

NAPERVILLE COMMUNITY UNIT SCHOOL
DISTRICT NO. 203, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

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FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

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INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the District's independent auditing firm.



October 31, 2023

Members of the Board of Education
Naperville Community Unit School District No. 203
Naperville, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Naperville Community Unit School District No. 203, (the District), Illinois, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards 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 management's discussion and analysis, the budgetary comparison schedules, required pension, and other post-employment benefit (OPEB) schedules, 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 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Naperville Community Unit School District No. 203, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are 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 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, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 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 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.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Management's Discussion and Analysis

June 30, 2023

The discussion and analysis of Naperville Community Unit School District No. 203 (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 basic financial statements to enhance their understanding of the District's financial performance. 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, Government-wide net position increased by \$28,981,446, due to the increase of revenues and the performance of the Governmental funds.
- General revenues accounted for \$292,756,560 in revenue or 71.5% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$116,622,388 or 28.5% of total revenues of \$409,378,948.
- The District had \$380,397,502 in expenses related to government activities. However, only \$116,622,388 of these expenses were offset by program specific charges and grants.
- Revenues for fiscal year 2023 (FY23), as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances, were \$409,361,560, inclusive of on-behalf payments to the Teacher's Retirement System. Expenditures for FY23 were \$399,607,155, also inclusive of State of Illinois payments to the Teachers Retirement System.
- The Illinois Teacher's Retirement System and Teacher's Health Insurance Security Fund receives on-behalf pension and post-retirement health insurance programs from the State of Illinois for District 203 certified staff. In FY23, \$82,596,721 was included in the total revenues and expenditures of District 203 representing the State of Illinois contributions.
- Actual revenues received in FY23 for the General Fund, exclusive of the State of Illinois on-behalf payment to the Teachers Retirement System, was \$271,082,959. Actual expenditures exclusive of on-behalf contributions were \$256,043,253 in FY23.
- The District decreased the total outstanding long-term debt by 29.5%. As of June 30, 2023, total outstanding debt was \$6,610,000.
- Beginning net position was restated due to a correction to capital assets from prior year.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

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

The Statement of Net Position reports information on all of the District's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the District's property tax base and the condition of the District's infrastructure, is needed to assess the overall health of the District.

Management's Discussion and Analysis

June 30, 2023

USING THIS ANNUAL REPORT - Continued

Government-Wide Financial Statements - Continued

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. 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 (e.g., uncollected taxes and earned but unused vacation leave).

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, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District only maintains governmental funds.

Governmental Funds

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

The District maintains six 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, Municipal Retirement/Social Security Fund, Debt Service Fund, and Capital Projects Fund all of which are considered to be major funds.

The District adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

Notes to the Financial Statements

The notes 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 Post-Retirement Health Plan, Teacher's Health Insurance Security Fund, Teacher's Retirement and I.M.R.F employee pension obligations and budgetary comparison schedules for the funds.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Management's Discussion and Analysis

June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, liabilities/deferred inflows exceeded assets/deferred outflows by \$24,574,384.

	Net Position	
	2023	2022
Current/Other Assets	\$ 441,644,632	428,434,112
Capital Assets	133,081,310	140,552,141
Total Assets	<u>574,725,942</u>	<u>568,986,253</u>
Deferred Outflows	27,768,713	13,964,998
Total Assets/Deferred Outflows	<u>602,494,655</u>	<u>582,951,251</u>
Long-Term Debt	148,290,089	201,336,141
Other Liabilities	30,830,953	34,362,186
Total Liabilities	<u>179,121,042</u>	<u>235,698,327</u>
Deferred Inflows	398,799,229	349,655,493
Total Liabilities/Deferred Inflows	<u>577,920,271</u>	<u>585,353,820</u>
Net Position		
Net Investment in Capital Assets	126,471,310	121,539,847
Restricted	44,326,981	46,648,162
Unrestricted (Deficit)	<u>(146,223,907)</u>	<u>(170,590,578)</u>
Total Net Position	<u>24,574,384</u>	<u>(2,402,569)</u>

A large portion of the District's net position, \$126,471,310, reflects its investment in capital assets (for example, land, construction in progress, buildings, improvements other than buildings, equipment, vehicles, and leased asset), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$44,326,981, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining deficit of \$146,223,907, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Management's Discussion and Analysis

June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Change in Net Position	
	2023	2022
Revenues		
Program Revenues		
Charges for Services	\$ 12,489,149	10,476,474
Operating Grants/Contributions	104,133,239	103,118,982
General Revenues		
Taxes	270,081,380	263,502,991
General State Aid	13,776,490	13,763,901
Other General Revenues	8,898,690	(949,778)
Total Revenues	<u>409,378,948</u>	<u>389,912,570</u>
Expenses		
Instruction	169,118,074	159,770,726
Support Services	126,621,218	125,626,110
Community Services	1,507,803	1,332,927
Payments to Other Districts/Governments	143,602	147,209
Interest and Fees	410,084	566,200
State Retirement Contribution	82,596,721	77,422,241
Total Expenses	<u>380,397,502</u>	<u>364,865,413</u>
Change in Net Position	28,981,446	25,047,157
Net Position - Beginning as Restated	<u>(4,407,062)</u>	<u>(27,449,726)</u>
Net Position - Ending	<u>24,574,384</u>	<u>(2,402,569)</u>

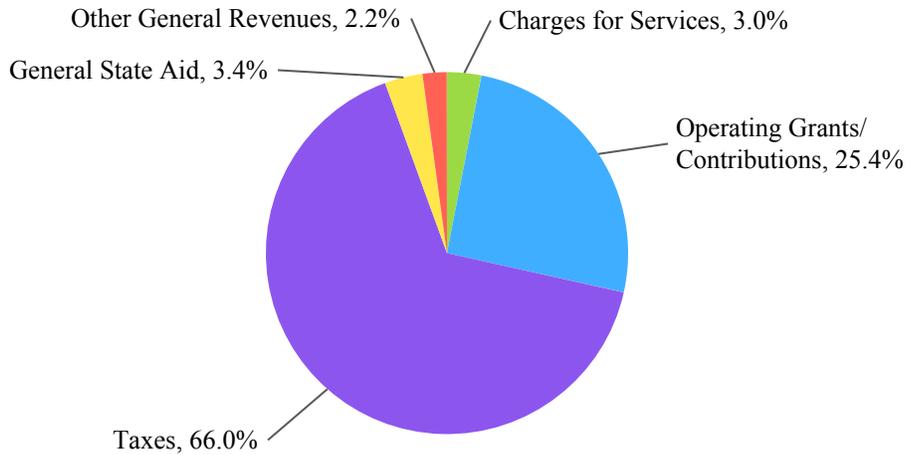
Net position of the District's governmental activities increased by 657.6 percent (deficit of \$4,407,062 restated in 2022 compared to \$24,574,384 in 2023). The unrestricted net position totaled a deficit of \$146,223,907 at June 30, 2023.

Beginning net position was restated due to a correction to capital assets from prior year.

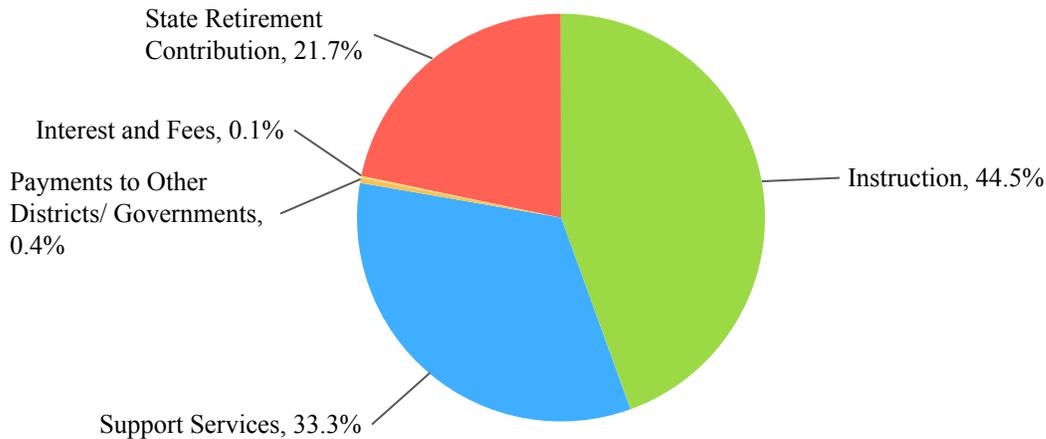
Management's Discussion and Analysis
June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

District-Wide Revenues by Source



District-Wide Expenses by Function



Revenues for governmental activities totaled \$409,378,948, while the cost of all governmental functions totaled \$380,397,502. This results in a surplus of \$28,981,446. In 2022, revenues of \$389,912,570 exceeded expenses of \$364,865,413, resulting in a surplus of \$25,047,157. Consistent revenues due to property tax collections, and an increase in personal property replacement tax distributions, as well as greater than anticipated investment income has resulted in an increase in FY23 revenues of \$19,466,378.

Management's Discussion and Analysis

June 30, 2023

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The District's governmental funds reported combined ending fund balances of \$135,214,787, which is \$9,754,405, or 7.8 percent, higher than last year's total of \$125,460,382. Of the \$135,214,787 total, \$90,750,098, or 67.1 percent, of the fund balance constitutes unassigned fund balance.

Actual revenues, excluding on-behalf payments, for FY23 were \$326,764,839. Actual expenditures, excluding on-behalf payments, totaled \$317,010,434. Expenditures were monitored closely during the year, which resulted in the expenditures being below budget in total. Property taxes accounted for the largest portion of the District's revenues, contributing \$261,887,160 of total revenues. The remainder of revenues came from other local, state, and federal grant sources.

The total cost of all the District's programs was \$317,010,434, excluding on-behalf payments, with the majority, 55.9 percent of expenditures dedicated to directly instructing the students. The remaining amount of District expenditures was split among student support services, community support services, building operation and non-operational support such as debt service, pension and other payroll taxes, and tort liability and capital improvements.

The General Fund reported an increase to fund balance of \$11,977,361 due primarily to an increase in personal property replacement tax distributions and investment income.

The Operations and Maintenance Fund reported a decrease to fund balance of \$10,441,097 due to a transfer to the Capital Projects Fund for costs related to an addition at Steeple Run Elementary School.

The Transportation Fund reported a decrease to fund balance of \$775,689 due to a decrease in the amount of state reimbursement.

The Municipal Retirement/Social Security Fund reported an increase of \$878,129 to fund balance for the year due to a decrease in the required employer payroll contribution rates for IMRF retirement.

The Debt Service Fund had a decrease of \$8,202 during the year. This decrease is due primarily to the federal proration on the interest reimbursement of the Districts Build America Bonds.

The Capital Projects Fund reported an increase of \$8,123,903 due to a transfer from the Operations and Maintenance Fund as well as excess contributions of Corporate Personal Property Replacement Taxes.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Management's Discussion and Analysis

June 30, 2023

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund is the District's largest budgeted fund and consists of the Educational, Tort Immunity, and Working Cash accounts. The General Fund's budgeted revenues, exclusive of on behalf payments, were less than actual revenues, exclusive of on behalf payments, of \$271,082,959 by \$7,593,781. Actual expenditures, exclusive of on behalf payments, of \$256,043,253, were less than budgeted expenditures, exclusive of on behalf payments, of \$262,417,754 by \$6,374,501.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2023 was \$133,081,310 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, equipment and leased asset.

	Capital Assets - Net of	
	2023	2022
Land	\$ 12,787,618	12,787,618
Construction in Progress	5,253,585	631,968
Buildings	91,535,647	92,343,787
Improvements Other than	12,859,077	13,065,619
Equipment	10,645,383	9,680,881
Leased Asset - Buildings	—	395,317
Total	<u>133,081,310</u>	<u>128,905,190</u>

This year's major additions included:

Construction in Progress	\$ 5,253,585
Buildings	3,504,102
Improvements Other than Buildings	535,412
Equipment	<u>3,765,325</u>
	<u>13,058,424</u>

Additional information on the District's capital assets can be found in Note 3 of this report.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Management's Discussion and Analysis

June 30, 2023

CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

Debt Administration

The District decreased debt by \$2,759,836 during the fiscal year with a total outstanding debt of \$6,610,000. At the end of FY23, the District had a debt limit of \$770,653,435.

