315	600,315	20,416
Sales to pupils - lunch	1,320,000	1,756,589	436,589	30,369
Sales to pupils - breakfast	90,000	133,185	43,185	(19)
Sales to pupils - a la carte	561,600	698,788	137,188	11
Admissions - athletic	50,000	94,328	44,328	97,300
Admissions - other	16,500	-	(16,500)	-
Fees	422,700	663,087	240,387	704,581
Other pupil activity revenue	462,000	420,180	(41,820)	659,483
Student activities	-	3,196,846	3,196,846	2,780,794
Rentals - regular textbook	2,600,000	3,186,728	586,728	3,198,533
Rentals - summer school textbook	150,000	133,602	(16,398)	143,128
Other - textbooks	5,000	11,163	6,163	22,801
Contributions and donations from private sources	40,000	-	(40,000)	-
Refund of prior years' expenditures	50,000	68,178	18,178	62,800
Driver's education fees	175,000	37,843	(137,157)	66,488
Other	450,000	299,331	(150,669)	160,303
<b>Total local sources</b>	<b>99,939,857</b>	<b>108,471,069</b>	<b>8,531,212</b>	<b>100,918,874</b>
<b>State sources</b>				
Evidence based funding	83,013,351	83,029,878	16,527	76,943,212
Special education - private facility tuition	1,539,012	2,640,637	1,101,625	2,099,707
Special education - orphanage - individual	447,542	467,899	20,357	339,115
Special education - orphanage - summer	2,000	5,805	3,805	1,559
CTE - Secondary program improvement	191,106	191,106	-	198,137
CTE - Agriculture education	-	2,727	2,727	-
State free lunch & breakfast	-	15,311	15,311	123,198
Driver education	165,000	68,142	(96,858)	234,916
Early childhood - block grant	1,334,485	1,334,485	-	1,334,485
Other restricted revenue from state sources	100,000	14,525	(85,475)	18,189
On behalf payment to TRS from the state	61,629,634	62,447,248	817,614	61,629,634
<b>Total state sources</b>	<b>148,422,130</b>	<b>150,217,763</b>	<b>1,795,633</b>	<b>142,922,152</b>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2022 ACTUAL
<b>Federal sources</b>				
National school lunch program	\$ 2,200,000	\$ 2,958,464	\$ 758,464	\$ 7,150,449
Special milk program	-	2,202	2,202	1,397
School breakfast program	-	366,250	366,250	1,757,615
Summer food service admin/program	-	-	-	72,018
Food service - other	-	484,239	484,239	490,201
Title I - Low income	1,088,306	857,128	(231,178)	976,341
Title I - Low income - neglected, private	208,141	-	(208,141)	-
Title I - Other	-	153,252	153,252	385,757
Title IV - Safe & drug free schools - formula	74,695	80,193	5,498	90,888
Title IV - 21st Century	47,000	-	(47,000)	-
Federal - special education - preschool flow-through	32,322	49,026	16,704	42,032
Federal - special education - IDEA - flow-through/low incident	2,809,504	2,585,288	(224,216)	3,152,309
Federal - special education - IDEA - room & board	-	790,895	790,895	708,978
CTE - Perkins - Title III E - tech. prep.	-	88,867	88,867	78,644
CTE - Other	88,868	-	(88,868)	-
Emergency immigrant assistance	-	10,385	10,385	-
Title III - English language acquisition	264,556	171,345	(93,211)	154,246
Title II - Teacher quality	516,047	418,122	(97,925)	219,542
Medicaid matching funds - administrative outreach	250,000	298,483	48,483	386,965
Medicaid matching funds - fee-for-service program	675,000	1,290,056	615,056	796,828
Other restricted revenue from federal sources	<u>5,494,079</u>	<u>7,569,303</u>	<u>2,075,224</u>	<u>5,113,342</u>
Total federal sources	<u>13,748,518</u>	<u>18,173,498</u>	<u>4,424,980</u>	<u>21,577,552</u>
Total revenues	<u>262,110,505</u>	<u>276,862,330</u>	<u>14,751,825</u>	<u>265,418,578</u>
<b>Expenditures</b>				
<b>Instruction</b>				
<b>Regular programs</b>				
Salaries	40,364,572	69,148,522	(28,783,950)	66,425,684
Employee benefits	7,521,771	9,542,770	(2,020,999)	11,144,253
On-behalf payments to TRS from the state	61,629,634	62,447,248	(817,614)	61,629,634
Purchased services	376,608	643,768	(267,160)	682,106
Supplies and materials	2,281,698	3,873,002	(1,591,304)	1,732,993
Capital outlay	-	5,000	(5,000)	-
Other objects	-	-	-	7,101
Non-capitalized equipment	<u>32,845</u>	<u>1,444,335</u>	<u>(1,411,490)</u>	<u>1,019,682</u>
Total	<u>112,207,128</u>	<u>147,104,645</u>	<u>(34,897,517)</u>	<u>142,641,453</u>
<b>Tuition payment to charter schools</b>				
Purchased services	<u>65,424</u>	<u>-</u>	<u>65,424</u>	<u>-</u>
Total	<u>65,424</u>	<u>-</u>	<u>65,424</u>	<u>-</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**  
**EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Pre-K programs</b>				
Salaries	\$ 18,400,554	\$ -	\$ 18,400,554	\$ -
Employee benefits	2,592,320	-	2,592,320	-
Purchased services	59,136	500	58,636	450
Supplies and materials	752,096	34,276	717,820	68,968
Non-capitalized equipment	<u>15,400</u>	<u>559</u>	<u>14,841</u>	<u>-</u>
Total	<u>21,819,506</u>	<u>35,335</u>	<u>21,784,171</u>	<u>69,418</u>
<b>Special education programs</b>				
Salaries	23,250,191	20,523,303	2,726,888	19,939,200
Employee benefits	4,017,234	3,351,465	665,769	3,979,871
Purchased services	743,514	2,239,095	(1,495,581)	681,960
Supplies and materials	377,425	433,659	(56,234)	159,612
Capital outlay	-	-	-	3,960
Non-capitalized equipment	<u>21,000</u>	<u>13,498</u>	<u>7,502</u>	<u>9,738</u>
Total	<u>28,409,364</u>	<u>26,561,020</u>	<u>1,848,344</u>	<u>24,774,341</u>
<b>Special education programs Pre-K</b>				
Salaries	3,041,252	2,740,153	301,099	2,539,746
Employee benefits	214,266	549,043	(334,777)	599,948
Purchased services	10,532	-	10,532	-
Supplies and materials	<u>5,000</u>	<u>1,169</u>	<u>3,831</u>	<u>22,736</u>
Total	<u>3,271,050</u>	<u>3,290,365</u>	<u>(19,315)</u>	<u>3,162,430</u>
<b>Remedial and supplemental programs K - 12</b>				
Salaries	822,652	708,984	113,668	809,579
Employee benefits	23,964	114,332	(90,368)	157,521
Purchased services	51,331	97,917	(46,586)	68,549
Supplies and materials	101,378	129,359	(27,981)	188,036
Non-capitalized equipment	<u>2,050</u>	<u>1,041</u>	<u>1,009</u>	<u>1,041</u>
Total	<u>1,001,375</u>	<u>1,051,633</u>	<u>(50,258)</u>	<u>1,224,726</u>
<b>Remedial and supplemental programs Pre - K</b>				
Employee benefits	<u>383,963</u>	<u>-</u>	<u>383,963</u>	<u>-</u>
Total	<u>383,963</u>	<u>-</u>	<u>383,963</u>	<u>-</u>
<b>CTE programs</b>				
Salaries	2,839,946	2,922,361	(82,415)	2,649,154
Employee benefits	369,898	441,915	(72,017)	475,043
Purchased services	47,299	37,458	9,841	21,508
Supplies and materials	97,771	106,421	(8,650)	98,949
Capital outlay	28,837	28,327	510	35,935
Non-capitalized equipment	<u>61,975</u>	<u>62,358</u>	<u>(383)</u>	<u>64,878</u>
Total	<u>3,445,726</u>	<u>3,598,840</u>	<u>(153,114)</u>	<u>3,345,467</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**  
**EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2023  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Interscholastic programs</b>				
Salaries	\$ 4,109,875	\$ 3,579,006	\$ 530,869	\$ 3,367,697
Employee benefits	231,362	237,691	(6,329)	163,564
Purchased services	405,328	380,783	24,545	347,631
Supplies and materials	179,900	233,264	(53,364)	208,656
Capital outlay	-	37,000	(37,000)	-
Other objects	89,205	103,478	(14,273)	173,046
Non-capitalized equipment	<u>15,500</u>	<u>48,607</u>	<u>(33,107)</u>	<u>30,179</u>
Total	<u>5,031,170</u>	<u>4,619,829</u>	<u>411,341</u>	<u>4,290,773</u>
<b>Summer school programs</b>				
Salaries	1,038,156	639,976	398,180	1,279,544
Employee benefits	44,646	48,415	(3,769)	55,949
Purchased services	-	8,718	(8,718)	8,434
Supplies and materials	<u>90,000</u>	<u>11,364</u>	<u>78,636</u>	<u>10,667</u>
Total	<u>1,172,802</u>	<u>708,473</u>	<u>464,329</u>	<u>1,354,594</u>
<b>Gifted programs</b>				
Salaries	487,180	527,264	(40,084)	481,483
Employee benefits	<u>58,222</u>	<u>52,489</u>	<u>5,733</u>	<u>77,769</u>
Total	<u>545,402</u>	<u>579,753</u>	<u>(34,351)</u>	<u>559,252</u>
<b>Driver's education programs</b>				
Salaries	400,376	628,243	(227,867)	612,924
Employee benefits	74,103	74,040	63	84,658
Purchased services	8,000	1,537	6,463	8,705
Supplies and materials	9,000	8,703	297	7,585
Other objects	<u>60,400</u>	<u>58,322</u>	<u>2,078</u>	<u>72,526</u>
Total	<u>551,879</u>	<u>770,845</u>	<u>(218,966)</u>	<u>786,398</u>
<b>Bilingual programs</b>				
Salaries	6,131,470	6,027,680	103,790	5,436,978
Employee benefits	893,545	973,846	(80,301)	1,027,087
Purchased services	95,540	54,871	40,669	38,456
Supplies and materials	<u>21,607</u>	<u>22,114</u>	<u>(507)</u>	<u>16,577</u>
Total	<u>7,142,162</u>	<u>7,078,511</u>	<u>63,651</u>	<u>6,519,098</u>
<b>Truant's alternative and optional programs</b>				
Salaries	443,929	428,649	15,280	374,906
Employee benefits	73,534	60,075	13,459	66,333
Purchased services	-	481	(481)	6,413
Supplies and materials	<u>3,355</u>	<u>2,713</u>	<u>642</u>	<u>1,764</u>
Total	<u>520,818</u>	<u>491,918</u>	<u>28,900</u>	<u>449,416</u>
<b>Special education programs K -12 - private tuition</b>				
Other objects	<u>7,000,000</u>	<u>5,505,112</u>	<u>1,494,888</u>	<u>5,377,301</u>
Total	<u>7,000,000</u>	<u>5,505,112</u>	<u>1,494,888</u>	<u>5,377,301</u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023			2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
<b>Student activities</b>				
Student activities	\$ -	\$ 3,004,693	\$ (3,004,693)	\$ 2,544,406
Total	-	3,004,693	(3,004,693)	2,544,406
Total instruction	192,567,769	204,400,972	(11,833,203)	197,099,073
<b>Support services</b>				
<b>Pupils</b>				
<b>Attendance and social work services</b>				
Salaries	6,072,247	5,763,336	308,911	5,167,966
Employee benefits	829,611	902,673	(73,062)	904,169
Purchased services	77,900	107,542	(29,642)	177,565
Supplies and materials	19,500	14,001	5,499	-
Total	6,999,258	6,787,552	211,706	6,249,700
<b>Guidance services</b>				
Salaries	2,653,008	2,665,410	(12,402)	2,686,260
Employee benefits	488,790	395,937	92,853	465,777
Purchased services	89,865	100,615	(10,750)	103,452
Supplies and materials	1,845	978	867	2,267
Total	3,233,508	3,162,940	70,568	3,257,756
<b>Health services</b>				
Salaries	2,094,216	1,833,099	261,117	2,015,134
Employee benefits	382,650	268,410	114,240	329,519
Purchased services	732,800	2,536,341	(1,803,541)	1,096,318
Supplies and materials	47,314	78,486	(31,172)	49,190
Other objects	3,000	520	2,480	428
Non-capitalized equipment	40,000	16,505	23,495	975
Total	3,299,980	4,733,361	(1,433,381)	3,491,564
<b>Psychological services</b>				
Salaries	2,384,474	2,057,393	327,081	2,054,499
Employee benefits	239,584	226,016	13,568	270,110
Purchased services	15,000	312,946	(297,946)	290,603
Supplies and materials	33,000	31,946	1,054	24,174
Total	2,672,058	2,628,301	43,757	2,639,386
<b>Speech pathology and audiology services</b>				
Salaries	5,589,983	5,390,392	199,591	5,134,733
Employee benefits	746,130	785,726	(39,596)	862,722
Purchased services	5,000	207,523	(202,523)	53,200
Supplies and materials	11,000	10,463	537	2,031
Total	6,352,113	6,394,104	(41,991)	6,052,686