	Long-Term Debt Outstanding	
	2023	2022
General Obligation Bonds	\$ 6,610,000	9,040,000
Leases Payable	—	329,836
	<u>6,610,000</u>	<u>9,369,836</u>

Additional information on the District's long-term debt can be found in Note 3 of this report.

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:

The District has four labor contracts in place:

Certified Teaching Staff (NUEA) are contracted through FY25; the contract has a salary schedule for FY23 that included a base increase of 3.35% over the FY22 schedule equal to 67% of the tax capped CPI for that tax year. Base schedule increases for FY25 will also increase by 67% of the tax capped CPI or another 3.35%.

Maintenance and Custodial Staff (NUMA) are contracted through FY27; the contract has a salary schedule that includes increases tied to the consumer price index (CPI-U) on the base with a minimum of 1% and maximum of 3.5% plus applicable step.

Education Support Staff (NESPA) are contracted through FY24; The contract calls for annual wage increases of \$1.00 per year.

Transportation Staff (NTA) are contracted through FY26; the contract has a salary schedule that includes increases tied to the consumer price index (CPI-U) on the base with a minimum of 1% and maximum of 3.5% plus applicable step.

The District has an unrestricted current balance in the self-insurance fund of \$5.8 million. The reserve percentage is approximately 15% of annual plan costs. The District is continuing its efforts in implementing health and well-being initiatives focused on ensuring all employees know their benefits, understand their health, and improve their health.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Naperville Community Unit School District No. 203, Business Office, 203 W. Hillside Road, Naperville, IL 60540.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Fiduciary Fund

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Statement of Net Position

June 30, 2023

See Following Page

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Statement of Net Position

June 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 309,847,092
Receivables - Net of Allowances	
Property Taxes	124,227,572
Intergovernmental	6,195,018
Other	1,374,950
Total Current Assets	<u>441,644,632</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	18,041,203
Depreciable/Amortizable	304,284,618
Accumulated Depreciation/Amortization	<u>(189,244,511)</u>
Total Noncurrent Assets	<u>133,081,310</u>
Total Assets	<u>574,725,942</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - RBP	5,180,304
Deferred Items - THIS	3,896,880
Deferred Items - TRS	1,384,890
Deferred Items - IMRF	17,306,639
Total Deferred Outflows of Resources	<u>27,768,713</u>
Total Assets and Deferred Outflows of Resources	<u>602,494,655</u>

The notes to the financial statements are an integral part of this statement.

	<u>Governmental Activities</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 7,347,420
Claims Payable	6,008,603
Accrued Payroll	16,790,121
Other Payables	547,101
Accrued Interest Payable	137,708
Current Portion of Long-Term Debt	2,841,165
Total Current Liabilities	<u>33,672,118</u>
Noncurrent Liabilities	
Compensated Absences	1,324,662
Total OPEB Liability - RBP	59,470,819
Total OPEB Liability - THIS	37,453,618
Net Pension Liability - TRS	11,917,584
Net Pension Liability - IMRF	31,182,241
General Obligation Bonds	4,100,000
Total Noncurrent Liabilities	<u>145,448,924</u>
Total Liabilities	<u>179,121,042</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	269,930,195
Deferred Items - RBP	5,400,107
Deferred Items - THIS	120,942,037
Deferred Items - TRS	2,526,890
Total Deferred Inflows of Resources	<u>398,799,229</u>
Total Liabilities and Deferred Inflows of Resources	<u>577,920,271</u>
NET POSITION	
Net Investment in Capital Assets	126,471,310
Restricted	
Student Activities	3,801,930
Tort Immunity	662,164
Operations and Maintenance	17,164,913
Transportation	12,251,309
Employee Retirement	1,899,018
Debt Service	423,744
Capital Projects	8,123,903
Unrestricted (Deficit)	<u>(146,223,907)</u>
Total Net Position	<u>24,574,384</u>

The notes to the financial statements are an integral part of this statement.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Statement of Activities

For the Fiscal Year Ended June 30, 2023

	Expenses	Program Revenues		(Expenses)/
		Charges for Services	Operating Grants/ Contributions	Revenues Governmental Activities
Governmental Activities				
Instruction	\$ 169,118,074	9,098,916	4,159,844	(155,859,314)
Support Services	126,621,218	3,390,233	17,376,674	(105,854,311)
Community Services	1,507,803	—	—	(1,507,803)
Payments to Other Districts/Govts.	143,602	—	—	(143,602)
State Retirement Contributions	82,596,721	—	82,596,721	—
Interest on Long-Term Debt	410,084	—	—	(410,084)
Total Governmental Activities	380,397,502	12,489,149	104,133,239	(263,775,114)
General Revenues				
Taxes				
Property Taxes				261,887,160
Personal Property Replacement Taxes				8,194,220
State Aid-Formula Grants				13,776,490
Investment Income				6,363,006
Other General Revenues				2,535,684
				<u>292,756,560</u>
Change in Net Position				28,981,446
Net Position - Beginning as Restated				<u>(4,407,062)</u>
Net Position - Ending				<u><u>24,574,384</u></u>

The notes to the financial statements are an integral part of this statement.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Balance Sheet - Governmental Funds

June 30, 2023

See Following Page

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Balance Sheet - Governmental Funds

June 30, 2023

	General	Operations and Maintenance
ASSETS		
Cash and Investments	\$ 227,296,026	36,283,241
Receivables - Net of Allowances		
Property Taxes	100,850,960	14,438,190
Intergovernmental	5,107,579	—
Other	1,299,923	42,805
Total Assets	<u>334,554,488</u>	<u>50,764,236</u>
LIABILITIES		
Accounts Payable	2,841,246	2,510,076
Accrued Salaries	15,393,834	587,007
Other Payables	547,101	—
Total Liabilities	<u>18,782,181</u>	<u>3,097,083</u>
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	220,558,115	30,502,240
Total Liabilities and Deferred Inflows of Resources	<u>239,340,296</u>	<u>33,599,323</u>
FUND BALANCES		
Restricted	4,464,094	17,164,913
Unassigned	90,750,098	—
Total Fund Balances	<u>95,214,192</u>	<u>17,164,913</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>334,554,488</u>	<u>50,764,236</u>

The notes to the financial statements are an integral part of this statement.

Special Revenue	Municipal Retirement/ Social Security	Debt Service	Capital Projects	Totals
16,765,764	7,588,490	615,992	9,265,633	297,815,146
4,375,382	4,563,040	—	—	124,227,572
843,165	—	—	244,274	6,195,018
18,003	1,489	—	—	1,362,220
22,002,314	12,153,019	615,992	9,509,907	429,599,956
325,886	—	54,540	1,386,004	7,117,752
182,862	626,418	—	—	16,790,121
—	—	—	—	547,101
508,748	626,418	54,540	1,386,004	24,454,974
9,242,257	9,627,583	—	—	269,930,195
9,751,005	10,254,001	54,540	1,386,004	294,385,169
12,251,309	1,899,018	561,452	8,123,903	44,464,689
—	—	—	—	90,750,098
12,251,309	1,899,018	561,452	8,123,903	135,214,787
22,002,314	12,153,019	615,992	9,509,907	429,599,956

The notes to the financial statements are an integral part of this statement.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

June 30, 2023

Total Governmental Fund Balances	\$ 135,214,787
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	133,081,310
Deferred Outflows/Inflows of Resources related to the retirement plans not reported in the funds.	
Deferred Items - RBP	(219,803)
Deferred Items - THIS	(117,045,157)
Deferred Items - TRS	(1,142,000)
Deferred Items - IMRF	17,306,639
Internal service funds are used by the District to charge the costs of contributions (employee, employer and retirees) for provided group health, dental, and life insurance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position	5,806,405
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(1,655,827)
Total OPEB Liability - RBP	(59,470,819)
Total OPEB Liability - THIS	(37,453,618)
Net Pension Liability - TRS	(11,917,584)
Net Pension Liability - IMRF	(31,182,241)
General Obligation Bonds	(6,610,000)
Accrued Interest Payable	(137,708)
Net Position of Governmental Activities	<u><u>24,574,384</u></u>

The notes to the financial statements are an integral part of this statement.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2023**

See Following Page

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2023**

	General	Operations and Maintenance
Revenues		
Local Sources		
Property Taxes	\$ 215,132,826	28,878,626
Replacement Taxes	4,749,952	—
Charges for Services	12,284,752	68,475
Investment Income	5,089,388	780,041
Other Revenue from Local Sources	2,132,751	288,999
State Sources	17,944,894	(16,885)
Federal Sources	13,748,396	—
On-Behalf Payments	82,596,721	—
Total Revenues	<u>353,679,680</u>	<u>29,999,256</u>
Expenditures		
Instruction	174,035,615	—
Support Services	80,491,816	30,061,892
Community Services	1,372,220	—
Payments to Other Districts and Govt. Units	143,602	—
On Behalf Payments	82,596,721	—
Debt Service		
Principal Retirement	—	—
Interest and Fiscal Charges	—	—
Total Expenditures	<u>338,639,974</u>	<u>30,061,892</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>15,039,706</u>	<u>(62,636)</u>
Other Financing Sources (Uses)		
Transfers In	—	—
Transfers Out	(3,062,345)	(10,378,461)
	<u>(3,062,345)</u>	<u>(10,378,461)</u>
Net Change in Fund Balances	11,977,361	(10,441,097)
Fund Balances - Beginning	<u>83,236,831</u>	<u>27,606,010</u>
Fund Balances - Ending	<u><u>95,214,192</u></u>	<u><u>17,164,913</u></u>

The notes to the financial statements are an integral part of this statement.

Special Revenue	Municipal Retirement/ Social Security	Debt Service	Capital Projects	Totals
Transportation				
8,761,776	9,113,932	—	—	261,887,160
—	238,600	—	3,205,668	8,194,220
135,922	—	—	—	12,489,149
233,320	242,869	—	—	6,345,618
113,934	—	—	—	2,535,684
3,486,605	—	—	—	21,414,614
—	—	149,998	—	13,898,394
—	—	—	—	82,596,721
12,731,557	9,595,401	149,998	3,205,668	409,361,560
—	3,262,817	—	—	177,298,432
13,507,246	5,318,872	—	5,460,226	134,840,052
—	135,583	—	—	1,507,803
—	—	—	—	143,602
—	—	—	—	82,596,721
—	—	2,759,836	—	2,759,836
—	—	460,709	—	460,709
13,507,246	8,717,272	3,220,545	5,460,226	399,607,155
(775,689)	878,129	(3,070,547)	(2,254,558)	9,754,405
—	—	3,062,345	10,378,461	13,440,806
—	—	—	—	(13,440,806)
—	—	3,062,345	10,378,461	—
(775,689)	878,129	(8,202)	8,123,903	9,754,405
13,026,998	1,020,889	569,654	—	125,460,382
12,251,309	1,899,018	561,452	8,123,903	135,214,787

The notes to the financial statements are an integral part of this statement.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended June 30, 2023**

Net Change in Fund Balances - Total Governmental Funds \$ 9,754,405

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlays	12,426,456
Depreciation Expense	(8,250,336)
Disposals - Cost	(2,462,448)
Disposals - Accumulated Depreciation	2,462,448

Changes in Deferred Items Related to Pensions/Post-Employment Benefits

RBP	(1,105,504)
THIS	(64,414,115)
TRS	952,767
IMRF	37,388,109

The issuance of long-term debt provides current financial resources to Governmental Funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.

Changes in Compensated Absences Payable	(1,331)
Changes in Total OPEB Liability - RBP	(987,170)
Changes in Total OPEB Liability - THIS	81,721,388
Changes in Net Pension Liability - TRS	735,570
Changes in Net Pension Liability/(Asset) - IMRF	(40,824,699)
Retirement of Long-Term Debt	2,759,836
Changes in Accrued Interest Payable	50,625

Internal service funds are used by the District to charge the costs of contributions (employee, employer and retirees) for provided group health, dental, and life insurance to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.