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Other support services - pupils</b>				
Salaries	\$ 178,155	\$ 546,865	\$ (368,710)	\$ 435,138
Employee benefits	6,097	6,016	81	8,509
Purchased services	15,000	341	14,659	62
Supplies and materials	<u>25,000</u>	<u>17,383</u>	<u>7,617</u>	<u>28,480</u>
Total	<u>224,252</u>	<u>570,605</u>	<u>(346,353)</u>	<u>472,189</u>
Total pupils	<u>22,781,169</u>	<u>24,276,863</u>	<u>(1,495,694)</u>	<u>22,163,281</u>
<b>Instructional staff</b>				
<b>Improvement of instructional services</b>				
Salaries	3,236,136	2,881,433	354,703	2,688,440
Employee benefits	239,256	530,830	(291,574)	508,649
Purchased services	516,854	408,255	108,599	401,907
Supplies and materials	75,894	24,234	51,660	30,014
Other objects	<u>149,840</u>	<u>129,431</u>	<u>20,409</u>	<u>128,305</u>
Total	<u>4,217,980</u>	<u>3,974,183</u>	<u>243,797</u>	<u>3,757,315</u>
<b>Educational media services</b>				
Salaries	2,283,233	2,169,206	114,027	2,151,728
Employee benefits	400,060	446,223	(46,163)	487,237
Purchased services	113,879	74,590	39,289	29,196
Supplies and materials	219,348	116,231	103,117	56,444
Non-capitalized equipment	<u>49</u>	<u>-</u>	<u>49</u>	<u>180,951</u>
Total	<u>3,016,569</u>	<u>2,806,250</u>	<u>210,319</u>	<u>2,905,556</u>
<b>Assessment and testing</b>				
Salaries	124,574	68,251	56,323	48,853
Employee benefits	21,905	8,994	12,911	114
Purchased services	154,060	114,729	39,331	76,442
Supplies and materials	<u>202,000</u>	<u>82,295</u>	<u>119,705</u>	<u>222,508</u>
Total	<u>502,539</u>	<u>274,269</u>	<u>228,270</u>	<u>347,917</u>
Total instructional staff	<u>7,737,088</u>	<u>7,054,702</u>	<u>682,386</u>	<u>7,010,788</u>
<b>General administration</b>				
<b>Board of education services</b>				
Salaries	108,415	107,590	825	102,895
Employee benefits	5,368	5,246	122	6,489
Purchased services	272,500	419,792	(147,292)	311,849
Supplies and materials	14,000	4,390	9,610	15,365
Other objects	<u>20,000</u>	<u>28,204</u>	<u>(8,204)</u>	<u>20,126</u>
Total	<u>420,283</u>	<u>565,222</u>	<u>(144,939)</u>	<u>456,724</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**  
**EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2023  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Executive administration services</b>				
Salaries	\$ 399,370	\$ 417,072	\$ (17,702)	\$ 391,870
Employee benefits	70,579	87,067	(16,488)	91,426
Purchased services	22,000	10,856	11,144	16,576
Supplies and materials	3,000	3,756	(756)	2,111
Other objects	<u>10,000</u>	<u>8,573</u>	<u>1,427</u>	<u>2,158</u>
Total	<u>504,949</u>	<u>527,324</u>	<u>(22,375)</u>	<u>504,141</u>
<b>Special area administration services</b>				
Salaries	2,083,548	1,950,963	132,585	1,927,259
Employee benefits	396,188	436,871	(40,683)	493,660
Supplies and materials	<u>865</u>	<u>447</u>	<u>418</u>	<u>135</u>
Total	<u>2,480,601</u>	<u>2,388,281</u>	<u>92,320</u>	<u>2,421,054</u>
<b>Tort immunity services</b>				
Purchased services	<u>2,290,000</u>	<u>2,394,600</u>	<u>(104,600)</u>	<u>700,527</u>
Total	<u>2,290,000</u>	<u>2,394,600</u>	<u>(104,600)</u>	<u>700,527</u>
Total general administration	<u>5,695,833</u>	<u>5,875,427</u>	<u>(179,594)</u>	<u>4,082,446</u>
<b>School administration</b>				
<b>Office of the principal services</b>				
Salaries	6,948,111	7,038,127	(90,016)	6,699,723
Employee benefits	1,497,066	1,744,881	(247,815)	1,920,571
Purchased services	24,980	15,204	9,776	23,984
Supplies and materials	93,252	129,781	(36,529)	126,484
Non-capitalized equipment	<u>-</u>	<u>18,345</u>	<u>(18,345)</u>	<u>-</u>
Total	<u>8,563,409</u>	<u>8,946,338</u>	<u>(382,929)</u>	<u>8,770,762</u>
<b>Other support services - school administration</b>				
Salaries	2,400,805	2,268,682	132,123	2,088,298
Employee benefits	<u>291,181</u>	<u>413,785</u>	<u>(122,604)</u>	<u>420,128</u>
Total	<u>2,691,986</u>	<u>2,682,467</u>	<u>9,519</u>	<u>2,508,426</u>
Total school administration	<u>11,255,395</u>	<u>11,628,805</u>	<u>(373,410)</u>	<u>11,279,188</u>
<b>Business</b>				
<b>Direction of business support services</b>				
Salaries	254,241	254,241	-	152,500
Employee benefits	<u>20,849</u>	<u>49,495</u>	<u>(28,646)</u>	<u>42,174</u>
Total	<u>275,090</u>	<u>303,736</u>	<u>(28,646)</u>	<u>194,674</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**  
**EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2023  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Fiscal services</b>				
Salaries	\$ 455,429	\$ 411,960	\$ 43,469	\$ 277,191
Employee benefits	27,711	49,702	(21,991)	35,835
Purchased services	120,000	126,774	(6,774)	74,837
Supplies and materials	293,700	260,151	33,549	262,206
Other objects	210,000	180,202	29,798	125,891
Non-capitalized equipment	<u>17,500</u>	<u>2,849</u>	<u>14,651</u>	<u>867</u>
Total	<u>1,124,340</u>	<u>1,031,638</u>	<u>92,702</u>	<u>776,827</u>
<b>Operation and maintenance of plant services</b>				
Salaries	-	4,344	(4,344)	15,000
Employee benefits	978	-	978	230,155
Supplies and materials	<u>(280)</u>	<u>2,698</u>	<u>(2,978)</u>	<u>-</u>
Total	<u>698</u>	<u>7,042</u>	<u>(6,344)</u>	<u>245,155</u>
<b>Pupil transportation services</b>				
Salaries	-	5,810	(5,810)	6,513
Employee benefits	73	-	73	174,038
Purchased services	<u>1,000</u>	<u>950</u>	<u>50</u>	<u>-</u>
Total	<u>1,073</u>	<u>6,760</u>	<u>(5,687)</u>	<u>180,551</u>
<b>Food services</b>				
Salaries	3,000	-	3,000	-
Employee benefits	400	-	400	-
Purchased services	4,530,000	3,442,326	1,087,674	4,439,285
Supplies and materials	<u>38,600</u>	<u>562,092</u>	<u>(523,492)</u>	<u>517,429</u>
Total	<u>4,572,000</u>	<u>4,004,418</u>	<u>567,582</u>	<u>4,956,714</u>
Total business	<u>5,973,201</u>	<u>5,353,594</u>	<u>619,607</u>	<u>6,353,921</u>
<b>Central</b>				
<b>Direction of central support services</b>				
Salaries	145,494	107,912	37,582	108,800
Employee benefits	1,177	5,914	(4,737)	3,198
Purchased services	53,000	33,819	19,181	32,288
Supplies and materials	20,000	7,467	12,533	28,394
Other objects	500	-	500	-
Non-capitalized equipment	<u>2,400</u>	<u>2,321</u>	<u>79</u>	<u>-</u>
Total	<u>222,571</u>	<u>157,433</u>	<u>65,138</u>	<u>172,680</u>
<b>Planning, research, development and evaluation services</b>				
Salaries	50,000	49,393	607	19,200
Employee benefits	<u>-</u>	<u>72</u>	<u>(72)</u>	<u>19</u>
Total	<u>50,000</u>	<u>49,465</u>	<u>535</u>	<u>19,219</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**  
**EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Information services</b>				
Salaries	\$ 281,891	\$ 317,053	\$ (35,162)	\$ 286,295
Employee benefits	37,063	62,602	(25,539)	65,488
Purchased services	68,300	34,447	33,853	20,339
Supplies and materials	127,270	95,793	31,477	84,765
Other objects	1,500	1,768	(268)	2,838
Non-capitalized equipment	<u>13,100</u>	<u>14,254</u>	<u>(1,154)</u>	<u>-</u>
Total	<u>529,124</u>	<u>525,917</u>	<u>3,207</u>	<u>459,725</u>
<b>Staff services</b>				
Salaries	714,927	584,178	130,749	716,185
Employee benefits	102,964	67,409	35,555	125,607
Purchased services	171,430	211,351	(39,921)	319,181
Supplies and materials	211,093	133,431	77,662	172,731
Other objects	48,000	93,986	(45,986)	8,092
Non-capitalized equipment	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>
Total	<u>1,249,414</u>	<u>1,090,355</u>	<u>159,059</u>	<u>1,341,796</u>
<b>Data processing services</b>				
Salaries	1,549,034	1,338,023	211,011	1,355,955
Employee benefits	198,158	181,168	16,990	245,667
Purchased services	1,356,950	804,746	552,204	964,512
Supplies and materials	302,500	277,388	25,112	245,193
Non-capitalized equipment	<u>2,464,750</u>	<u>334,463</u>	<u>2,130,287</u>	<u>402,032</u>
Total	<u>5,871,392</u>	<u>2,935,788</u>	<u>2,935,604</u>	<u>3,213,359</u>
Total central	<u>7,922,501</u>	<u>4,758,958</u>	<u>3,163,543</u>	<u>5,206,779</u>
<b>Other supporting services</b>				
Salaries	189,417	187,036	2,381	186,071
Employee benefits	30,472	34,914	(4,442)	45,506
Purchased services	5,841	2,812	3,029	159
Supplies and materials	<u>30,298</u>	<u>20,386</u>	<u>9,912</u>	<u>14,124</u>
Total	<u>256,028</u>	<u>245,148</u>	<u>10,880</u>	<u>245,860</u>
Total support services	<u>61,621,215</u>	<u>59,193,497</u>	<u>2,427,718</u>	<u>56,342,263</u>
<b>Community services</b>				
Salaries	491,257	267,803	223,454	158,461
Employee benefits	52,878	50,144	2,734	38,191
Purchased services	3,680	3,240	440	4,550
Supplies and materials	<u>8,677</u>	<u>5,459</u>	<u>3,218</u>	<u>6,810</u>
Total community services	<u>556,492</u>	<u>326,646</u>	<u>229,846</u>	<u>208,012</u>
<b>Payments to other districts and governmental units</b>				
<b>Payments for regular programs</b>				
Purchased services	<u>16,920</u>	<u>18,149</u>	<u>(1,229)</u>	<u>-</u>
Total	<u>16,920</u>	<u>18,149</u>	<u>(1,229)</u>	<u>-</u>

**OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308**  
**EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2023  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023		VARIANCE WITH FINAL BUDGET	2022 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
<b>Payments for community college programs</b>				
Other objects	\$ -	\$ 67,875	\$ (67,875)	\$ 63,148
Total	<u>-</u>	<u>67,875</u>	<u>(67,875)</u>	<u>63,148</u>
<b>Other payments to in-state governmental units</b>				
Purchased services	1,200	-	1,200	-
Total	<u>1,200</u>	<u>-</u>	<u>1,200</u>	<u>-</u>
<b>Payments for other programs - tuition</b>				
Other objects	46,470	-	46,470	29,610
Total	<u>46,470</u>	<u>-</u>	<u>46,470</u>	<u>29,610</u>
Total payments to other districts and governmental units	<u>64,590</u>	<u>86,024</u>	<u>(21,434)</u>	<u>92,758</u>
<b>Debt services</b>				
<b>Interest on short term debt</b>				
Tax anticipation warrants	240,000	66,242	173,758	29,000
Total	<u>240,000</u>	<u>66,242</u>	<u>173,758</u>	<u>29,000</u>
Total debt services	<u>240,000</u>	<u>66,242</u>	<u>173,758</u>	<u>29,000</u>
<b>Provision for contingencies</b>				
Total expenditures	<u>1,770,000</u>	<u>-</u>	<u>1,770,000</u>	<u>-</u>
Total expenditures	<u>256,820,066</u>	<u>264,073,381</u>	<u>(7,253,315)</u>	<u>253,771,106</u>
Excess (deficiency) of revenues over expenditures	<u>5,290,439</u>	<u>12,788,949</u>	<u>7,498,510</u>	<u>11,647,472</u>
<b>Other financing sources (uses)</b>				
Transfer for principal on leases	-	(701,675)	(701,675)	(698,298)
Transfer for interest on leases	-	(18,884)	(18,884)	(22,261)
Total other financing sources (uses)	<u>-</u>	<u>(720,559)</u>	<u>(720,559)</u>	<u>(720,559)</u>
Net change in fund balance	<u>\$ 5,290,439</u>	12,068,390	<u>\$ 6,777,951</u>	10,926,913
Fund balance (deficit), beginning of year		<u>5,484,441</u>		<u>(5,442,472)</u>
Fund balance, end of year		<u>\$ 17,552,831</u>		<u>\$ 5,484,441</u>

# OSWEGO COMMUNITY UNIT SCHOOL DISTRICT 308

## WORKING CASH ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2023

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2022

	2023				
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2022 ACTUAL	
<b>Revenues</b>					
<b>Local sources</b>					
General levy	\$ 175,000	\$ 178,247	\$ 3,247	\$ 160,878	
Investment income	<u>15,000</u>	<u>975,648</u>	<u>960,648</u>	<u>26,681</u>	
Total local sources	<u>190,000</u>	<u>1,153,895</u>	<u>963,895</u>	<u>187,559</u>	
Total revenues	<u>190,000</u>	<u>1,153,895</u>	<u>963,895</u>	<u>187,559</u>	
<b>Expenditures</b>					
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Excess (deficiency) of revenues over expenditures	<u>190,000</u>	<u>1,153,895</u>	<u>963,895</u>	<u>187,559</u>	
<b>Other financing sources (uses)</b>					
Principal on bonds sold	-	-	-	16,245,000	
Premium on bonds sold	-	-	-	1,756,291	
Permanent transfer from working cash accounts	<u>(5,031,570)</u>	<u>(5,031,570)</u>	<u>-</u>	<u>(158,270)</u>	
Total other financing sources (uses)	<u>(5,031,570)</u>	<u>(5,031,570)</u>	<u>-</u>	<u>17,843,021</u>	
Net change in fund balance	<u>\$ (4,841,570)</u>	<u>(3,877,675)</u>	<u>\$ 963,895</u>	18,030,580	
Fund balance, beginning of year		<u>32,941,085</u>		<u>14,910,505</u>	
Fund balance, end of year		<u>\$ 29,063,410</u>		<u>\$ 32,941,085</u>	

**COMMUNITY UNIT SCHOOL DISTRICT 308**  
 GENERAL LONG-TERM DEBT - CAPITAL APPRECIATION BONDS, SERIES 2008  
 AS OF JUNE 30, 2023

YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2024	\$ 5,387,245	\$ 6,772,755	\$ 12,160,000
2025	4,503,486	6,201,514	10,705,000
2026	5,478,868	8,236,132	13,715,000
2027	8,635,675	14,129,325	22,765,000
2028	<u>9,808,518</u>	<u>17,421,482</u>	<u>27,230,000</u>
Total	<u>\$ 33,813,792</u>	<u>\$ 52,761,208</u>	<u>\$ 86,575,000</u>

Paying agent: Amalgamated Bank of Chicago

Principal payment date: Due serially on February 1

Interest payment dates: August 1 and February 1 of each year

Interest rates: 5.24%

**COMMUNITY UNIT SCHOOL DISTRICT 308**

GENERAL LONG-TERM DEBT - GENERAL OBLIGATION REFUNDING SCHOOL BONDS, SERIES 2011  
AS OF JUNE 30, 2023

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YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2024	<u>\$ 1,235,000</u>	<u>\$ 67,925</u>	<u>\$ 1,302,925</u>
Total	<u>\$ 1,235,000</u>	<u>\$ 67,925</u>	<u>\$ 1,302,925</u>

Paying agent: Amalgamated Bank of Chicago  
Principal payment date: Due serially on February 1  
Interest payment dates: August 1 and February 1 of each year  
Interest rates: 5.25% - 5.50%

**COMMUNITY UNIT SCHOOL DISTRICT 308**

GENERAL LONG-TERM DEBT - GENERAL OBLIGATION REFUNDING SCHOOL BONDS, SERIES 2013  
AS OF JUNE 30, 2023

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YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2024	\$ -	\$ 315,662	\$ 315,662
2025	-	315,662	315,662
2026	-	315,662	315,662
2027	-	315,663	315,663
2028	-	315,663	315,663
2029	-	315,663	315,663
2030	-	315,663	315,663
2031	2,150,000	264,600	2,414,600
2032	2,255,000	159,981	2,414,981
2033	<u>2,365,000</u>	<u>53,213</u>	<u>2,418,213</u>
Total	<u>\$ 6,770,000</u>	<u>\$ 2,687,432</u>	<u>\$ 9,457,432</u>

Paying agent: Amalgamated Bank of Chicago  
Principal payment date: Due serially on October 1  
Interest payment dates: October 1 and April 1 of each year  
Interest rates: 2.00% - 4.75%

**COMMUNITY UNIT SCHOOL DISTRICT 308**

GENERAL LONG-TERM DEBT - GENERAL OBLIGATION REFUNDING SCHOOL BONDS, SERIES 2014  
AS OF JUNE 30, 2023

YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2024	\$ -	\$ 402,850	\$ 402,850
2025	-	402,850	402,850
2026	-	402,850	402,850
2027	-	402,850	402,850
2028	-	402,850	402,850
2029	-	402,850	402,850
2030	<u>9,660,000</u>	<u>402,850</u>	<u>10,062,850</u>
Total	<u>\$ 9,660,000</u>	<u>\$ 2,819,950</u>	<u>\$ 12,479,950</u>

Paying agent: Amalgamated Bank of Chicago

Principal payment date: Due serially on February 1

Interest payment dates: August 1 and February 1 of each year

Interest rates: 2.00% - 4.17%

**COMMUNITY UNIT SCHOOL DISTRICT 308**

GENERAL LONG-TERM DEBT - GENERAL OBLIGATION REFUNDING SCHOOL BONDS, SERIES 2015  
AS OF JUNE 30, 2023

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YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2024	\$ -	\$ 472,400	\$ 472,400
2025	-	472,400	472,400
2026	-	472,400	472,400
2027	-	472,400	472,400
2028	-	472,400	472,400
2029	-	472,400	472,400
2030	<u>11,810,000</u>	<u>472,400</u>	<u>12,282,400</u>
Total	<u>\$ 11,810,000</u>	<u>\$ 3,306,800</u>	<u>\$ 15,116,800</u>