(1,224,555)

Changes in Net Position of Governmental Activities

28,981,446

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Statement of Net Position - Proprietary Fund

June 30, 2023

	<u>Governmental Activities</u>
	<u>Internal Service</u>
	<u>Health Insurance</u>
ASSETS	
Cash and Investments	\$ 12,031,946
Receivables - Net of Allowances	
Other	<u>12,730</u>
Total Assets	<u><u>12,044,676</u></u>
LIABILITIES	
Accounts Payable	229,668
Claims Payable	<u>6,008,603</u>
Total Liabilities	6,238,271
NET POSITION	
Unrestricted	<u>5,806,405</u>
Total Liabilities and Net Position	<u><u>12,044,676</u></u>

The notes to the financial statements are an integral part of this statement.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Statement of Revenues, Expenses and Changes In Net Position - Proprietary Fund
For the Fiscal Year Ended June 30, 2023**

	Governmental Activities
	Internal Service
	Health Insurance
Operating Revenues	
Employer/Employee Contributions	\$ 39,564,940
Retiree Contributions	709,879
Refunds, Adjustments and Other	1,032,586
Total Operating Revenues	<u>41,307,405</u>
Operating Expenses	
Claims Paid	39,003,686
Sec. 125 Plan and Dental Reimbursements	2,989,204
Wellness and Vision Reimbursements	534,181
Administrative Fees and Other	22,277
Total Operating Expenses	<u>42,549,348</u>
Operating (Loss)	(1,241,943)
Nonoperating Revenues	
Investment Income	<u>17,388</u>
Change in Net Position	(1,224,555)
Net Position - Beginning	<u>7,030,960</u>
Net Position - Ending	<u><u>5,806,405</u></u>

The notes to the financial statements are an integral part of this statement.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Statement of Cash Flows - Proprietary Fund
For the Fiscal Year Ended June 30, 2023**

	Governmental Activities
	Internal Service
	Health Insurance
Cash Flows from Operating Activities	
Receipts from Employers and Employees	\$ 39,607,239
Receipts from Retirees	709,879
Other	1,032,586
Payments to Vendors	<u>(42,520,285)</u>
	<u>(1,170,581)</u>
Cash Flows from Investing Activities	
Investment Income	<u>17,388</u>
Net Change in Cash and Cash Equivalents	(1,153,193)
Cash and Cash Equivalents - Beginning	<u>13,185,139</u>
Cash and Cash Equivalents - Ending	<u><u>12,031,946</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	(1,241,943)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:	
(Increase) Decrease in Current Assets	42,299
Increase (Decrease) in Current Liabilities	<u>29,063</u>
Net Cash Provided by Operating Activities	<u><u>(1,170,581)</u></u>

The notes to the financial statements are an integral part of this statement.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Naperville Community Unit School District No. 203 (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 government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the District's accounting policies established under GAAP and used by the District are described below.

REPORTING ENTITY

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34" and includes all component units that have a significant operational or financial relationship with the District. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

Government-Wide Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. 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-type activities.

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions (instruction, support services, community services, etc.). The functions are supported by general government revenues (property and personal property replacement taxes, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, interest income, etc.). This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the District:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

General Fund is the general operating fund of the District. 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. The General Fund is a major fund and is comprised of three subfunds, the Educational Account Fund, the Tort Immunity Fund, and the Working Cash Account Fund.

Special Revenue Funds are used to 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, Capital Projects Funds or Fiduciary Funds. The District maintains three major special revenue funds. The Operations and Maintenance Fund is used to account for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes. The Transportation Fund is used to account for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants. The Illinois Municipal Retirement/Social Security Fund is used to account 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 is used to account 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. The Debt Service Fund is a major fund.

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Governmental Funds - Continued

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Capital Projects Fund is a major fund and accounts for revenues and expenditures relative to the construction of capital improvements. The Special Assessments Capital Projects Fund is the only nonmajor governmental fund, and accounts for revenues and expenditures relative to special assessment capital improvements.

Proprietary Fund

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary fund of the District.

Internal Service Funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the District on a cost-reimbursement basis. The District maintains one internal service fund. The Health Insurance Fund is used to account for the funds received from employees, retirees and other funds to be used for the payment of health care costs for the District employees. The District's internal service fund is presented in the proprietary funds financial statements. Because the principal users of the internal services are the District's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government).

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, the governmental activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the "current financial resources" measurement focus is used.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “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, except for state aid. State aid payments received after 60 days are being considered as available as historically, state aid collected within 60 days has represented all state aid expected to be collected. The state is currently behind on payments to local government agencies, which is a highly unusual circumstance, resulting in current year state aid collections after 60 days of 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.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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. 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 are 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.

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the District's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes and grants.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Capital Assets - Continued

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical costs based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings	15 - 50 Years
Improvements Other than Buildings	20 Years
Equipment and Vehicles	5 - 20 Years
Leased Asset - Buildings	4 Years

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 year-end are determined on the basis of current salary rates and include salary related payments.

Employees are entitled to be compensated for vacation time. Vacations are usually taken within the fiscal year. Accrued but unpaid vacation leave at June 30, 2023, was \$1,655,827, which is reported as a long-term liability in the statement of net position. In prior years, the accrued vacation liability was due within one year as all employees had until the end of August of the following year to use vacation time or it was lost. Beginning July 1, 2010 the District implemented a new policy that accrues vacation time on a monthly basis and allows employees to carry over a maximum of 1.5 times their allotment of days (Administrators, NESBA, & Non Union) or 26/12 times their allotment of days (NUMA & NTA) in their vacation time bank. As such, the liability is not considered to be due within one year as of June 30, 2023.

All certified employees receive a specified number of sick days per year. Unused sick leave days accumulate to a maximum of 340 days. Upon retirement, a certified employee may apply up to 170 days of unused sick leave toward service credit for TRS.

Education support personnel receive fifteen sick days per year, which accumulate to a maximum of 260 days. The District does not reimburse employees for unused sick days remaining upon retirement of employment.

Notes to the Financial Statements

June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Compensated Absences - Continued

Due to the nature of the policies on sick leave no liability is provided in the financial statements for accumulated unpaid sick leave.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund 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 bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

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

Net Position

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

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation/amortization, 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.

Restricted - Consists of net position with constraints placed on the 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 legislations.

Unrestricted - All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

Notes to the Financial Statements

June 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Except for the exclusion of on-behalf payments from other governments, discussed below, 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 Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds includes “on-behalf” payments received and made for the amounts contributed by the State of Illinois for the employer’s share of the Teachers Retirement System pension. The District does not budget for these amounts in the Educational Account of the General Fund.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUND

The following fund had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Operations and Maintenance	\$ 933,268

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

Under State law, limits are imposed as to investments in commercial paper, corporate bonds, and mutual funds in which the District may invest, as well as the Illinois School District Liquid Asset Fund (ISDLAF).

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an investment opportunity for Illinois school districts, community college districts and educational service regions. The ISDLAF+ is not registered with the SEC as an Investment Company. Regulatory oversight of the pool is managed by their Board of Trustees. Investments in the ISDLAF+ are valued at the share price, the price for which the investment could be sold.

Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk

Deposits. At year-end, the carrying amount of the District’s deposits for governmental activities totaled \$66,277,142 and the bank balances totaled \$68,044,849.

Investments. At year-end, the District has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Agency Securities	\$ 80,231,094	80,231,094	—	—	—
Municipal Bonds	49,464,287	3,878,532	27,849,503	15,830,187	1,906,065
ISDLAF+	113,874,569	93,606,569	20,268,000	—	—
Totals	243,569,950	177,716,195	48,117,503	15,830,187	1,906,065

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk - Continued

Investments - Continued. The District has the following recurring fair value measurements as of June 30, 2023:

Investments by Fair Value Level	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Inputs (Level 3)
Debt Securities				
U.S. Agency Securities	\$ 80,231,094	80,231,094	—	—
Municipal Bonds	49,464,287	—	49,464,287	—
Total Investments by Fair Value Level	129,695,381	80,231,094	49,464,287	—
Investments Measured at the Net Asset Value (NAV)				
ISDLAF+	113,874,569			
Total Investments Measured at Fair Value	243,569,950			

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District investment policy seeks to ensure preservation of capital in the District's overall portfolio. Return on Investment is of secondary importance to safety of principal and liquidity. The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rates. However, the policy requires the District's investment portfolio to be sufficiently liquid to enable the District to meet all operating requirements as they come due.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes authorize the District to invest in direct obligations of, or obligations guaranteed by, the United States Treasury or agencies of the United States, and short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000. State Statutes limit the investments in commercial paper and corporate bonds to the top four ratings of two nationally recognized statistical rating organizations (NRSRO's). The District is also authorized to invest in the ISDLAF+. The District restricted its investments to only investments described above.

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk - Continued

Concentration Risk. This is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy does not specifically address concentration risk but requires the Chief Investment Officer to use the judgment and care, under circumstances prevailing, "that persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for the speculation, but for investment, considering the safety of capital as well as probably income."

Custodial Credit Risk. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all investments be held by a third party custodian. At year-end all of the bank balance of the deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the District 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 held by a third party custodian.

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. Occasionally certain funds participating in the common bank accounts will incur overdrafts (deficits) in the account. The overdrafts result from expenditures that have been approved by the Board of Education.

PERSONAL PROPERTY REPLACEMENT TAXES

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

PROPERTY TAXES

Property taxes are levied each calendar year on all taxable real property located in the District on or before the last Tuesday in December. The 2021 property tax levy is recorded as revenue by the District in accordance with the applicable measurement focus and basis of accounting for fiscal year 2023. The 2022 tax levy was passed by the Board on December 19, 2022. The 2021 tax levy was passed by the Board on December 20, 2021. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year they are for and are payable in two installments early in June and early in September of the following calendar year. The District receives significant distributions of tax receipts approximately one month after these dates.

Property taxes attach as an enforceable lien on January 1. They are levied in September (by passage of a Tax Levy Ordinance). Tax bills are prepared by the Counties and issued on or about May 1 of the following year. They are payable in two installments on or about June 1 and on or about September 1 the following year. The County collects such taxes and remits them periodically.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Debt Service	General - Education	\$ 3,062,345
Capital Projects	Operations and Maintenance	<u>10,378,461</u>
		<u><u>13,440,806</u></u>

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Restated Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 12,787,618	—	—	12,787,618
Construction in Progress	631,968	5,253,585	631,968	5,253,585
	<u>13,419,586</u>	<u>5,253,585</u>	<u>631,968</u>	<u>18,041,203</u>
Depreciable/Amortizable Capital Assets				
Buildings	237,892,877	3,504,102	—	241,396,979
Improvements Other than Buildings	20,021,610	535,412	—	20,557,022
Equipment and Vehicles	37,262,471	3,765,325	—	41,027,796
Leased Asset - Buildings	3,765,269	—	2,462,448	1,302,821
	<u>298,942,227</u>	<u>7,804,839</u>	<u>2,462,448</u>	<u>304,284,618</u>
Less Accumulated Depreciation/Amortization				
Buildings	145,549,090	4,312,242	—	149,861,332
Improvements Other than Buildings	6,955,991	741,954	—	7,697,945
Equipment and Vehicles	27,581,590	2,800,823	—	30,382,413
Leased Asset - Buildings	3,369,952	395,317	2,462,448	1,302,821
	<u>183,456,623</u>	<u>8,250,336</u>	<u>2,462,448</u>	<u>189,244,511</u>
Total Net Depreciable/Amortizable Capital Assets	<u>115,485,604</u>	<u>(445,497)</u>	<u>—</u>	<u>115,040,107</u>
Total Net Capital Assets	<u>128,905,190</u>	<u>4,808,088</u>	<u>631,968</u>	<u>133,081,310</u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Governmental Activities - Continued

Depreciation/Amortization expense was charged to governmental activities as follows:

Instructional Services		
Regular Programs	\$	5,845,454
Special Programs		246,923
Supporting Services		
Pupils		181,109
Instructional Staff		228,972
General Administration		152,381
School Administration		636
Business		198,237
Operations and Maintenance of Facilities		397,279
Transportation		673,481
Central		<u>325,864</u>
		<u><u>8,250,336</u></u>

LONG-TERM DEBT

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Taxable General Obligation School Building Bonds of 2009 - Due in annual installments of \$1,080,000 to \$2,510,000 through February 1, 2029 plus interest of 1.50% - 5.00%	\$ 9,040,000	—	2,430,000	<u><u>6,610,000</u></u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Legal Debt Margin

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. At year-end the legal debt margin is as follows:

Assessed Valuation - 2022	<u>\$ 5,584,445,178</u>
Legal Debt Limit - 13.8% of Assessed Value	770,653,435
Amount of Debt Applicable to Limit	<u>6,610,000</u>
Legal Debt Margin	<u>764,043,435</u>

Long-Term Liabilities Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 1,654,496	2,662	1,331	1,655,827	331,165
Net OPEB Liability - RBP	58,483,649	987,170	—	59,470,819	—
Net OPEB Liability - THIS	119,175,006	—	81,721,388	37,453,618	—
Net Pension Liability - TRS	12,653,154	—	735,570	11,917,584	—
Net Pension Liability/(Asset) - IMRF	(9,642,458)	40,824,699	—	31,182,241	—
General Obligation Bonds	9,040,000	—	2,430,000	6,610,000	2,510,000
Leases Payable	329,836	—	329,836	—	—
	<u>191,693,683</u>	<u>41,814,531</u>	<u>85,218,125</u>	<u>148,290,089</u>	<u>2,841,165</u>

For governmental activities, the compensated absences, the total OPEB liability for RBP, the total OPEB liability for THIS, and the net pension liability for TRS will be repaid from the General Fund (Educational Accounts). The Municipal Retirement/Social Security Fund liquidates the net pension liability/(asset) for IMRF. The general obligation bonds and capital leases payable are being paid from the Debt Service Fund.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	General Obligation Bonds	
	Principal	Interest
2024	\$ 2,510,000	330,500
2025	1,080,000	205,000
2026	—	151,000
2027	—	151,000
2028	—	151,000
2029	3,020,000	151,000
Totals	<u>6,610,000</u>	<u>1,139,500</u>

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of June 30, 2023:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 133,081,310
Less Capital Related Debt:	
General Obligation Bonds	<u>(6,610,000)</u>
Net Investment in Capital Assets	<u>126,471,310</u>

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS

In the governmental fund financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Education; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Education's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Education itself or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The District's highest level of decision-making authority is the Board of Education, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The District's fund balance policy states that the target fund balance of the Educational, Tort, Working Cash, Operations and Maintenance, Transportation, and IMRF funds are to maintain a minimum fund balance equal to 10% of budgeted operating expenditures.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue				Capital Projects	Totals
		Operations and Maintenance	Transportation	Municipal Retirement/ Social Security	Debt Service		
Fund Balances							
Restricted							
Student Activities	\$ 3,801,930	—	—	—	—	—	3,801,930
Tort Immunity	662,164	—	—	—	—	—	662,164
Operations and Maintenance	—	17,164,913	—	—	—	—	17,164,913
Transportation	—	—	12,251,309	—	—	—	12,251,309
Employee Retirement	—	—	—	1,899,018	—	—	1,899,018
Debt Service	—	—	—	—	561,452	—	561,452
Capital Projects	—	—	—	—	—	8,123,903	8,123,903
	<u>4,464,094</u>	<u>17,164,913</u>	<u>12,251,309</u>	<u>1,899,018</u>	<u>561,452</u>	<u>8,123,903</u>	<u>44,464,689</u>
Unassigned	<u>90,750,098</u>	—	—	—	—	—	<u>90,750,098</u>
Total Fund Balances	<u>95,214,192</u>	<u>17,164,913</u>	<u>12,251,309</u>	<u>1,899,018</u>	<u>561,452</u>	<u>8,123,903</u>	<u>135,214,787</u>

NET POSITION RESTATEMENT

Beginning net position was restated due to a correction to capital assets from prior year. The following is a summary of the net position as originally reported and as restated:

Net Position	As Reported	As Restated	(Decrease)
Governmental Activities	\$ (2,402,569)	(4,407,062)	(2,004,493)

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION

CONTINGENT LIABILITIES

Litigation

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.

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 grant. Management believes such disallowance, if any, would be immaterial.

RISK MANAGEMENT

The District is a member of CLIC, which has been formed to provide casualty, workman's compensation, property and liability protections and to administer some or all insurance coverages and protection other than health, life and accident coverages procured by the member districts. It is intended, by the creation of CLIC to allow a member District to equalize annual fluctuations in insurance costs by establishing a program whereby reserves may be created and temporary deficits of individual Districts covered and to ultimately equalize the risks and stabilize the costs of providing casualty, property and liability protections. If, during any fiscal year, the funds on hand in the account of CLIC are not sufficient to pay expenses of administration, the Board of Directors shall require supplementary payment from all members. Such payment shall be made in the same proportion as prior payments during that year to CLIC. Complete financial statements for CLIC can be obtained from its administrator, 555 North Main Street, Wauconda, Illinois 60084.

The District is self-insured for medical and workers' compensation 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 \$235,000 per employee for medical and \$450,000 per employee for workers' compensation, as provided by stop-loss provisions incorporated in the plan.

At June 30, 2023, total unpaid claims, including an estimate of claims that have been incurred but not reported to the administrative agent, totaled \$6,008,603. The estimates are developed based on reports prepared by the administrative agent. The District does not allocate overhead costs or other non-incremental costs to the claims liability.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

For the two years ended June 30, 2023 and 2022, changes in the total liability for unpaid medical claims are summarized as follows:

	2023	2022
Claims Payable - Beginning \$	5,961,234	5,706,120
Incurred Claims	(39,158,580)	(37,389,611)
Claims Paid	39,205,949	37,644,725
Claim Payable - Ending	6,008,603	5,961,234

JOINT AGREEMENT

The District is a member of DuPage Area Occupational Education System (DAOES), a joint agreement that provides certain special education services to residents of many school districts. The District believes that because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing board, this is not included as a component unit of the District. Financial statements for the DAOES may be obtained by writing to 301 S. Swift Road, Addison, IL 60101 or online at <http://www.tcdupage.org/Page/702>.

OTHER POST-EMPLOYMENT BENEFITS

The aggregate amounts recognized for the two plans are:

	OPEB			
	Expense/ (Revenue)	Total OPEB Liability	Deferred Outflows	Deferred (Inflows)
OPEB - RBP	\$ 5,673,141	59,470,819	5,180,304	(5,400,107)
OPEB - THIS	(16,295,517)	37,453,618	3,896,880	(120,942,037)
	(10,622,376)	96,924,437	9,077,184	(126,342,144)

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retiree Benefit Plan

General Information about the OPEB Plan

Plan Description. The District’s defined benefit OPEB plan, Retiree Benefit Plan (RBP), provides OPEB for all permanent full-time employees of the District. RBP is a single-employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the District Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The RBP does not issue a publicly available financial report.

Benefits Provided. RBP provides medical and dental benefits for retirees and their dependents. Benefit provisions are established through collective bargaining agreements and state that eligible retirees and their spouses receive healthcare insurance for a limited period of (5 years for IMRF and 10 years or \$48,000, whichever comes first, for TRS) at established contribution rates. The District pays 100% of the premiums (medical and dental) for individuals eligible for health benefits from the Teacher’s Retirement System (TRS). For individuals retiring under IMRF, the District pays 90% of the medical premium for exempt retirees and 85% for non-exempt retirees. Dental premiums are paid 100% by the retiree. 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 the year. Administrative costs of the RBP are financed through investment earnings.

Plan Membership. As of June 30, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	446
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>2,310</u>
 Total	 <u><u>2,756</u></u>

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retiree Benefit Plan - Continued

Total OPEB Liability

The District's total OPEB liability was measured as of June 30, 2022, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total 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	2.50%
Discount Rate	3.86%
Healthcare Cost Trend Rates	2.00% to 6.50% initial rate, in 2022, decreasing to an ultimate rate of 5.00% for 2028 and later years
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees

The discount rate was based on S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2022.

Active IMRF Mortality follows the PubG-2010 and fully generational improvements using the MP2021 Mortality Improvement Scale.

TRS Mortality follows the PubT-2010 and fully generational improvements using the MP2021 Mortality Improvement Scale.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retiree Benefit Plan - Continued

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2022	\$ 58,483,649
Changes for the Year:	
Service Cost	3,525,537
Interest on the Total OPEB Liability	2,091,987
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	—
Changes of Assumptions or Other Inputs	(1,049,887)
Benefit Payments	(3,580,467)
Other Changes	—
Net Changes	<u>987,170</u>
Balance at June 30, 2023	<u><u>59,470,819</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The discount rate used to measure the total pension liability was 3.86%, while the prior valuation used 3.69%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (2.86%)	Current Discount Rate (3.86%)	1% Increase (4.86%)
Total OPEB Liability	\$ 66,139,705	59,470,819	53,897,841

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retiree Benefit Plan - Continued

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using variable Healthcare Trend Rates, as well as what the total OPEB liability would be if it were calculated using variable Healthcare Trend Rates that are one percentage point lower or one percentage point higher:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 54,975,840	59,470,819	65,131,487

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 \$5,673,141. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 2,272,491	(3,143,888)	(871,397)
Change in Assumptions	2,907,813	(2,256,219)	651,594
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	<u>5,180,304</u>	<u>(5,400,107)</u>	<u>(219,803)</u>

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Retiree Benefit Plan - Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - Continued

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2023	\$ 55,617
2024	55,617
2025	55,617
2026	55,617
2027	(58,838)
Thereafter	<u>(383,433)</u>
Total	<u><u>(219,803)</u></u>

Teachers' Health Insurance Security Fund (THIS)

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. THIS health coverage includes provisions for medical, prescription drug, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Beginning February 1, 2015, annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage Plans.

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 Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 required all active contributors to TRS, who are not employees of the State, to contribute to the THIS Fund.

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

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund (THIS) - Continued

Plan Description - Continued

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 percent of pay during the year ended June 30, 2023. State of Illinois contributions were \$1,392,606, and the District recognized revenues and expenditures of this amount during the year.

Employer Contributions to THIS Fund. The District also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2023. For the year ended June 30, 2023 the District paid \$1,036,718 to the THIS Fund, which was 100 percent of the required contribution.

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

Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Inflation:	2.25%
Salary Increases:	Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.
Investment Rate of Return:	2.75%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare Cost Trend Rates:	Trend rates for plan year 2023 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2024 and decrease gradually to an ultimate rate of 4.25% in 2039. For MAPD costs, trend rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 5.81% in 2034, declining gradually to an ultimate rate of 4.25% in 2039.

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund (THIS) - Continued

Plan Description - Continued

Mortality rates for retirement and beneficiary annuitants were based on the PubT-2010 Retiree Mortality Table, adjusted for TRS experience. For disabled annuitants mortality rates were based on the PubNS2010 Non-Safety Disabled Retiree Table. Mortality rates for pre-retirement were based on the PubT2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.

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

Single Discount Rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

Since TRIP is financed on a pay-as-you-go basis, a discount rate consistent with fixed-income municipal bonds with 20 years to maturity that include only federally tax exempt municipal bonds as reported in Fidelity's index's "20-year Municipal GO AA Index" has been selected. The discount rates are 3.69% as of June 30, 2022, and 1.92% as of June 30, 2021.

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

The following presents the District's proportionate share of the collective net OPEB liability, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (4.69%)	Current Discount Rate (3.69%)	1% Increase (2.69%)
Employer's Proportionate Share of the OPEB Liability	\$ 41,624,672	37,453,618	33,167,998

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund (THIS) - Continued

Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following table shows the plan's net OPEB liability as of June 30, 2022, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower. The current claims trend rates are 8.00% in plan year end 2024, decreasing to an ultimate trend rate of 4.25% in plan year end 2039.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Employer's Proportionate Share of the OPEB Liability	\$ 31,649,334	37,453,618	43,823,686

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

At June 30, 2023, the District reported a liability for its proportionate share of the net OPEB liability that reflected a reduction for State OPEB support provided to the District. The collective net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of the District, actuarially determined. At June 30, 2022, the District's proportion was 0.547192 percent, which was an increase of 0.006848 from its proportion in the prior year. 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 follow:

Employer's Proportionate Share of the Net OPEB Liability	\$ 37,453,618
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>50,951,954</u>
Total	<u><u>88,405,572</u></u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Teachers' Health Insurance Security Fund (THIS) - Continued

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

For the year ending June 30, 2023, the District recognized OPEB revenue and expense of \$1,392,606 for support provided by the State. For the year ending June 30, 2023, the District recognized OPEB revenue of \$16,295,517. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ —	(24,496,508)	(24,496,508)
Net Difference Between Projected and Actual Earnings on Pension Investments	33,788	(92,388,111)	(92,354,323)
Changes of Assumptions	5,408	(857)	4,551
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	2,845,928	(4,056,561)	(1,210,633)
Total Pension Expense to be Recognized in Future Periods	2,885,124	(120,942,037)	(118,056,913)
Employer Contributions Subsequent to the Measurement Date	1,011,756	—	1,011,756
Totals	<u>3,896,880</u>	<u>(120,942,037)</u>	<u>(117,045,157)</u>

\$1,011,756 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2024	\$ (19,370,681)
2025	(18,078,426)
2026	(16,131,288)
2027	(15,618,628)
2028	(15,420,821)
Thereafter	<u>(33,437,069)</u>
Total	<u>(118,056,913)</u>

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

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.