Paying agent: Amalgamated Bank of Chicago  
Principal payment date: Due serially on February 1  
Interest payment dates: August 1 and February 1 of each year  
Interest rates: 3.00% - 4.00%

**COMMUNITY UNIT SCHOOL DISTRICT 308**

GENERAL LONG-TERM DEBT - GENERAL OBLIGATION REFUNDING SCHOOL BONDS, SERIES 2016  
AS OF JUNE 30, 2023

YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2024	\$ 2,965,000	\$ 4,670,150	\$ 7,635,150
2025	4,170,000	4,521,900	8,691,900
2026	1,365,000	4,313,400	5,678,400
2027	-	4,245,150	4,245,150
2028	-	4,245,150	4,245,150
2029	-	4,245,150	4,245,150
2030	-	4,245,150	4,245,150
2031	12,815,000	4,245,150	17,060,150
2032	13,460,000	3,604,400	17,064,400
2033	14,040,000	3,025,000	17,065,000
2034	14,740,000	2,323,000	17,063,000
2035	15,475,000	1,586,000	17,061,000
2036	<u>16,245,000</u>	<u>812,250</u>	<u>17,057,250</u>
Total	<u>\$ 95,275,000</u>	<u>\$ 46,081,850</u>	<u>\$ 141,356,850</u>

Paying agent: Amalgamated Bank of Chicago

Principal payment date: Due serially on February 1

Interest payment dates: August 1 and February 1 of each year

Interest rates: 4.00% - 5.00%

**COMMUNITY UNIT SCHOOL DISTRICT 308**

GENERAL LONG-TERM DEBT - GENERAL OBLIGATION REFUNDING SCHOOL BONDS, SERIES 2017B  
AS OF JUNE 30, 2023

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YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2024	<u>\$ 3,890,000</u>	<u>\$ 97,250</u>	<u>\$ 3,987,250</u>
Total	<u>\$ 3,890,000</u>	<u>\$ 97,250</u>	<u>\$ 3,987,250</u>

Paying agent: Amalgamated Bank of Chicago  
Principal payment date: Due serially on October 1  
Interest payment dates: October 1 and April 1 of each year  
Interest rates: 3.00% - 5.00%

**COMMUNITY UNIT SCHOOL DISTRICT 308**

GENERAL LONG-TERM DEBT - GENERAL OBLIGATION REFUNDING SCHOOL BONDS, SERIES 2020A  
AS OF JUNE 30, 2023

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YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2024	\$ -	\$ 2,234,500	\$ 2,234,500
2025	7,415,000	2,234,500	9,649,500
2026	11,310,000	1,863,750	13,173,750
2027	4,260,000	1,298,250	5,558,250
2028	-	1,085,250	1,085,250
2029	<u>21,705,000</u>	<u>1,085,250</u>	<u>22,790,250</u>
Total	<u>\$ 44,690,000</u>	<u>\$ 9,801,500</u>	<u>\$ 54,491,500</u>

Paying agent: Amalgamated Bank of Chicago  
Principal payment date: Due serially on February 1  
Interest payment dates: August 1 and February 1 of each year  
Interest rates: 5.00%

**COMMUNITY UNIT SCHOOL DISTRICT 308**

GENERAL LONG-TERM DEBT - GENERAL OBLIGATION REFUNDING SCHOOL BONDS, SERIES 2020B  
AS OF JUNE 30, 2023

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YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2024	\$ 5,135,000	\$ 113,628	\$ 5,248,628
2025	<u>3,470,000</u>	<u>48,927</u>	<u>3,518,927</u>
Total	<u>\$ 8,605,000</u>	<u>\$ 162,555</u>	<u>\$ 8,767,555</u>

Paying agent: Amalgamated Bank of Chicago  
Principal payment date: Due serially on February 1  
Interest payment dates: August 1 and February 1 of each year  
Interest rates: 1.07% - 1.41%

**COMMUNITY UNIT SCHOOL DISTRICT 308**

GENERAL LONG-TERM DEBT - GENERAL OBLIGATION LIMITED TAX SCHOOL BONDS, SERIES 2022  
AS OF JUNE 30, 2023

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YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2024	\$ 2,465,000	\$ 692,500	\$ 3,157,500
2025	2,640,000	569,250	3,209,250
2026	2,775,000	437,250	3,212,250
2027	2,910,000	298,500	3,208,500
2028	<u>3,060,000</u>	<u>153,000</u>	<u>3,213,000</u>
Total	<u>\$ 13,850,000</u>	<u>\$ 2,150,500</u>	<u>\$ 16,000,500</u>

Paying agent:

Amalgamated Bank of Chicago

Principal payment date:

Due serially on February 1

Interest payment dates:

August 1 and February 1 of each year

Interest rates:

5.00%

# COMMUNITY UNIT SCHOOL DISTRICT 308

The part of the District's annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	101
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	115
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	120
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within the District's financial activities take place.	124
<b>Operating Information</b> These schedules contain information about the District's service and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	126

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.

# COMMUNITY UNIT SCHOOL DISTRICT 308

## NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

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	2014	2015	2016	2017
Governmental activities				
Net investment in capital assets	\$ 26,963,136	\$ 35,064,117	\$ 32,771,471	\$ 40,197,004
Restricted	7,346,570	9,932,019	11,549,740	11,263,765
Unrestricted (deficit)	<u>(5,001,365)</u>	<u>(22,789,090)</u>	<u>(26,878,073)</u>	<u>(34,977,409)</u>
Total primary government net position	<u>\$ 29,308,341</u>	<u>\$ 22,207,046</u>	<u>\$ 17,443,138</u>	<u>\$ 16,483,360</u>

Data Source : District's Annual Financial Statements.

Note: The 2013 net position was restated in 2014 due to the implementation of Governmental Accounting Standards Board Statement 65, *Items Previously Recorded as Assets and Liabilities*.

Note: The 2015 net position included the implementation of Governmental Accounting Standards Board Statement 68, *Accounting and Financial Reporting for Pension*.

Note: The 2018 net position included the implementation of Governmental Accounting Standards Board Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Note: The 2021 net position included the implementation of Governmental Accounting Standards Board Statement 84, *Fiduciary Activities*.

2018	2019	2020	2021	2022	2023
\$ 46,004,347	\$ 54,843,500	\$ 58,963,607	\$ 64,930,099	\$ 52,698,762	\$ 70,240,267
12,333,184	10,584,136	11,530,447	15,986,352	23,992,078	20,094,047
(155,220,913)	(167,036,608)	(170,352,802)	(179,416,512)	(147,720,940)	(119,796,076)
<u>\$ (96,883,382)</u>	<u>\$ (101,608,972)</u>	<u>\$ (99,858,748)</u>	<u>\$ (98,500,061)</u>	<u>\$ (71,030,100)</u>	<u>\$ (29,461,762)</u>

**COMMUNITY UNIT SCHOOL DISTRICT 308**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE) REVENUE**  
**LAST TEN FISCAL YEARS**

	2014	2015	2016	2017
<b>Expenses</b>				
Governmental activities:				
Instruction:				
Regular programs	\$ 95,410,450	\$ 68,806,786	\$ 75,594,240	\$ 70,494,600
Special programs	20,026,488	29,551,609	32,727,429	33,494,771
Other instructional programs	3,257,559	10,906,003	12,985,470	14,605,711
Student activities	-	-	-	-
State retirement contributions	-	36,584,561	40,640,204	50,046,554
Support services:				
Pupils	6,314,501	7,364,303	8,647,782	17,746,807
Instructional staff	4,803,713	5,320,129	5,635,144	7,155,096
General administration	3,639,236	3,548,474	3,484,395	5,468,259
School administration	8,571,677	8,435,765	9,258,426	11,684,545
Business	11,116,294	6,568,552	6,181,777	5,502,163
Transportation	11,845,901	12,035,082	12,615,244	13,008,148
Operations and maintenance	15,657,425	19,370,622	20,407,031	18,408,151
Central	4,623,943	5,565,528	6,031,459	5,751,917
Other support services	838,855	817,032	709,943	658,468
Community services	139,402	133,416	127,551	245,113
Payments to other governments	15,304,602	-	-	-
Interest and charges	19,186,133	18,949,964	18,554,154	17,382,336
<b>Total primary government expenses</b>	<b>220,736,179</b>	<b>233,957,826</b>	<b>253,600,249</b>	<b>271,652,639</b>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
Regular programs	\$ 2,795,999	\$ 3,281,750	\$ 3,924,746	\$ 7,066,389
Special programs	163,601	-	-	1,154,630
Other instructional programs	-	310,882	369,765	384,354
Student activities	-	-	-	-
Business	4,615,936	3,338,040	3,467,298	3,474,808
Transportation	172,177	58,599	126,119	66,211
Operations and maintenance	1,500,241	1,120,172	1,198,538	494,322
Interest and charges	61,680	-	-	-
Operating grants and contributions	43,888,768	55,002,045	60,069,637	73,708,085
Capital grants and contributions	-	388,555	64,227	-
<b>Total primary government program revenues</b>	<b>53,198,402</b>	<b>63,500,043</b>	<b>69,220,330</b>	<b>86,348,799</b>
<b>Net (Expense)/Revenue</b>				
Total primary government net expense	<u>\$ (167,537,777)</u>	<u>\$ (170,457,783)</u>	<u>\$ (184,379,919)</u>	<u>\$ (185,303,840)</u>

Data Source : District's Annual Financial Statements.

	2018	2019	2020	2021	2022	2023
\$	80,344,489	\$ 74,669,206	\$ 94,097,544	\$ 81,227,425	\$ 83,682,000	\$ 90,004,319
	37,669,066	40,941,186	36,488,842	39,204,710	36,873,913	37,493,769
	16,615,915	15,271,326	14,852,892	17,803,228	23,145,708	17,307,892
	-	-	-	1,153,703	2,544,406	3,004,693
	174,408,509	92,561,159	94,980,948	110,988,424	(4,222,414)	54,567,018
	19,959,804	22,169,064	21,073,801	24,292,606	24,191,609	27,402,498
	7,171,246	10,938,044	5,412,780	5,134,234	9,869,017	6,594,077
	6,713,594	5,967,351	3,520,907	8,087,540	2,328,339	2,320,335
	14,405,328	9,908,625	9,162,544	17,422,995	8,167,210	7,701,841
	6,260,589	5,712,395	4,919,064	3,308,684	5,836,662	5,492,467
	15,322,008	16,337,577	14,521,552	9,247,574	12,939,988	15,794,545
	21,540,942	20,516,023	20,397,893	20,816,768	21,034,514	20,616,805
	5,640,724	5,489,715	4,403,814	4,424,081	6,175,197	6,140,141
	490,935	963,149	527,747	266,671	270,337	289,036
	513,667	1,152,539	489,433	(692,781)	694,988	329,415
	-	75,643	10,146	59,727	92,758	86,024
	16,551,082	16,154,101	15,916,994	19,208,457	11,943,309	11,796,713
	423,607,898	338,827,103	340,776,901	361,954,046	245,567,541	306,941,588
\$	3,962,301	\$ 5,133,231	\$ 4,806,885	\$ 4,936,020	\$ 5,614,783	\$ 5,001,778
	964,119	1,324,811	1,293,389	1,445,111	1,520,413	1,225,751
	342,226	389,721	335,858	348,978	209,616	171,445
	-	-	-	1,197,727	2,780,794	3,196,846
	3,526,389	3,586,542	2,961,034	970	30,361	2,588,562
	60,695	75,623	41,633	12,345	48,131	136,259
	508,878	497,951	546,141	250,154	429,702	824,928
	-	-	-	-	-	-
	196,699,488	115,001,621	116,789,981	133,715,162	26,899,479	84,956,734
	-	-	-	-	-	50,000
	206,064,096	126,009,500	126,774,921	141,906,467	37,533,279	98,152,303
\$	(217,543,802)	\$ (212,817,603)	\$ (214,001,980)	\$ (220,047,579)	\$ (208,034,262)	\$ (208,789,285)

**COMMUNITY UNIT SCHOOL DISTRICT 308**  
**GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION**  
**LAST TEN FISCAL YEARS**

	2014	2015	2016	2017
<b>Net (Expense)/Revenue</b>				
Total primary government net expense	\$ (167,537,777)	\$ (170,457,783)	\$ (184,379,919)	\$ (185,303,840)
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes:				
Property taxes, general purposes	92,509,009	72,530,092	73,105,965	73,390,513
Property taxes, special purposes	-	20,962,496	20,369,091	20,779,327
Property taxes, debt service	33,038,241	33,123,877	31,556,794	29,954,415
Corporate property replacement taxes	1,883,594	2,039,721	1,812,889	2,051,888
State aid-formula grants	41,365,697	43,784,230	52,065,579	56,199,260
Investment earnings	34,832	48,235	58,673	194,507
Miscellaneous	769,445	1,154,352	1,236,020	1,185,152
Total primary government	169,600,818	173,643,003	180,205,011	183,755,062
<b>Change in Net Position</b>				
Total primary government	\$ 2,063,041	\$ 3,185,220	\$ (4,174,908)	\$ (1,548,778)

Data Source : District's Annual Financial Statements.

2018	2019	2020	2021	2022	2023
\$ (217,543,802)	\$ (212,817,603)	\$ (214,001,980)	\$ (220,047,579)	\$ (208,034,262)	\$ (208,789,285)
75,095,661	78,167,458	81,276,090	83,716,832	87,495,753	91,970,920
21,230,297	21,076,595	20,917,160	21,316,257	21,718,083	22,577,431
31,003,564	33,669,079	35,293,283	35,534,050	36,390,349	36,180,837
1,689,092	1,879,619	2,032,407	2,831,747	6,122,748	6,389,944
65,716,978	69,988,797	74,769,141	75,195,531	82,443,212	89,038,887
520,187	928,260	691,158	179,661	68,817	2,702,385
1,709,842	2,382,205	772,965	746,350	1,265,261	1,497,219
196,965,621	208,092,013	215,752,204	219,520,428	235,504,223	250,357,623
\$ (20,578,181)	\$ (4,725,590)	\$ 1,750,224	\$ (527,151)	\$ 27,469,961	\$ 41,568,338

# COMMUNITY UNIT SCHOOL DISTRICT 308

## FUND BALANCES, GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS

---

	2014	2015	2016	2017
General Fund				
Nonspendable	\$ 71,494	\$ 287,617	\$ 136,782	\$ 71,494
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	26,183,507	21,419,496	15,229,727	22,679,707
Total General Fund	<u>\$ 26,255,001</u>	<u>\$ 21,707,113</u>	<u>\$ 15,366,509</u>	<u>\$ 22,751,201</u>
All Other Governmental Funds				
Restricted	\$ 33,356,316	\$ 32,560,000	\$ 28,353,108	\$ 27,158,980
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 33,356,316</u>	<u>\$ 32,560,000</u>	<u>\$ 28,353,108</u>	<u>\$ 27,158,980</u>

Data Source: District's Annual Financial Statements.

Note: The 2021 fund balance included the implementation of Governmental Accounting Standards Board Statement 84, *Fiduciary Activities*.

2018	2019	2020	2021	2022	2023
\$ 71,494	\$ 71,494	\$ -	\$ -	\$ -	\$ -
-	-	-	3,199,490	7,868,015	10,278,625
-	-	-	1,929,862	2,166,250	2,358,403
4,565,312	5,870,913	9,073,571	4,338,681	28,391,261	33,979,213
<u>\$ 4,636,806</u>	<u>\$ 5,942,407</u>	<u>\$ 9,073,571</u>	<u>\$ 9,468,033</u>	<u>\$ 38,425,526</u>	<u>\$ 46,616,241</u>
\$ 26,381,345	\$ 27,935,621	\$ 30,822,457	\$ 31,767,938	\$ 30,890,618	\$ 34,485,308
10,545,917	8,444,161	3,817,034	4,616,786	4,578,632	6,916,213
-	-	(22,820)	-	-	(3,435,304)
<u>\$ 36,927,262</u>	<u>\$ 36,379,782</u>	<u>\$ 34,616,671</u>	<u>\$ 36,384,724</u>	<u>\$ 35,469,250</u>	<u>\$ 37,966,217</u>

## COMMUNITY UNIT SCHOOL DISTRICT 308

### GOVERNMENTAL FUNDS REVENUE

#### LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018
<b>Local sources:</b>					
Property taxes	\$ 125,547,250	\$ 126,270,933	\$ 124,780,506	\$ 123,973,666	\$ 126,973,170
Corporate personal property replacement taxes	1,883,594	2,039,721	1,812,889	2,051,888	1,689,092
Other payments in lieu of taxes	1,167,413	843,845	528,461	508,882	724,189
Student activities	-	-	-	-	-
Charges for services	8,911,666	8,765,482	10,045,369	13,467,573	10,706,613
<b>Total local sources</b>	<u>137,509,923</u>	<u>137,919,981</u>	<u>137,167,225</u>	<u>140,002,009</u>	<u>140,093,064</u>
<b>State sources:</b>					
Unrestricted state aid	67,608,431	80,368,791	92,705,783	106,245,814	240,125,487
Restricted state aid	13,207,917	13,387,277	10,490,440	15,067,673	14,338,921
<b>Total state sources</b>	<u>80,816,348</u>	<u>93,756,068</u>	<u>103,196,223</u>	<u>121,313,487</u>	<u>254,464,408</u>
<b>Federal sources,</b>					
Restricted federal aid	4,597,178	5,554,788	6,081,956	7,833,811	9,044,162
<b>Interest</b>					
	34,832	48,235	58,673	194,507	520,187
<b>Total revenues</b>	<u>\$ 222,958,281</u>	<u>\$ 237,279,072</u>	<u>\$ 246,504,077</u>	<u>\$ 269,343,814</u>	<u>\$ 404,121,821</u>

Data Source: District's Annual Financial Statements.

2019	2020	2021	2022	2023
\$ 132,457,221	\$ 136,947,461	\$ 140,164,484	\$ 145,038,785	\$ 149,991,044
1,879,619	2,032,407	2,831,747	6,122,748	6,389,944
1,860,006	785,928	1,084,058	1,745,060	2,156,022
-	-	1,197,727	2,780,794	3,196,846
11,985,989	10,511,049	7,058,525	7,938,607	10,028,064
148,182,835	150,276,845	152,336,541	163,625,994	171,761,920
117,747,444	126,549,432	129,205,684	144,072,846	151,486,135
15,156,559	12,376,660	10,766,727	9,275,776	11,585,284
132,904,003	138,926,092	139,972,411	153,348,622	163,071,419
9,728,264	9,350,944	11,854,702	21,957,175	18,748,876
928,260	691,158	179,661	68,817	2,702,385
\$ 291,743,362	\$ 299,245,039	\$ 304,343,315	\$ 339,000,608	\$ 356,284,600

**COMMUNITY UNIT SCHOOL DISTRICT 308**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIOS**  
**LAST TEN FISCAL YEARS**

	2014	2015	2016	2017
<b>Instruction:</b>				
Regular programs	\$ 88,753,322	\$ 63,416,765	\$ 71,071,184	\$ 70,255,978
Special programs	18,597,106	12,508,847	14,992,018	30,740,478
Other instructional programs	3,045,363	11,477,966	12,921,464	14,773,622
Student activities	-	-	-	-
State retirement contributions	-	36,584,561	40,640,204	50,046,554
<b>Total instructional</b>	<b>110,395,791</b>	<b>123,988,139</b>	<b>139,624,870</b>	<b>165,816,632</b>
<b>Supporting services:</b>				
Pupils	5,843,068	6,289,432	7,284,775	16,421,594
Instructional staff	4,472,543	5,045,932	5,274,718	6,354,822
General administration	3,415,253	3,331,710	3,241,578	4,327,600
School administration	7,933,307	7,928,832	8,595,448	8,766,705
Business	11,729,650	5,669,344	5,632,638	5,673,368
Transportation	11,112,294	11,970,944	12,244,513	13,313,373
Operations and maintenance	14,684,544	18,340,246	18,755,230	18,182,378
Central	4,310,255	5,265,884	5,523,634	5,280,232
Other	787,106	767,158	659,379	617,527
<b>Total supporting services</b>	<b>64,288,020</b>	<b>64,609,482</b>	<b>67,211,913</b>	<b>78,937,599</b>
Community services	139,161	125,012	122,388	236,748
Capital outlay	8,516,491	5,613,552	1,072,853	837,192
<b>Debt service:</b>				
Principal	20,780,000	36,944,858	22,100,651	19,154,781
Interest and charges	13,647,108	13,156,544	12,919,542	11,783,795
Debt issuance cost	-	-	-	-
<b>Total debt service</b>	<b>34,427,108</b>	<b>50,101,402</b>	<b>35,020,193</b>	<b>30,938,576</b>
Payments to other governments	15,304,602	15,178,140	15,106,441	1,503
<b>Total expenditures</b>	<b>\$ 233,071,173</b>	<b>\$ 259,615,727</b>	<b>\$ 258,158,658</b>	<b>\$ 276,768,250</b>
Debt service as a percentage of noncapital expenditures	15.3%	19.7%	13.6%	11.2%

Data Source : District's Annual Financial Statements.