The aggregate amounts recognized for the two pension plans are:

	Pension Expense/ (Revenue)	Net Pension Liability	Deferred Outflows	Deferred (Inflows)
TRS	\$ (393,254)	11,917,584	1,384,890	(2,526,890)
IMRF	7,133,868	31,182,241	17,306,639	—
	<u>6,740,614</u>	<u>43,099,825</u>	<u>18,691,529</u>	<u>(2,526,890)</u>

Teachers’ Retirement System (TRS)

Plan Descriptions, Provisions and Funding Policies

The District participates in the Teachers’ Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can only be made by legislative action with the Governor’s approval. The TRS Board of Trustees is responsible for TRS’s administration. TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/acfrs>; 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 at 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. Disability and death benefits are also provided.

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 than Tier 1.

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

Benefits Provided - Continued

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, 2026. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the State of Illinois.

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 employer, is submitted to TRS by the employer.

On Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2023, State of Illinois contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$81,204,115 in pension contributions from the State. For the year ended June 30, 2022, the employer recognized revenue and expenditures of \$76,063,165 in pension contributions from the State.

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 \$897,457 and are deferred because they were paid after the June 30, 2022 measurement date.

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

Contributions - Continued

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

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

For the fiscal year ended June 30, 2023, the employer pension contribution was 10.49 percent of salaries paid from federal and special trust funds. For the fiscal year ended June 30, 2022, the employer pension contribution was 10.31 percent of salaries paid from those funds. For the fiscal year ended June 30, 2023, salaries totaling \$3,883,823 were paid from federal and special trust funds that required employer contributions of \$407,413, which was equal to the District's actual contributions. For the fiscal year ended June 30, 2022, required employer contributions of \$308,860, which was equal to the District's actual contributions. The June 30, 2023 contributions are deferred because they were paid after the June 30, 2022 measurement date.

Employer Retirement Cost Contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit.

For the year ended June 30, 2023, the employer paid \$22,799 to TRS for employer contributions due on salary increases in excess of 6 percent, \$29,481 for salary increases in excess of 3 percent and \$0 for sick leave days granted in excess of the normal annual allotment. For the year ended June 30, 2022, the District paid \$13,658 to TRS for employer contributions due on salary increases in excess of 6 percent, paid \$21,884 for employer contributions due on salary increases in excess of 3 percent, and made no payments for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2022, the employer 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 employer. The state's support and total are for disclosure purposes only. The amount recognized by the employer 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 employer follows below:

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

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

Employer's Proportionate Share of the Net Pension Liability	\$ 11,917,584
State's Proportionate Share of the Net Pension Liability Associated with the Employer	<u>1,033,771,454</u>
 Total	 <u><u>1,045,689,038</u></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, 2022. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2022, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2022, the employer's proportion was 0.0142 percent, which was a decrease of 0.0020 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the employer recognized pension expense of \$81,204,115 and revenue of \$81,204,115 for support provided by the state. At June 30, 2023, the employer reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ 23,954	(65,708)	(41,754)
Net Difference Between Projected and Actual Earnings on Pension Investments	10,902	—	10,902
Changes of Assumptions	54,951	(22,753)	32,198
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	—	(2,438,429)	(2,438,429)
Total Pension Expense to be Recognized in Future Periods	<u>89,807</u>	<u>(2,526,890)</u>	<u>(2,437,083)</u>
Employer Contributions Subsequent to the Measurement Date	1,295,083	—	1,295,083
 Totals	 <u><u>1,384,890</u></u>	 <u><u>(2,526,890)</u></u>	 <u><u>(1,142,000)</u></u>

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

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

\$1,295,083 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2024	\$ (1,050,675)
2025	(572,905)
2026	(518,225)
2027	(162,082)
2028	(133,196)
Thereafter	—
Total	<u>(2,437,083)</u>

Actuarial Assumptions

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

Inflation: 2.50 Percent

Salary Increases: Varies by Amount of Service Credit

Investment Rate of Return: 7.00 Percent, Net of Pension Plan Investment Expense, Including Inflation

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

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

Actuarial Assumptions - Continued

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large Cap	16.3%	5.7%
U.S. Small/Mid Cap	1.9%	6.8%
International Equities Developed	14.1%	6.6%
Emerging Market Equities	4.7%	8.6%
U.S. Bonds Core	6.9%	1.2%
Cash Equivalents	1.2%	(0.3%)
TIPS	0.5%	0.3%
International Debt Developed	1.2%	6.6%
Emerging International Debt	3.7%	3.8%
Real Estate	16.0%	5.4%
Private Debt	12.5%	5.3%
Hedge Funds	4.0%	3.5%
Private Equity	15.0%	10.0%
Infrastructure	2.0%	5.9%
Total	100.0%	

Discount Rate

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

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Teachers' Retirement System (TRS) - Continued

Discount Rate - Continued

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 to 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.

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

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's Proportionate Share of the OPEB Liability	\$ 14,575,311	11,917,584	9,713,706

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*.

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. 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 defined benefit agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

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

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

Plan Membership. As of December 31, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	1,224
Inactive Plan Members Entitled to but not yet Receiving Benefits	1,613
Active Plan Members	<u>979</u>
 Total	 <u><u>3,816</u></u>

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Contributions. As set by statute, the District’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended June 30, 2023, the District’s contribution was 9.86% of covered payroll.

Net Pension Liability. The District’s net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2022, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

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

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

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued.

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.50%	4.90%
Domestic Equities	35.50%	6.50%
International Equities	18.00%	7.60%
Real Estate	10.50%	6.20%
Blended	9.50%	6.25% - 9.90%
Cash and Cash Equivalents	1.00%	4.00%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same 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 the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's 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 period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the District calculated using the discount rate as well as what the District's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 51,943,927	31,182,241	14,152,307

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2021	\$ 193,373,277	203,015,735	(9,642,458)
Changes for the Year:			
Service Cost	3,501,945	—	3,501,945
Interest on the Total Pension Liability	13,722,889	—	13,722,889
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	1,743,832	—	1,743,832
Changes of Assumptions	—	—	—
Contributions - Employer	—	3,790,252	(3,790,252)
Contributions - Employees	—	1,615,795	(1,615,795)
Net Investment Income	—	(26,576,956)	26,576,956
Benefit Payments, Including Refunds of Employee Contributions	(11,686,042)	(11,686,042)	—
Other (Net Transfer)	—	(685,124)	685,124
Net Changes	7,282,624	(33,542,075)	40,824,699
Balances at December 31, 2022	200,655,901	169,473,660	31,182,241

Pension Expense, 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 \$7,133,868. At June 30, 2023, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Notes to the Financial Statements

June 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

RETIREMENT SYSTEMS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience Changes of Assumptions	\$ 1,550,783	—	1,550,783
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Pension Expense to be Recognized in Future Periods	14,037,484	—	14,037,484
Pension Contributions Made Subsequent to the Measurement Date	15,588,267	—	15,588,267
	1,718,372	—	1,718,372
Total Deferred Amounts Related to Pensions	<u>17,306,639</u>	—	<u>17,306,639</u>

\$1,718,372 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2024	\$ 288,718
2025	2,460,561
2026	4,630,365
2027	8,208,623
2028	—
Thereafter	—
Total	<u>15,588,267</u>

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Changes in the Employer's Total OPEB Liability
Retiree Benefit Plan
- Schedule Employer Contributions
Teacher's Health Insurance Security Fund
- Schedule of Employer's Proportionate Share of the Collective Net OPEB Liability
Teacher's Health Insurance Security Fund
- Schedule of Employer's Proportionate Share of the Net Pension Liability and Employer Contributions
Teachers' Retirement System
- Schedule Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedules
General Fund
Operations and Maintenance - Special Revenue Fund
Transportation - Special Revenue Fund
Municipal Retirement/Social Security - Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information - Budgets are adopted on a basis consistent with generally accepted accounting principles.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

June 30, 2023

See Following Page

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

June 30, 2023

	<u>2018</u>
Total OPEB Liability	
Service Cost	\$ 2,964,375
Interest	1,969,428
Differences Between Expected and Actual Experience	—
Change of Assumptions or Other Inputs	—
Benefit Payments	(5,040,984)
Other Changes	—
Net Change in Total OPEB Liability	<u>(107,181)</u>
Total OPEB Liability - Beginning	<u>53,410,092</u>
 Total OPEB Liability - Ending	 <u><u>53,302,911</u></u>
 Covered-Employee Payroll	 \$ 169,984,833
 Total OPEB Liability as a Percentage of Covered-Employee Payroll	 31.36%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2018 - 2023.

2019	2020	2021	2022	2023
3,079,096	2,599,839	3,584,728	3,993,668	3,525,537
1,964,890	1,837,862	1,142,247	1,161,453	2,091,987
—	(4,686,200)	—	2,713,251	—
1,520,535	3,001,340	253,929	(1,542,122)	(1,049,887)
(5,061,124)	(4,591,919)	(2,563,616)	(3,227,119)	(3,580,467)
—	—	—	—	—
1,503,397	(1,839,078)	2,417,288	3,099,131	987,170
53,302,911	54,806,308	52,967,230	55,384,518	58,483,649
54,806,308	52,967,230	55,384,518	58,483,649	59,470,819
173,809,492	158,609,016	168,292,642	157,819,070	199,032,048
31.53%	33.39%	32.91%	37.06%	29.88%

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Teacher's Health Insurance Security Fund

Schedule of Employer Contributions

June 30, 2023

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 1,162,929	\$ 1,162,929	\$ —	\$ 132,151,066	0.88%
2019	1,256,414	1,256,414	—	136,566,790	0.92%
2020	1,255,005	1,255,005	—	136,413,636	0.92%
2021	1,286,935	1,294,574	7,639	139,884,245	0.93%
2022	1,011,756	1,011,756	—	151,008,404	0.67%
2023	1,036,718	1,036,718	—	154,734,011	0.67%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Teacher's Health Insurance Security Fund
Schedule of Employer Contributions - Continued
June 30, 2023**

Notes to the Schedule of Employer Contributions

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Sponsor's Fiscal Year End	June 30, 2023

Methods and Assumptions Used to Determine Actuarial Liability and Contributions:

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2022, contribution rates are 0.90% of pay for active members, 0.67% of pay for school districts and 0.90% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Fair Value
Investment Rate of Return	2.75%, net of OPEB plan investment expense, including inflation for all plan years.
Inflation	2.25%
Salary Increases	Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the actuarial valuation as of June 30, 2021.
Mortality	Retirement and Beneficiary Annuitants: PubT-2010 Retiree Mortality Table, adjusted for TRS experience. Disabled Annuitants: PubNS-2010 Non-Safety Disabled Retiree Table. PreRetirement: PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.
Healthcare Cost Trend Rates	Trend rates for plan year 2023 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2024 and decrease gradually to an ultimate rate of 4.25% in 2039. For MAPD costs, trend rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 5.81% in 2034, declining gradually to an ultimate rate of 4.25% in 2039.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Teacher's Health Insurance Security Fund

Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability

June 30, 2023

	<u>6/30/18</u>
Employer's Proportion of the Net OPEB Liability	0.5622%
Employer's Proportionate Share of the Net OPEB Liability	\$ 145,896,779
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>191,598,724</u>
Total	<u><u>337,495,503</u></u>
Employer's Covered Payroll	\$ N/A
Employer's Proportionate Share of the Net OPEB Liability as a % of its Covered Payroll	N/A
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	(0.17%)