2018	2019	2020	2021	2022	2023
\$ 71,241,595	\$ 71,576,226	\$ 73,108,853	\$ 80,338,077	\$ 82,272,884	\$ 85,810,498
33,370,678	35,084,810	33,696,986	35,237,005	35,597,320	37,451,361
15,416,446	15,282,252	17,247,203	16,082,410	17,748,387	18,202,758
-	-	-	1,153,703	2,544,406	3,004,693
174,408,509	47,758,647	51,780,291	54,010,153	61,629,634	62,447,248
294,437,228	169,701,935	175,833,333	186,821,348	199,792,631	206,916,558
17,743,095	18,698,476	19,274,131	21,193,078	22,859,398	24,945,618
6,209,748	6,974,207	6,726,747	5,792,425	7,298,138	7,339,570
4,559,668	4,072,587	4,334,372	5,070,629	4,188,274	5,987,276
8,890,401	8,566,961	10,349,586	11,243,995	11,720,010	12,064,330
5,698,970	5,466,227	4,702,190	2,820,446	5,975,385	5,419,332
15,061,024	16,031,499	14,179,763	9,359,979	12,627,500	14,139,439
19,612,554	19,092,010	18,336,565	20,033,915	20,026,539	20,467,390
4,927,053	5,136,798	4,690,130	5,471,819	5,599,386	5,113,082
449,347	939,709	481,044	254,051	275,480	273,212
83,151,860	84,978,474	83,074,528	81,240,337	90,570,110	95,749,249
347,229	362,404	404,377	353,924	223,357	354,359
4,118,995	3,096,809	3,254,293	8,369,466	1,779,395	4,903,545
37,199,209	21,435,000	24,510,000	26,540,711	26,408,896	29,351,704
11,975,526	11,334,976	10,790,309	11,173,567	10,410,789	10,484,022
-	-	-	-	-	-
49,174,735	32,769,976	35,300,309	37,714,278	36,819,685	39,835,726
-	75,643	10,146	59,727	92,758	86,024
\$ 431,230,047	\$ 290,985,241	\$ 297,876,986	\$ 314,559,080	\$ 329,277,936	\$ 347,845,461
11.5%	11.4%	12.0%	12.3%	11.2%	11.6%

**COMMUNITY UNIT SCHOOL DISTRICT 308**  
 OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS

	2014	2015	2016	2017
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>\$ (10,112,892)</b>	<b>\$ (22,336,655)</b>	<b>\$ (11,654,581)</b>	<b>\$ (7,424,436)</b>
Other financing sources (uses):				
Bond proceeds / Issuance of refunding bonds	19,410,000	15,170,000	96,780,000	13,615,000
Premium on bonds	389,116	677,952	15,260,178	-
Lease value	-	1,144,499	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfer in	-	686,655	709,554	734,929
Transfer (out)	-	(686,655)	(709,554)	(734,929)
Payment to escrow agent	(19,560,013)	-	(110,933,093)	-
<b>Total other financing sources (uses)</b>	<b>239,103</b>	<b>16,992,451</b>	<b>1,107,085</b>	<b>13,615,000</b>
<b>Net change in fund balances</b>	<b>\$ (9,873,789)</b>	<b>\$ (5,344,204)</b>	<b>\$ (10,547,496)</b>	<b>\$ 6,190,564</b>

Data Source: District's Annual Financial Statements.

2018	2019	2020	2021	2022	2023
\$ (27,108,226)	\$ 758,121	\$ 1,368,053	\$ (10,215,765)	\$ 9,722,672	\$ 8,439,139
16,720,000	-	-	56,445,000	16,245,000	-
2,042,113	-	-	9,887,342	2,074,347	-
-	-	-	9,670,726	-	2,248,543
-	-	-	-	-	-
27,210,062	-	-	720,559	1,187,920	6,078,207
(27,210,062)	-	-	(720,559)	(1,187,920)	(6,078,207)
-	-	-	(65,510,626)	-	-
18,762,113	-	-	10,492,442	18,319,347	2,248,543
\$ (8,346,113)	\$ 758,121	\$ 1,368,053	\$ 276,677	\$ 28,042,019	\$ 10,687,682

**COMMUNITY UNIT SCHOOL DISTRICT 308**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN TAX LEVY YEARS**

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Tax Levy Year	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Railroad Property
2022	\$ 2,179,554,414	\$ 233,373,287	\$ 34,874,530	\$ 31,657,554	\$ 2,905,779
2021	2,027,053,501	221,648,865	35,680,292	29,973,946	2,645,070
2020	1,935,765,211	209,550,723	35,669,337	28,353,708	2,510,399
2019	1,867,271,299	197,715,415	38,131,896	27,581,762	2,410,968
2018	1,746,217,576	182,930,499	36,295,048	26,598,195	2,094,290
2017	1,635,259,554	180,517,346	36,264,233	25,120,345	1,721,391
2016	1,548,053,726	178,472,243	36,391,250	23,819,033	1,828,662
2015	1,442,590,840	178,352,606	36,459,989	23,087,415	1,649,200
2014	1,364,174,593	177,080,291	37,229,756	22,311,925	1,461,616
2013	1,366,909,621	177,776,208	39,259,855	21,241,077	1,338,757

Source: Kendall, Kane and Will County Clerk's Office, Department of Tax Extensions.

<sup>(1)</sup> Total Direct Tax Rate is Average Tax Rate of Kendall, Kane and Will County

Note: The county assesses property at approximately 33.3 percent of actual value. Estimated actual taxable value is calculated by dividing taxable value by percentage. Tax rates are per \$100 of assessed value.

Note: 2022 is the most recent available detailed information.

Mineral Property	Total Taxable Equalized Assessed Valuation	Total Direct Tax Rate <sup>(1)</sup>	Property
\$ -	\$ 2,482,365,564	\$ 6.18	\$ 7,447,096,692
-	2,317,001,674	6.43	6,951,005,022
-	2,211,849,378	6.48	6,635,548,134
150	2,133,111,490	6.50	6,399,334,470
150	1,994,135,758	6.79	5,982,407,274
150	1,878,883,019	6.88	5,636,649,057
150	1,788,565,064	6.97	5,365,695,192
150	1,682,140,200	7.36	5,046,420,600
150	1,602,258,331	7.92	4,806,774,993
150	1,606,525,668	7.86	4,819,577,004

**COMMUNITY UNIT SCHOOL DISTRICT 308**

DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN TAX LEVY YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
CUSD Number 308										
in Kendall County	6.12637	6.35497	6.480410	6.496150	6.794380	6.913100	6.971230	7.317580	7.88027	7.8596
in Will County	N/A	N/A	N/A	N/A	N/A	6.792000	6.963600	7.416600	7.95050	7.8604
in Kane County	N/A	N/A	N/A	N/A	N/A	6.952621	6.984771	7.360810	7.92128	7.8803
Kane County	N/A	N/A	N/A	N/A	N/A	0.402498	0.420062	0.447884	0.46836	0.4623
Kane County Forest Preserve	N/A	N/A	N/A	N/A	N/A	0.165841	0.225322	0.294354	0.31263	0.3039
Kendall County	0.59075	0.60157	0.623230	0.640880	0.672770	0.708790	0.747650	0.790930	0.80853	0.8009
Kendall County Forest Preserve	0.14764	0.16201	0.158200	0.154160	0.150320	0.175210	0.175510	0.178740	0.18257	0.1640
Will County	N/A	N/A	N/A	N/A	N/A	0.598600	0.614700	0.614000	0.62100	0.6216
Will County Building Commission	N/A	N/A	N/A	N/A	N/A	0.000000	0.002600	0.021800	0.02230	0.0222
Will County Forest Preserve	N/A	N/A	N/A	N/A	N/A	0.189500	0.194400	0.193700	0.19770	0.1970
Townships:										
Aurora (Kane Co.)	N/A	N/A	N/A	N/A	N/A	0.216340	0.226098	0.247795	0.26016	0.2517
Aurora Twp. Road District	N/A	N/A	N/A	N/A	N/A	0.096060	0.100390	0.108438	0.11412	0.1104
Bristol Township	N/A	N/A	N/A	N/A	N/A	0.115560	0.122790	0.133410	0.13536	0.1297
Bristol Road District	N/A	N/A	N/A	N/A	N/A	0.163050	0.218010	0.262600	0.28175	0.2942
Kendall Township	N/A	N/A	N/A	N/A	N/A	0.253750	0.100560	0.105890	0.10706	0.1056
Kendall Township Road District	N/A	N/A	N/A	N/A	N/A	0.253750	0.255970	0.269550	0.27254	0.2687
Na-Au-Say Township	N/A	N/A	N/A	N/A	N/A	0.051410	0.056190	0.059460	0.06473	0.0642
Na-Au-Say Township Road District	N/A	N/A	N/A	N/A	N/A	0.276230	0.294130	0.306220	0.32238	0.3188
Oswego Township	0.06344	0.06807	0.069930	0.073820	0.076340	0.081390	0.085540	0.090390	0.09473	0.0920
Oswego Township Road District	0.14962	0.16056	0.163400	0.165440	0.171090	0.182400	0.191710	0.202730	0.21242	0.2059
Wheatland Township	N/A	N/A	N/A	N/A	N/A	0.023200	0.023200	0.024500	0.02740	0.0378
Wheatland Township Road District	N/A	N/A	N/A	N/A	N/A	0.050600	0.050500	0.052400	0.05320	0.0550
Miscellaneous:										
Multi-Township Assessment District, Will	N/A	N/A	N/A	N/A	N/A	0.027700	0.029000	0.030600	0.03080	0.0261
Municipalities:										
City of Aurora, Kane	N/A	N/A	N/A	N/A	N/A	2.048484	2.092950	2.194117	2.26349	2.1406
City of Aurora Library Fund, Kane	N/A	N/A	N/A	N/A	N/A	0.288730	0.291080	0.294223	0.28642	0.2866
City of Aurora, Kendall	N/A	N/A	N/A	N/A	N/A	2.047140	2.091990	2.193480	2.26173	2.1393
City of Aurora Library Fund, Kendall	N/A	N/A	N/A	N/A	N/A	0.288400	0.290800	0.293900	0.28599	0.2862
City of Aurora, Will	N/A	N/A	N/A	N/A	N/A	2.046500	2.092100	2.195000	2.26720	2.1344
City of Aurora Library Fund, Will	N/A	N/A	N/A	N/A	N/A	0.027700	0.291080	0.293900	0.28610	0.2861
City of Joliet, Klendall	N/A	N/A	N/A	N/A	N/A	1.433600	1.480250	1.542090	1.22870	1.1777
City of Joliet, Will	N/A	N/A	N/A	N/A	N/A	1.139900	1.171400	1.230400		
City of Yorkville	N/A	N/A	N/A	N/A	N/A	0.647030	0.679470	0.736060	0.75808	0.7738
Village of Montgomery	N/A	N/A	N/A	N/A	N/A	0.512450	0.538700	0.588259	0.59367	0.5725
Village of Oswego, Kendall	0.14695	0.15015	0.151100	0.151920	0.154000	0.153950	0.154130	0.155800	0.16338	0.1633
Village of Oswego, Will	N/A	N/A	N/A	N/A	N/A	0.153200	0.156000	0.158700		
Village of Plainfield, Kendall	N/A	N/A	N/A	N/A	N/A	0.466900	0.466900	0.466900	0.46690	0.4669
Village of Plainfield, Will	N/A	N/A	N/A	N/A	N/A	0.466900	0.466300	0.466900	0.46690	0.4669
Village of Plainfield Roads, Will	N/A	N/A	N/A	N/A	N/A	0.004800	0.113500	0.119200	0.01130	0.1211
Parks:										
Fox Valley Park District, Kane	N/A	N/A	N/A	N/A	N/A	0.532249	0.558975	0.599925	0.63068	0.6280
Fox Valley Park District, Kendall	N/A	N/A	N/A	N/A	N/A	0.530430	0.557180	0.598300	0.62855	0.6147
Fox Valley Park District, Will	N/A	N/A	N/A	N/A	N/A	0.529200	0.560000	0.598300	0.63120	0.6242
Oswegoland Park District, Kendall	0.41786	0.46031	0.399600	0.431710	0.450160	0.466800	0.476440	0.502300	0.51033	0.4872
Oswegoland Park District, Will	N/A	N/A	N/A	N/A	N/A	0.461100	0.475700	0.502300	0.54220	0.4569
Plainfield Park District, Kendall	N/A	N/A	N/A	N/A	N/A	0.254080	0.255960	0.269200	0.27276	0.2540
Plainfield Park District, Will	N/A	N/A	N/A	N/A	N/A	0.254100	0.256000	0.269200	0.27420	0.2535
Joliet Park District	N/A	N/A	N/A	N/A	N/A	0.453100	0.470000	0.485500	0.44893	0.3966
Libraries:										
Oswego Public Library, Kendall	0.25363	0.25813	0.263900	0.264650	0.272070	0.280780	0.286370	0.299620	0.30575	0.2961
Oswego Public Library, Will	N/A	N/A	N/A	N/A	N/A	0.275300	0.288900	0.301100	0.32470	0.2778
Plainfield Library District, Kendall	N/A	N/A	N/A	N/A	N/A	0.192130	0.193910	0.202140	0.20524	0.2015
Yorkville Public Library	N/A	N/A	N/A	N/A	N/A	0.299360	0.308050	0.328680	0.32990	0.3241
Fire Protection Districts:										
Aurora Township Fire District	N/A	N/A	N/A	N/A	N/A	0.701720	0.750920	0.830150	0.83459	0.8000
Bristol - Kendall Fire Protection District	N/A	N/A	N/A	N/A	N/A	0.742510	0.759220	0.807730	0.80408	0.7718
Lisbon - Seward Fire Protection	N/A	N/A	N/A	N/A	N/A	0.242210	0.251870	0.254350	0.26962	0.2701
Oswego Fire Protection District, Kendall	0.66960	0.67013	0.701470	0.692970	0.713250	0.737660	0.752440	0.787070	0.80453	0.7806
Oswego Fire Protection District, Will	N/A	N/A	N/A	N/A	N/A	0.723800	0.756100	0.793000	0.85820	0.7307
Plainfield Fire Protection District, Kendall	N/A	N/A	N/A	N/A	N/A	0.963890	0.968060	1.002930	1.01120	0.9968
Plainfield Fire Protection District, Will	N/A	N/A	N/A	N/A	N/A	0.965000	0.967400	1.003600	1.01220	0.9970