Notes:

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

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

6/30/19	6/30/20	6/30/21	6/30/22	6/30/23
0.557693%	0.556117%	0.539381%	0.540344%	0.547192%
146,929,174	153,919,109	144,208,475	119,175,006	37,453,618
197,294,076	208,426,112	202,557,312	161,583,858	50,951,954
344,223,250	362,345,221	346,765,787	280,758,864	88,405,572
132,151,066	136,566,790	136,413,636	139,884,245	151,008,404
111.18%	112.71%	105.71%	85.20%	24.80%
(0.07%)	0.25%	0.70%	1.40%	5.24%

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Teachers' Retirement System

**Schedule of the Employer's Proportionate Share of the Net Pension Liability and Employer Contributions
June 30, 2023**

	6/30/16	6/30/17
Employer's Proportion of the Net Pension Liability	0.0276%	0.0257%
Employer's Proportionate Share of the Net Pension Liability	\$ 18,052,011	20,319,181
State's Proportionate Share of the Net Pension Liability Associated with the Employer	815,650,689	1,008,172,207
Total	833,702,700	1,028,491,388
Employer's Covered Payroll	\$ 125,915,919	127,884,574
Employer's Proportionate Share of the Net Pension Liability as a % of its Covered-Employee Payroll	14.34%	15.89%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	41.50%	36.40%
Contractually-Required Contribution	\$ 1,002,314	1,066,891
Contributions in Relation to the Contractually Required Contribution	1,002,314	1,066,891
Contribution Excess (Deficiency)	—	—
Employer's Covered Payroll	\$ 127,884,574	129,379,983
Contributions as a % of Covered Payroll	0.78%	0.82%

Notes:

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

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

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

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

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

6/30/18	6/30/19	6/30/20	6/30/21	6/30/22	6/30/23
0.0258%	0.0183%	0.0176%	0.0162%	0.0162%	0.0142%
19,701,890	14,226,568	14,235,440	13,983,914	12,653,154	11,917,584
961,288,070	974,579,515	1,013,120,762	1,095,292,788	1,060,468,804	1,033,771,454
980,989,960	988,806,083	1,027,356,202	1,109,276,702	1,073,121,958	1,045,689,038
129,379,983	132,151,066	136,566,790	136,413,636	139,884,245	151,008,404
15.23%	10.77%	10.42%	10.25%	9.05%	7.89%
39.30%	40.00%	39.60%	37.80%	45.10%	42.80%
867,413	892,013	876,930	901,426	1,184,709	1,304,870
867,413	892,013	883,660	935,033	1,157,210	1,295,083
—	—	6,730	33,607	(27,499)	(9,787)
132,151,066	136,566,790	136,413,636	139,884,245	151,008,404	154,734,011
0.66%	0.65%	0.64%	0.64%	0.78%	0.84%

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
June 30, 2023**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 3,365,720	\$ 3,397,889	\$ 32,169	\$ 30,483,599	11.15%
2016	3,615,502	3,615,502	—	31,422,014	11.51%
2017	3,738,790	3,738,790	—	32,230,863	11.60%
2018	3,740,100	3,740,100	—	31,991,347	11.69%
2019	3,681,801	3,681,801	—	33,317,273	11.05%
2020	3,755,405	3,755,405	—	32,812,905	11.44%
2021	3,962,038	3,962,038	—	31,849,868	12.44%
2022	4,100,272	4,100,272	—	35,817,958	11.45%
2023	3,697,278	3,697,278	—	37,509,939	9.86%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	21 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.85% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability/(Asset)

June 30, 2023

See Following Page

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability/(Asset)

June 30, 2023

	12/31/14	12/31/15
Total Pension Liability		
Service Cost	\$ 3,747,419	3,491,743
Interest	9,067,363	10,052,411
Changes in Benefit Terms	—	—
Differences Between Expected and Actual Experience	642,263	2,257,306
Change of Assumptions	6,069,719	329,642
Benefit Payments, Including Refunds of Member Contributions	(5,385,288)	(6,427,883)
Net Change in Total Pension Liability	14,141,476	9,703,219
Total Pension Liability - Beginning	121,717,113	135,858,589
Total Pension Liability - Ending	135,858,589	145,561,808
Plan Fiduciary Net Position		
Contributions - Employer	\$ 3,397,889	3,533,292
Contributions - Members	1,426,742	1,408,064
Net Investment Income	7,060,932	609,238
Benefit Payments, Including Refunds of Member Contributions	(5,385,288)	(6,427,883)
Other (Net Transfer)	57,197	232,845
Net Change in Plan Fiduciary Net Position	6,557,472	(644,444)
Plan Net Position - Beginning	116,033,304	122,590,776
Plan Net Position - Ending	122,590,776	121,946,332
Employer's Net Pension Liability/(Asset)	\$ 13,267,813	23,615,476
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.23%	83.78%
Covered Payroll	\$ 30,486,599	31,101,492
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	43.52%	75.93%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22
3,593,425	3,550,601	3,236,880	3,359,664	3,462,731	3,154,157	3,501,945
10,735,307	11,432,709	11,639,453	12,158,197	12,773,953	13,028,496	13,722,889
—	—	—	—	—	—	—
1,337,192	1,853,547	2,696,843	3,133,771	(815,403)	4,538,754	1,743,832
(688,798)	(4,688,328)	4,341,107	—	(1,019,569)	—	—
(6,970,199)	(7,621,836)	(9,042,328)	(9,895,880)	(10,524,086)	(10,948,891)	(11,686,042)
8,006,927	4,526,693	12,871,955	8,755,752	3,877,626	9,772,516	7,282,624
145,561,808	153,568,735	158,095,428	170,967,383	179,723,135	183,600,761	193,373,277
153,568,735	158,095,428	170,967,383	179,723,135	183,600,761	193,373,277	200,655,901
3,760,006	3,720,926	3,839,511	3,498,093	4,026,144	4,349,116	3,790,252
1,446,053	1,474,862	1,488,187	1,502,448	1,481,109	1,590,431	1,615,795
8,332,891	22,677,817	(8,515,297)	26,455,097	23,245,897	30,594,463	(26,576,956)
(6,907,199)	(7,621,836)	(9,042,328)	(9,895,880)	(10,524,086)	(10,948,891)	(11,686,042)
602,854	(2,127,549)	2,628,506	575,686	(57,241)	(580,387)	(685,124)
7,234,605	18,124,220	(9,601,421)	22,135,444	18,171,823	25,004,732	(33,542,075)
121,946,332	129,180,937	147,305,157	137,703,736	159,839,180	178,011,003	203,015,735
129,180,937	147,305,157	137,703,736	159,839,180	178,011,003	203,015,735	169,473,660
24,387,798	10,790,271	33,263,647	19,883,955	5,589,758	(9,642,458)	31,182,241
84.12%	93.17%	80.54%	88.94%	96.96%	104.99%	84.46%
31,836,599	32,092,728	32,499,111	33,192,591	32,419,733	35,071,490	35,791,296
76.60%	33.62%	102.35%	59.90%	17.24%	(27.49%)	87.12%

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

	2023			Variance with Final Budget	2022
	Budget		Actual		Actual
	Original	Final			
Revenues					
Local Sources					
Property Taxes	\$ 215,035,706	215,035,706	215,132,826	97,120	208,760,360
Personal Property					
Replacement Taxes	3,801,000	3,801,000	4,749,952	948,952	7,011,036
Charges for Services	13,594,232	13,594,232	12,284,752	(1,309,480)	10,297,810
Earnings on Investments	1,012,000	1,012,000	5,089,388	4,077,388	(3,046,278)
Other	1,775,000	1,775,000	2,132,751	357,751	2,245,005
State Sources	17,493,240	17,493,240	17,944,894	451,654	17,684,310
Federal Sources	10,778,000	10,778,000	13,748,396	2,970,396	17,099,563
On-Behalf Payments					
State of Illinois	76,000,000	76,000,000	82,596,721	6,596,721	77,422,241
Total Revenues	<u>339,489,178</u>	<u>339,489,178</u>	<u>353,679,680</u>	<u>14,190,502</u>	<u>337,474,047</u>
Expenditures					
Instruction	182,671,355	182,903,730	174,035,615	8,868,115	167,298,942
Support Services	77,841,784	77,841,784	80,491,816	(2,650,032)	75,917,405
Community Services	1,335,240	1,335,240	1,372,220	(36,980)	1,190,579
Payments to Other Districts and Government Units					
	337,000	337,000	143,602	193,398	147,209
On Behalf Payments	76,000,000	76,000,000	82,596,721	(6,596,721)	77,422,241
Total Expenditures	<u>338,185,379</u>	<u>338,417,754</u>	<u>338,639,974</u>	<u>(222,220)</u>	<u>321,976,376</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures					
	1,303,799	1,071,424	15,039,706	13,968,282	15,497,671
Other Financing (Uses)					
Transfers Out	<u>(3,062,345)</u>	<u>(3,062,345)</u>	<u>(3,062,345)</u>	—	<u>(4,093,460)</u>
Net Change in Fund Balances	<u>(1,758,546)</u>	<u>(1,990,921)</u>	11,977,361	<u>13,968,282</u>	11,404,211
Fund Balances - Beginning			<u>83,236,831</u>		<u>71,832,620</u>
Fund Balances - Ending			<u>95,214,192</u>		<u>83,236,831</u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Operations and Maintenance - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

	2023			Variance with Final Budget	2022 Actual
	Original Budget	Final Budget	Actual		
Revenues					
Local Sources					
Property Taxes	\$ 28,865,571	28,865,571	28,878,626	13,055	29,502,111
District/School Activity Income	66,600	66,600	68,475	1,875	70,575
Earnings on Investments	160,600	160,600	780,041	619,441	80,836
Rentals	300,000	300,000	212,878	(87,122)	147,040
Other Revenue from Local Sources	80,000	80,000	76,121	(3,879)	156,124
Total Local Sources	29,472,771	29,472,771	30,016,141	543,370	29,956,686
State Sources					
School Infrastructure - Maintenance Projects	160,000	160,000	(16,885)	(176,885)	—
Total Revenues	29,632,771	29,632,771	29,999,256	366,485	29,956,686
Expenditures					
Support Services					
Operations and Maintenance of					
Plant Services					
Salaries	9,851,700	9,851,700	10,560,062	(708,362)	9,211,728
Employee Benefits	3,267,564	3,267,564	2,680,915	586,649	2,728,566
Purchased Services	3,537,900	3,537,900	5,347,721	(1,809,821)	4,183,586
Supplies and Materials	5,445,000	5,445,000	5,680,429	(235,429)	6,452,190
Capital Outlay	6,522,860	6,522,860	5,135,200	1,387,660	7,668,269
Other Objects	1,100	1,100	60	1,040	60
Non-Capitalized Equipment	502,500	502,500	657,505	(155,005)	346,809
Total Expenditures	29,128,624	29,128,624	30,061,892	(933,268)	30,591,208
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	504,147	504,147	(62,636)	(566,783)	(634,522)
Other Financing (Uses)					
Transfers Out	—	(10,000,000)	(10,378,461)	(378,461)	—
Net Change in Fund Balance	504,147	(9,495,853)	(10,441,097)	(945,244)	(634,522)
Fund Balance - Beginning			27,606,010		28,240,532
Fund Balance - Ending			17,164,913		27,606,010

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Transportation - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

	2023				2022
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Local Sources					
Property Taxes	\$ 8,757,810	8,757,810	8,761,776	3,966	9,071,519
Transportation - Regular	16,000	16,000	19,625	3,625	17,665
Transportation - Other Districts	10,000	10,000	20,782	10,782	30,431
Transportation - Other Sources	35,000	35,000	7,020	(27,980)	8,721
Transportation - Co-Curricular	50,000	50,000	88,495	38,495	51,272
Earnings on Investments	30,000	30,000	233,320	203,320	24,274
Other Revenue from Local Sources	75,000	75,000	113,934	38,934	131,535
Total Local Sources	8,973,810	8,973,810	9,244,952	271,142	9,335,417
State Sources					
Transportation	5,500,000	5,500,000	3,486,605	(2,013,395)	4,488,806
Total Revenues	14,473,810	14,473,810	12,731,557	(1,742,253)	13,824,223
Expenditures					
Support Services					
Pupil Transport Services					
Salaries	4,672,500	4,672,500	4,606,806	65,694	4,336,253
Employee Benefits	1,695,477	1,695,477	1,417,451	278,026	1,350,970
Purchased Services	5,861,000	5,861,000	4,783,100	1,077,900	3,670,728
Supplies and Materials	610,500	610,500	713,812	(103,312)	677,108
Capital Outlay	1,800,000	1,800,000	1,982,677	(182,677)	1,434,297
Other Objects	650	650	—	650	—
Non-Capitalized Equipment	1,100	1,100	3,400	(2,300)	—
Total Expenditures	14,641,227	14,641,227	13,507,246	1,133,981	11,469,356
Net Change in Fund Balance	(167,417)	(167,417)	(775,689)	(608,272)	2,354,867
Fund Balance - Beginning			<u>13,026,998</u>		<u>10,672,131</u>
Fund Balance - Ending			<u>12,251,309</u>		<u>13,026,998</u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Municipal Retirement/Social Security - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

	2023			Variance with Final Budget	2022
	Original Budget	Final Budget	Actual		Actual
Revenues					
Local Sources					
Property Taxes					
General Levy	\$ 4,330,902	4,330,902	4,332,849	1,947	4,234,075
FICA/Medicare Levy	4,778,927	4,778,927	4,781,083	2,156	4,685,290
Replacement Taxes	238,600	238,600	238,600	—	238,600
Earnings on Investments	36,000	36,000	242,869	206,869	24,314
Total Revenues	9,384,429	9,384,429	9,595,401	210,972	9,182,279
Expenditures					
Instruction					
Regular Programs	1,546,700	1,546,700	1,207,467	339,233	1,333,865
Pre-K Programs	300	300	3,229	(2,929)	2,430
Special Education Programs	1,872,000	1,872,000	1,390,576	481,424	1,502,747
Special Education Programs Pre-K	29,200	29,200	16,393	12,807	17,967
Remedial and Supplemental Programs K-12	124,200	124,200	164,855	(40,655)	171,120
CTE Programs	73,300	73,300	60,573	12,727	58,545
Interscholastic Programs	398,600	398,600	125,129	273,471	127,330
Summer School Programs	16,600	16,600	83,913	(67,313)	43,923
Gifted Programs	36,500	36,500	37,072	(572)	36,293
Bilingual Programs	165,300	165,300	173,356	(8,056)	185,973
Truant Alternative & Optional Programs	200	200	254	(54)	190
Total Instruction	4,262,900	4,262,900	3,262,817	1,000,083	3,480,383
Support Services					
Pupil					
Attendance and Social Work Services	77,300	77,300	85,325	(8,025)	83,437
Guidance Services	76,900	76,900	67,623	9,277	66,689
Health Services	305,900	305,900	284,672	21,228	310,117
Psychological Services	64,100	64,100	58,765	5,335	55,235
Speech Pathology and Audiology Services	99,200	99,200	96,309	2,891	95,709
Other Support Services - Pupils	7,400	7,400	4,707	2,693	5,051
	630,800	630,800	597,401	33,399	616,238

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Municipal Retirement/Social Security - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2023

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

	2023			Variance with Final Budget	2022
	Original Budget	Final Budget	Actual		Actual
Expenditures - Continued					
Support Services - Continued					
Instructional Staff					
Improvement of Instruction Services	\$ 127,500	127,500	124,979	2,521	116,723
Educational Media Services	305,100	305,100	246,388	58,712	258,884
Assessment and Testing	38,200	38,200	41,137	(2,937)	45,603
	<u>470,800</u>	<u>470,800</u>	<u>412,504</u>	<u>58,296</u>	<u>421,210</u>
General Administration					
Board of Education Services	47,400	47,400	36,242	11,158	36,985
Executive Administration Services	46,400	46,400	41,583	4,817	41,279
Special Area Administration Services	66,200	66,200	60,383	5,817	54,958
	<u>160,000</u>	<u>160,000</u>	<u>138,208</u>	<u>21,792</u>	<u>133,222</u>
School Administration					
Office of the Principal Services	490,600	490,600	603,872	(113,272)	620,969
Other Support Services - School Admin	152,000	152,000	51,114	100,886	51,836
	<u>642,600</u>	<u>642,600</u>	<u>654,986</u>	<u>(12,386)</u>	<u>672,805</u>
Business					
Direction of Business Support Services	4,300	4,300	3,296	1,004	3,193
Fiscal Services	106,200	106,200	87,194	19,006	81,754
Operations and Maintenance of					
Plant Services	1,516,700	1,516,700	1,775,742	(259,042)	1,702,973
Pupil Transportation Services	841,100	841,100	780,099	61,001	799,319
Food Services	19,900	19,900	97,502	(77,602)	114,759
Internal Services	43,000	43,000	31,862	11,138	32,171
	<u>2,531,200</u>	<u>2,531,200</u>	<u>2,775,695</u>	<u>(244,495)</u>	<u>2,734,169</u>
Central					
Information Services	22,700	22,700	20,020	2,680	18,543
Staff Services	131,600	131,600	173,354	(41,754)	166,173
Data Processing Services	335,200	335,200	434,351	(99,151)	412,852
	<u>489,500</u>	<u>489,500</u>	<u>627,725</u>	<u>(138,225)</u>	<u>597,568</u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Municipal Retirement/Social Security - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2023

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

	2023			Variance with Final Budget	2022
	Original Budget	Final Budget	Actual		Actual
Expenditures - Continued					
Support Services - Continued					
Other Support Services	\$ 98,800	98,800	112,353	(13,553)	105,452
Total Support Services	5,023,700	5,023,700	5,318,872	(295,172)	5,280,664
Community Services	155,100	155,100	135,583	19,517	142,348
Total Expenditures	9,441,700	9,441,700	8,717,272	724,428	8,903,395
Net Change in Fund Balance	<u>(57,271)</u>	<u>(57,271)</u>	878,129	<u>935,400</u>	278,884
Fund Balance - Beginning			<u>1,020,889</u>		<u>742,005</u>
Fund Balance - Ending			<u>1,899,018</u>		<u>1,020,889</u>

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Combining Statements - General Fund
- Budgetary Comparison Schedules - General Fund Accounts
- Budgetary Comparison Schedules - Major Governmental Funds
- Consolidated Year-End Financial Report

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The General Fund includes the Educational, Working Cash and Tort Immunity subfunds.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Operations and Maintenance Fund

The Operations and Maintenance Fund is used to account for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes.

Transportation Fund

The Transportation Fund is used to account for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement Fund

The Municipal Retirement/Social Security Fund is used to account 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

The Debt Service Fund is used to account 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 PROJECTS FUND

The Capital Projects Fund is used to account for financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**General Fund - by Accounts
Combining Balance Sheet
June 30, 2023**

	Educational Account	Tort Immunity Account	Working Cash Account	Totals
ASSETS				
Cash and Investments	\$ 208,561,389	1,478,581	17,256,056	227,296,026
Receivables - Net of Allowances				
Taxes Receivable	99,618,220	732,764	499,976	100,850,960
State and Federal Aid	5,107,579	—	—	5,107,579
Other Receivables	1,299,923	—	—	1,299,923
Total Assets	<u>314,587,111</u>	<u>2,211,345</u>	<u>17,756,032</u>	<u>334,554,488</u>
LIABILITIES				
Accounts Payable	2,838,956	2,290	—	2,841,246
Accrued Payroll	15,393,834	—	—	15,393,834
Other Payables	547,101	—	—	547,101
Total Liabilities	<u>18,779,891</u>	<u>2,290</u>	<u>—</u>	<u>18,782,181</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	217,955,763	1,546,891	1,055,461	220,558,115
Total Liabilities and Deferred Inflows of Resources	<u>236,735,654</u>	<u>1,549,181</u>	<u>1,055,461</u>	<u>239,340,296</u>
FUND BALANCES				
Restricted	3,801,930	662,164	—	4,464,094
Unassigned	74,049,527	—	16,700,571	90,750,098
Total Fund Balances	<u>77,851,457</u>	<u>662,164</u>	<u>16,700,571</u>	<u>95,214,192</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>314,587,111</u>	<u>2,211,345</u>	<u>17,756,032</u>	<u>334,554,488</u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

General Fund - by Accounts

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2023

	Educational Account	Tort Immunity Account	Working Cash Account	Totals
Revenues				
Local Sources				
Property Taxes	\$ 212,667,592	1,467,396	997,838	215,132,826
Personal Property Replacement Taxes	4,749,952	—	—	4,749,952
Charges for Services	12,284,752	—	—	12,284,752
Earnings on Investments	5,023,737	39,060	26,591	5,089,388
Other	2,132,751	—	—	2,132,751
State Sources	17,944,894	—	—	17,944,894
Federal Sources	13,748,396	—	—	13,748,396
On-Behalf Payments - State of Illinois	82,596,721	—	—	82,596,721
Total Revenues	351,148,795	1,506,456	1,024,429	353,679,680
Expenditures				
Instruction	174,035,615	—	—	174,035,615
Support Services	78,835,747	1,656,069	—	80,491,816
Community Services	1,372,220	—	—	1,372,220
Payments to Other Districts and Govt. Units	143,602	—	—	143,602
On-Behalf Payments - State of Illinois	82,596,721	—	—	82,596,721
Total Expenditures	336,983,905	1,656,069	—	338,639,974
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,164,890	(149,613)	1,024,429	15,039,706
Other Financing (Uses)				
Transfers Out	(3,062,345)	—	—	(3,062,345)
Net Change in Fund Balances	11,102,545	(149,613)	1,024,429	11,977,361
Fund Balances - Beginning	66,748,912	811,777	15,676,142	83,236,831
Fund Balances - Ending	77,851,457	662,164	16,700,571	95,214,192

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Educational Account - General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2023
 (with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)**

	2023			Variance with Final Budget	2022
	Original Budget	Final Budget	Actual		Actual
Revenues					
Local Sources					
Property Taxes	\$ 212,571,572	212,571,572	212,667,592	96,020	206,609,219
Replacement Taxes	3,801,000	3,801,000	4,749,952	948,952	7,011,036
Tuition	832,000	832,000	998,444	166,444	973,368
Earnings on Investments	1,000,000	1,000,000	5,023,737	4,023,737	(3,052,374)
Food Service	3,465,500	3,465,500	3,254,311	(211,189)	1,049,347
District/School Activity Income	8,255,723	8,255,723	7,090,195	(1,165,528)	6,882,268
Textbooks	1,041,009	1,041,009	941,802	(99,207)	1,392,827
Other Revenue from Local Sources	1,775,000	1,775,000	2,132,751	357,751	2,245,005
Total Local Sources	232,741,804	232,741,804	236,858,784	4,116,980	223,110,696
State Sources					
Unrestricted Grants-In-Aid					
Evidence Based Funding	13,681,000	13,681,000	13,776,490	95,490	13,763,901
Restricted					
Special Education	1,750,000	1,750,000	2,265,506	515,506	1,893,452
Career and Technical Education	148,000	148,000	153,066	5,066	148,463
Prekindergarten Program for At State Free Lunch and Breakfast	11,000	11,000	8,560	(2,440)	92,740
Driver Education	115,000	115,000	95,381	(19,619)	104,508
Early Childhood - Block Grant	1,774,000	1,774,000	1,629,461	(144,539)	1,666,583
Unallocated	14,240	14,240	16,430	2,190	14,663
Total State Sources	17,493,240	17,493,240	17,944,894	451,654	17,684,310
Federal Sources					
Title I	1,000,000	1,000,000	795,139	(204,861)	1,180,221
Federal - Special Education	4,900,000	4,900,000	5,358,626	458,626	4,724,022
Food Service	1,350,000	1,350,000	1,578,447	228,447	6,383,776
Title II	250,000	250,000	252,955	2,955	241,678

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Educational Account - General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
 For the Fiscal Year Ended June 30, 2023
 (with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)**