**COMMUNITY UNIT SCHOOL DISTRICT 308**

DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN TAX LEVY YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Special Service Areas:										
Aurora SSA #34-X, Kendall	N/A	N/A	N/A	N/A	N/A	0.388940	0.407010	0.440240	0.46356	0.4841
Aurora SSA #34-X, Will	N/A	N/A	N/A	N/A	N/A	0.459000	0.332800	0.441800	0.46540	0.4823
Montgomery SSA 7, Kendall	N/A	N/A	N/A	N/A	N/A	0.102140	0.054150	0.087460	0.08962	0.1466
Montgomery SSA 959#3, Kendall	N/A	N/A	N/A	N/A	N/A	0.188560	0.188680	0.242190	0.25132	0.3104
Community College Districts:										
#502, College of DuPage	N/A	N/A	N/A	N/A	N/A	0.235700	0.249300	0.275600	0.28690	0.2953
#516, Waubonsee Community College, Kane	N/A	N/A	N/A	N/A	N/A	0.553304	0.560691	0.587468	0.59543	0.5807
#516, Waubonsee Community College, Kendall	0.46415	0.46983	0.437750	0.527270	0.541290	0.551350	0.560050	0.588500	0.59734	0.5691
#516, Waubonsee Community College, Will	N/A	N/A	N/A	N/A	N/A	0.547000	0.564500	0.588000	0.59880	0.5691
#525, Joliet Junior College	N/A	N/A	N/A	N/A	N/A	0.298370	0.309900	0.307710	0.30850	0.2955
Sanitary Districts:										
Yorkville Bristol Sanitary District	N/A	N/A	N/A	N/A	N/A	-	-	-	-	-

Source: Kane, Kendall, and Will County Clerks.

Note: Tax rates are per \$100 of assessed value.

Note: 2018, 2019, 2020, and 2021 information from Counties not available. The District utilized information from Kendall

County for Representative Rates

NA - Information not available or not applicable.

## COMMUNITY UNIT SCHOOL DISTRICT 308

### PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Tax Levy Year	Extension	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2022	\$ 152,360,079	\$ 78,339,860	51.42 %	N/A	\$ 78,339,860	51.42 %
2021	148,027,513	75,736,736	51.16	72,088,026	147,824,762	99.86
2020	142,221,534	71,975,606	50.61	70,160,191	142,135,797	99.94
2019	138,539,489	66,381,836	47.92	71,940,853	138,322,689	99.84
2018	135,613,223	69,590,804	51.32	65,907,062	135,497,866	99.91
2017	129,519,958	66,957,602	51.70	62,460,316	129,417,918	99.92
2016	124,664,603	62,817,811	50.39	61,731,527	124,549,338	99.91
2015	123,389,611	60,814,966	49.29	62,521,207	123,336,173	99.96
2014	126,462,875	63,894,259	50.52	62,422,873	126,317,132	99.88
2013	126,272,652	63,446,232	50.25	62,729,639	126,175,871	99.92

Source: Kendall, Kane and Will County Clerk's Office, Department of Tax Extensions.

## COMMUNITY UNIT SCHOOL DISTRICT 308

### OUTSTANDING DEBT BY TYPE

#### LAST TEN FISCAL YEARS

Year Ended June 30,	Governmental Activities			Total Primary Government	Equalized Assessed Valuation	Percentage Equalized Assessed Valuation
	General Obligation Bonds	Alternative Revenue Bonds	Leases			
2023	\$ 291,807,424	\$ -	\$ 4,358,942	\$ 296,166,366	\$ 2,482,365,564	11.93
2022	317,750,700	-	7,989,401	325,740,101	2,317,001,674	14.06
2021	323,260,736	-	8,005,015	331,265,751	2,211,849,378	14.98
2020	337,634,719	-	-	337,634,719	2,133,111,490	15.83
2019	357,896,661	-	-	357,896,661	1,994,135,758	17.95
2018	375,278,745	-	-	375,278,745	1,878,883,019	19.97
2017	389,835,893	-	299,209	390,135,102	1,788,565,064	23.25
2016	390,047,896	420,000	588,990	391,056,886	1,682,140,200	25.20
2015	402,044,974	805,000	869,641	403,719,615	1,602,258,331	25.71
2014	411,906,520	1,160,000	-	413,066,520	1,606,525,668	25.06

Note: Population information and personal income can be found with the Demographic and Economic Statistics.

Note: General obligation bonds from 2004 - 2012 are shown gross, general obligation bonds for 2013 and after are shown net of premiums, discounts, and deferred items on refunding.

Data Source : District's Annual Financial Statements.

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Percentage Personal Income	Per Capita
0.09	\$ 3,624
0.11	3,974
0.11	4,041
11.26	4,191
0.13	4,510
13.90	4,713
15.46	4,989
15.49	5,033
16.92	5,394
17.24	5,496

# COMMUNITY UNIT SCHOOL DISTRICT 308

## LEGAL DEBT MARGIN INFORMATION

### LAST TEN FISCAL YEARS

	2014	2015	2016	2017
Debt limit	\$ 221,700,542	\$ 221,112,257	\$ 232,135,348	\$ 246,821,979
General obligation bonds	407,244,111	392,572,453	368,437,127	369,228,225
Lease	-	869,641	588,990	299,209
Less: accreted interest	(38,078,301)	(41,524,336)	(36,318,622)	(40,929,273)
Less: referendum debt	(221,973,062)	(204,528,062)	(227,108,062)	(225,998,062)
Total net debt applicable to limit	<u>147,192,748</u>	<u>147,389,696</u>	<u>105,599,433</u>	<u>102,600,099</u>
Legal debt margin	<u>\$ 74,507,794</u>	<u>\$ 73,722,561</u>	<u>\$ 126,535,915</u>	<u>\$ 144,221,880</u>
Total net debt applicable to the limit as a percentage of debt limit	66.39%	66.66%	45.49%	41.57%

Note: On November 7, 2006, the voters of the District approved a referendum providing for the issuance of \$450,000,000 in general obligation bonds for the purpose of building and equipping one new high school building, four new junior high school buildings, eight new elementary school buildings, an early childhood building, a maintenance building, a transportation facility, additions to existing school buildings, and alter, repair, equip, and provide technology improvements to existing buildings. Based on provisions specifically added for the District to the School Code of the State of Illinois Section 19-1, the bonds issued in the current year and future years related to this referendum are not subject to the District's legal debt limitation. Of the general obligation bonds outstanding at June 30, 2021, \$207,250,411 is not subject to the District's legal debt limitation.

#### Legal Debt Margin Calculation for Fiscal 2023

Assessed Value \$ 2,482,365,564

Debt limit percentage 13.8%

Debt limit 342,566,448

Debt applicable to limit 39,183,942

Legal debt margin \$ 303,382,506

2018	2019	2020	2021	2022	2023
\$ 259,285,857	\$ 275,190,735	\$ 294,369,386	\$ 305,235,214	\$ 319,746,231	\$ 342,566,448
354,859,215	339,305,432	329,712,132	299,103,704	294,831,846	272,108,769
-	-	-	8,005,015	7,989,401	4,358,942
(45,864,258)	(48,577,370)	(54,633,078)	(44,663,293)	(38,616,416)	(42,509,977)
(225,998,062)	(225,998,062)	(215,389,054)	(207,250,411)	(198,040,430)	(194,773,792)
82,996,895	64,730,000	59,690,000	55,195,015	66,164,401	39,183,942
\$ 176,288,962	\$ 210,460,735	\$ 234,679,386	\$ 250,040,199	\$ 253,581,830	\$ 303,382,506
32.01%	23.52%	20.28%	18.08%	20.69%	11.44%

## COMMUNITY UNIT SCHOOL DISTRICT 308

### DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN CALENDAR YEARS

Calendar Year	Estimated Population	Personal Income	Per Capita Personal Income	Unemployment Rate					
				Kendall County	Kane County	Will County			
2022	81,728	\$ 3,247,135,168	\$ 39,731	4.0	%	4.5	%	4.6	%
2021	81,967	3,062,860,889	37,367	4.7		5.9		5.7	
2020	81,967	3,062,860,889	37,367	8.4		9.1		9.5	
2019	80,568	2,998,821,528	37,221	3.3		4.4		3.8	
2018	79,356	2,807,139,144	35,374	3.5		4.9		4.0	
2017	79,632	2,699,684,064	33,902	4.5		4.7		5.2	
2016*	78,195	2,522,727,090	32,262	5.2		5.5		6.1	
2015*	77,693	2,524,867,114	32,498	5.1		5.8		6.0	
2014	77,942	2,437,713,992	31,276	6.3		7.0		7.4	
2013	74,841	2,385,631,716	31,876	8.3		8.9		9.4	

Source - Oswego CUSD 308 -  
National Center for Educational Statistics:  
5 Year Average Estimates reported by US Census Bureau's  
American Community Survey's 2013-2017 Profile, Income in 2017 dollars  
American Community Survey's 2014-2018 Profile, Income in 2018 dollars  
American Community Survey's 2015-2019 Profile, Income in 2019 dollars  
American Community Survey's 2016-2020 Profile, Income in 2020 dollars  
American Community Survey's 2017-2021 Profile, Income in 2021 dollars

\*Illinois Department of Employment Security

**COMMUNITY UNIT SCHOOL DISTRICT 308**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

	Full-time Equivalent Employees as of June 30									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Administration:</b>										
Superintendent	1	1	1	1	1	1	1	1	1	1
Assistant Superintendents	2	1	1	1	1	1	2	3	3	3
District Administrators	48	51	43	53	58	48	42	25	22	13
Principals and Assistants	54	54	51	60	55	57	55	62	61	66
Total Administration	105	107	96	115	115	107	100	91	87	83
<b>Teachers:</b>										
K-6, Resource, Gifted	369	460	403	408	393	404	411	414	418	444
Middle and High School	574	576	543	460	467	434	453	417	446	429
Art, Music, P.E., Health	176	138	123	130	124	144	112	131	86	133
Special Education	284	233	313	397	366	357	295	137	121	122
Psychologists/OT/PT	48	42	41	44	25	28	25	-	-	-
Total Teachers	1,451	1,449	1,423	1,439	1,375	1,367	1,296	1,099	1,071	1,128
<b>Other Supporting Staff:</b>										
Clerical 10/12 month	105	42	106	111	114	108	114	106	104	100
Aides	291	393	357	372	421	388	378	227	166	117
Custodians	128	119	152	153	153	158	150	166	166	168
Transportation, Tech, and Health	215	151	197	240	240	241	217	235	237	237
Total Other Supporting Staff	739	705	812	876	928	895	859	734	673	622
<b>Grand total</b>	<b>2,295</b>	<b>2,261</b>	<b>2,331</b>	<b>2,430</b>	<b>2,418</b>	<b>2,369</b>	<b>2,255</b>	<b>1,924</b>	<b>1,831</b>	<b>1,833</b>

Source: District personnel records, Teacher Service Records on ISBE

**COMMUNITY UNIT SCHOOL DISTRICT 308**

OPERATING STATISTICS

LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	Operating Expenditures	Percentage Change	Cost Per Pupil	Expenses	Percentage Change	Cost Per Pupil
2023	16,967	\$ 303,106,190	4.28 %	17,864.45	\$ 306,941,588	24.99 %	\$ 18,090.50
2022	17,521	290,678,856	38.59	16,590.31	245,567,541	(32.16)	\$ 14,015.61
2021	17,116	209,745,229	(18.46)	12,254.34	361,954,046	4.15	21,147.12
2020	17,333	257,222,482	0.82	14,840.04	347,537,991	2.49	20,050.65
2019	18,041	255,118,456	(32.10)	14,141.04	339,101,348	(19.78)	18,796.15
2018	18,096	375,714,421	53.72	20,762.29	422,719,668	55.61	23,359.84
2017	18,300	244,414,312	10.67	13,355.97	271,652,639	7.12	14,844.41
2016	18,216	220,842,408	8.26	12,123.54	253,600,249	8.78	13,921.84
2015	18,043	203,991,314	7.29	11,305.84	233,138,086	5.62	12,921.25
2014	17,932	190,127,574	8.66	10,602.70	220,736,179	7.66	12,309.62

Source: District records and financial statements.

N/A - Not Available

Note: Operating expenditures equal total expenditures less debt service and capital outlay.

# COMMUNITY UNIT SCHOOL DISTRICT 308

## CAPITAL ASSET INFORMATION LAST TEN FISCAL YEARS

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	2014	2015	2016	2017	2018	2019
<b><u>Schools</u></b>						
Buildings	23	23	23	23	23	23
Square Feet	3,286,777	3,361,983	3,361,983	3,361,983	3,361,983	3,361,983
Capacity	22,884	22,884	22,884	22,884	22,884	22,884
Enrollment	17,932	18,043	18,216	18,216	18,096	18,090
<b><u>Administrative</u></b>						
Buildings	10	5	5	5	5	5
Square Feet	83,703	49,000	49,000	49,000	49,000	49,000
<b><u>Athletics</u></b>						
Football fields	2	2	2	2	2	2
Soccer fields	4	12	12	12	12	12
Running tracks	2	2	2	2	2	2
Baseball/softball	26	25	25	25	25	25
Swimming pools	1	1	1	1	1	1
Playgrounds	15	19	19	19	19	19

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2020	2021	2022	2023
23	23	23	23
3,361,983	3,361,983	3,361,983	3,361,983
22,884	22,884	22,884	22,884
17,333	17,116	17,521	17,521
5	5	5	5
49,000	49,000	49,000	49,000
2	2	2	2
12	12	12	12
2	2	2	2
25	25	25	25
1	1	1	1
19	19	19	19

**Form of Continuing Disclosure Undertaking**

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

This Continuing Disclosure Undertaking (this “*Agreement*”) is executed and delivered by Community Unit School District Number 308, Kendall, Kane and Will Counties, Illinois (the “*District*”), in connection with the issuance of \$\_\_\_\_\_ General Obligation Refunding School Bonds, Series 2024B (the “*Bonds*”). The Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on the 7th day of October, 2024 (together with a notification of sale, the “*Resolution*”).

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

1. **PURPOSE OF THIS AGREEMENT.** This Agreement is executed and delivered by the District as of the date set forth below, for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with the requirements of the Rule (as defined below). The District represents that it will be the only obligated person with respect to the Bonds at the time the Bonds are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Bonds.

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

*Annual Financial Information* means information of the type contained under the following headings and subheadings of, and in the following appendices and exhibits to, the Official Statement:

FINANCIAL INFORMATION

Trend of EAV

EAV by County

Tax Rates

Tax Extensions and Collections

Summary of Outstanding Bonded Debt

Debt Repayment Schedule

Debt Statement (with respect to the District’s debt only)

Debt Ratios (with respect to the District’s debt only)

SUMMARY OF OPERATING RESULTS

Combined Educational Fund and Operations and Maintenance Fund Revenue Sources

Summary of Operating Funds and Debt Service Fund

On-Behalf Payments Summary (table only)

SCHOOL DISTRICT FINANCIAL PROFILE (LAST PARAGRAPH ONLY)

*Annual Financial Information Disclosure* means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

*Audited Financial Statements* means the audited financial statements of the District prepared pursuant to the principles and as described in *Exhibit I*.

*Commission* means the Securities and Exchange Commission.

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

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

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

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

*MSRB* means the Municipal Securities Rulemaking Board.

*Official Statement* means the Official Statement, dated \_\_\_\_\_, 2024, and relating to the Bonds.

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

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

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

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

*State* means the State of Illinois.

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

3. CUSIP NUMBERS. The CUSIP Numbers of the Bonds are set forth in *Exhibit III*. All filings required under this Agreement will be filed on EMMA under these CUSIP Numbers. The District will include CUSIP Numbers in all disclosure materials described in Sections 4 and 5 of this Agreement.

4. ANNUAL FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I*) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the District will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment or waiver is made (or in any notice or supplement provided to EMMA) shall contain a narrative description of the reasons for such amendment or waiver and its impact on the type of information being provided.

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

6. CONSEQUENCES OF FAILURE OF THE DISTRICT TO PROVIDE INFORMATION. The District shall give notice in a timely manner to EMMA of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the District to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the District to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default under the Resolution, and the sole remedy under this

Agreement in the event of any failure of the District to comply with this Agreement shall be an action to compel performance.

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

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

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

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

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

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

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

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

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

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

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

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

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

COMMUNITY UNIT SCHOOL DISTRICT  
NUMBER 308, KENDALL, KANE AND WILL  
COUNTIES, ILLINOIS

By \_\_\_\_\_  
President, Board of Education

Date: \_\_\_\_\_, 2024

**EXHIBIT I**  
**ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED**  
**FINANCIAL STATEMENTS**

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available on EMMA; the Final Official Statement need not be available from the Commission. The District shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be submitted to EMMA by 210 days after the last day of the District's fiscal year (currently June 30), beginning with the fiscal year ending June 30, 2024. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, Audited Financial Statements will be submitted to EMMA within 30 days after availability to the District.

Audited Financial Statements will be prepared in accordance with accounting principles mandated by the Illinois State Board of Education.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the District will disseminate a notice of such change as required by Section 4.

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

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

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

**EXHIBIT III  
CUSIP NUMBERS**

MATURITY (FEBRUARY 1)	CUSIP NUMBER (488764)
2030	

**Specimen Municipal Bond Insurance Policy**



# MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No.: -N

BONDS: \$ in aggregate principal amount of

Effective Date:

Premium: \$

ASSURED GUARANTY INC. ("AG"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AG, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AG shall have received Notice of Nonpayment, AG will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AG, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AG. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AG is incomplete, it shall be deemed not to have been received by AG for purposes of the preceding sentence and AG shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AG shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AG hereunder. Payment by AG to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AG under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AG shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AG which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AG may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AG pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AG and shall not be deemed received until received by both and (b) all payments required to be made by AG under this Policy may be made directly by AG or by the Insurer's Fiscal Agent on behalf of AG. The Insurer's Fiscal Agent is the agent of AG only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AG to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AG agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AG to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AG, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY INC. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY INC.

By \_\_\_\_\_  
Authorized Officer

1633 Broadway, New York, N.Y. 10019

(212) 974-0100

Form 500 (8/24)