	2023				2022 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Revenues - Continued					
Federal Sources - Continued					
Title IIIE - Tech Prep	\$ 41,000	41,000	46,107	5,107	41,482
Title III - Immigrant Education Program	27,000	27,000	20,360	(6,640)	8,100
Title III - Language Inst Program	160,000	160,000	79,946	(80,054)	167,952
Title IV	—	—	13,930	13,930	1,558
Medicaid Matching Funds - Administrative Outreach	500,000	500,000	239,726	(260,274)	317,925
Medicaid Matching Funds - Fee-for- Service Program	500,000	500,000	741,464	241,464	701,088
Other Restricted Revenue from Federal Sources	2,050,000	2,050,000	4,621,696	2,571,696	3,331,761
Total Federal Sources	10,778,000	10,778,000	13,748,396	2,970,396	17,099,563
On-Behalf Payments	76,000,000	76,000,000	82,596,721	6,596,721	77,422,241
Total Revenues	337,013,044	337,013,044	351,148,795	14,135,751	335,316,810
Expenditures					
Instruction					
Regular Programs					
Salaries	84,838,300	84,838,300	80,772,807	4,065,493	80,488,086
Employee Benefits	13,824,528	13,824,528	13,014,857	809,671	12,121,964
Purchased Services	1,944,950	1,944,950	1,069,170	875,780	1,238,039
Supplies and Materials	4,964,375	4,964,375	4,303,202	661,173	4,049,889
Capital Outlay	32,000	264,375	325,021	(60,646)	17,701
Other Objects	25,000	25,000	7,232	17,768	10,527
Non-Capitalized Equipment	4,706,538	4,706,538	4,525,960	180,578	2,487,386
	110,335,691	110,568,066	104,018,249	6,549,817	100,413,592
Pre-K Programs					
Salaries	—	—	68,657	(68,657)	69,649
Employee Benefits	—	—	996	(996)	1,009
Purchased Services	16,600	16,600	14,940	1,660	17,441
Supplies and Materials	10,000	10,000	8,782	1,218	10,796
Non-Capitalized Equipment	3,000	3,000	2,895	105	2,817
	29,600	29,600	96,270	(66,670)	101,712

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Educational Account - General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
 For the Fiscal Year Ended June 30, 2023
 (with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)**

	2023				2022 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Instruction - Continued					
Special Education Programs					
Salaries	\$ 23,256,100	23,256,100	23,311,666	(55,566)	22,926,610
Employee Benefits	6,537,095	6,537,095	4,998,836	1,538,259	5,001,998
Purchased Services	538,000	538,000	350,441	187,559	275,678
Supplies and Materials	669,529	669,529	378,624	290,905	460,642
Capital Outlay	225,000	225,000	77,041	147,959	30,056
Other Objects	5,200	5,200	19,783	(14,583)	4,487
Non-Capitalized Equipment	14,700	14,700	3,717	10,983	7,990
	<u>31,245,624</u>	<u>31,245,624</u>	<u>29,140,108</u>	<u>2,105,516</u>	<u>28,707,461</u>
Special Education					
Programs Pre-K					
Salaries	1,296,700	1,296,700	1,138,067	158,633	1,176,929
Employee Benefits	270,666	270,666	181,619	89,047	184,710
	<u>1,567,366</u>	<u>1,567,366</u>	<u>1,319,686</u>	<u>247,680</u>	<u>1,361,639</u>
Special Education Programs K-12 -					
Private Tuition					
Other Objects	8,050,987	8,050,987	7,424,092	626,895	6,785,588
	<u>8,050,987</u>	<u>8,050,987</u>	<u>7,424,092</u>	<u>626,895</u>	<u>6,785,588</u>
Remedial and Supplemental					
Programs K-12					
Salaries	998,400	998,400	1,052,576	(54,176)	984,531
Employee Benefits	630,707	630,707	579,978	50,729	592,300
	<u>1,629,107</u>	<u>1,629,107</u>	<u>1,632,554</u>	<u>(3,447)</u>	<u>1,576,831</u>
Truant Alternative					
and Optional Programs					
Salaries	9,200	9,200	15,223	(6,023)	10,484
Employee Benefits	2,000	2,000	183	1,817	123
	<u>11,200</u>	<u>11,200</u>	<u>15,406</u>	<u>(4,206)</u>	<u>10,607</u>
CTE Programs					
Salaries	3,625,900	3,625,900	3,815,208	(189,308)	3,661,713
Employee Benefits	536,588	536,588	471,825	64,763	442,631
Purchased Services	6,300	6,300	26,827	(20,527)	5,840
Supplies and Materials	137,110	137,110	129,189	7,921	134,589
Capital Outlay	90,500	90,500	100,530	(10,030)	70,605
	<u>4,396,398</u>	<u>4,396,398</u>	<u>4,543,579</u>	<u>(147,181)</u>	<u>4,315,378</u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Educational Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2023

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

	2023				2022 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Instruction - Continued					
Interscholastic Programs					
Salaries	\$ 4,937,000	4,937,000	4,553,470	383,530	4,648,022
Employee Benefits	238,237	238,237	121,182	117,055	155,687
Purchased Services	398,550	398,550	441,855	(43,305)	400,806
Supplies and Materials	224,750	224,750	249,604	(24,854)	184,060
Capital Outlay	3,500	3,500	—	3,500	—
Other Objects	134,600	134,600	174,951	(40,351)	156,595
Non-Capitalized Equipment	31,000	31,000	88,249	(57,249)	63,867
	<u>5,967,637</u>	<u>5,967,637</u>	<u>5,629,311</u>	<u>338,326</u>	<u>5,609,037</u>
Summer School Programs					
Salaries	1,396,300	1,396,300	2,104,581	(708,281)	1,028,590
Employee Benefits	37,128	37,128	40,298	(3,170)	24,321
Purchased Services	65,000	65,000	107,248	(42,248)	38,223
Supplies and Materials	36,000	36,000	142,682	(106,682)	102,789
Other Objects	30,000	30,000	19,088	10,912	—
	<u>1,564,428</u>	<u>1,564,428</u>	<u>2,413,897</u>	<u>(849,469)</u>	<u>1,193,923</u>
Gifted Programs					
Salaries	2,587,700	2,587,700	2,649,794	(62,094)	2,584,306
Employee Benefits	437,662	437,662	386,769	50,893	342,596
	<u>3,025,362</u>	<u>3,025,362</u>	<u>3,036,563</u>	<u>(11,201)</u>	<u>2,926,902</u>
Bilingual Programs					
Salaries	7,316,600	7,316,600	8,084,153	(767,553)	7,952,658
Employee Benefits	1,487,855	1,487,855	1,618,920	(131,065)	1,609,833
Purchased Services	—	—	20,000	(20,000)	—
Supplies and Materials	43,500	43,500	73,460	(29,960)	24,971
	<u>8,847,955</u>	<u>8,847,955</u>	<u>9,796,533</u>	<u>(948,578)</u>	<u>9,587,462</u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Educational Account - General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
 For the Fiscal Year Ended June 30, 2023
 (with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)**

	2023				2022 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Instruction - Continued					
Student Activities					
Other Objects	\$ 6,000,000	6,000,000	4,969,367	1,030,633	4,708,810
Total Instruction	182,671,355	182,903,730	174,035,615	8,868,115	167,298,942
Support Services					
Pupils					
Attendance and Social Work Services					
Salaries	3,929,100	3,929,100	4,187,402	(258,302)	4,104,630
Employee Benefits	625,778	625,778	765,701	(139,923)	712,391
Purchased Services	15,000	15,000	26,325	(11,325)	—
Supplies and Materials	3,000	3,000	2,990	10	2,557
	4,572,878	4,572,878	4,982,418	(409,540)	4,819,578
Guidance Services					
Salaries	3,820,800	3,820,800	4,036,397	(215,597)	3,857,903
Employee Benefits	720,403	720,403	599,843	120,560	589,112
Purchased Services	19,000	19,000	8,462	10,538	9,076
Supplies and Materials	8,000	8,000	6,369	1,631	7,072
	4,568,203	4,568,203	4,651,071	(82,868)	4,463,163
Health Services					
Salaries	4,116,800	4,116,800	3,595,477	521,323	3,283,183
Employee Benefits	637,800	637,800	666,682	(28,882)	571,644
Purchased Services	283,000	283,000	1,416,793	(1,133,793)	989,016
Supplies and Materials	42,000	42,000	22,923	19,077	21,086
	5,079,600	5,079,600	5,701,875	(622,275)	4,864,929

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Educational Account - General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
 For the Fiscal Year Ended June 30, 2023
 (with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)**

	2023				2022 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Support Services - Continued					
Pupils - Continued					
Psychological Services					
Salaries	\$ 4,206,300	4,206,300	4,104,537	101,763	3,906,888
Employee Benefits	685,021	685,021	656,436	28,585	650,184
Purchased Services	250,000	250,000	224,019	25,981	649,023
	<u>5,141,321</u>	<u>5,141,321</u>	<u>4,984,992</u>	<u>156,329</u>	<u>5,206,095</u>
Speech Pathology and Audiology Services					
Salaries	4,017,600	4,017,600	4,045,955	(28,355)	3,791,404
Employee Benefits	691,922	691,922	663,278	28,644	592,735
Purchased Services	260,000	260,000	130,541	129,459	252,541
Supplies and Materials	450	450	167	283	419
	<u>4,969,972</u>	<u>4,969,972</u>	<u>4,839,941</u>	<u>130,031</u>	<u>4,637,099</u>
Other Support Services - Pupils					
Salaries	85,700	85,700	149,159	(63,459)	148,497
Employee Benefits	900	900	1,662	(762)	1,648
Purchased Services	265,000	265,000	444,301	(179,301)	150,925
	<u>351,600</u>	<u>351,600</u>	<u>595,122</u>	<u>(243,522)</u>	<u>301,070</u>
Total Pupils	<u>24,683,574</u>	<u>24,683,574</u>	<u>25,755,419</u>	<u>(1,071,845)</u>	<u>24,291,934</u>
Instructional Staff					
Improvement of Instructional Services					
Salaries	6,615,600	6,615,600	5,804,519	811,081	5,520,326
Employee Benefits	1,022,683	1,022,683	876,564	146,119	827,437
Purchased Services	859,500	859,500	682,140	177,360	1,141,389
Supplies and Materials	192,500	192,500	135,993	56,507	124,592
Capital Outlay	125,000	125,000	—	125,000	—
Other Objects	—	—	—	—	633
Non-Capitalized Equipment	130,000	130,000	396,298	(266,298)	132,499
	<u>8,945,283</u>	<u>8,945,283</u>	<u>7,895,514</u>	<u>1,049,769</u>	<u>7,746,876</u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Educational Account - General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
 For the Fiscal Year Ended June 30, 2023
 (with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)**

	2023				2022 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Support Services - Continued					
Instructional Staff - Continued					
Educational Media Services					
Salaries	\$ 3,942,700	3,942,700	4,101,444	(158,744)	3,917,092
Employee Benefits	1,325,311	1,325,311	1,067,278	258,033	1,083,773
Purchased Services	120,000	120,000	222,549	(102,549)	155,587
Supplies and Materials	177,220	177,220	162,867	14,353	166,511
Non-Capitalized Equipment	465,000	465,000	423,471	41,529	303,223
	<u>6,030,231</u>	<u>6,030,231</u>	<u>5,977,609</u>	<u>52,622</u>	<u>5,626,186</u>
Assessment and Testing					
Salaries	242,500	242,500	261,576	(19,076)	306,008
Employee Benefits	95,932	95,932	105,725	(9,793)	100,886
Purchased Services	371,000	371,000	288,912	82,088	232,631
Supplies and Materials	44,500	44,500	34,894	9,606	55,777
Other Objects	750	750	—	750	—
Non-Capitalized Equipment	5,000	5,000	—	5,000	3,942
	<u>759,682</u>	<u>759,682</u>	<u>691,107</u>	<u>68,575</u>	<u>699,244</u>
Total Instructional Staff	<u>15,735,196</u>	<u>15,735,196</u>	<u>14,564,230</u>	<u>1,170,966</u>	<u>14,072,306</u>
General Administration					
Board of Education Services					
Salaries	235,100	235,100	125,252	109,848	125,200
Employee Benefits	57,908	57,908	46,484	11,424	47,698
Purchased Services	666,000	666,000	790,167	(124,167)	561,774
Supplies and Materials	11,000	11,000	18,390	(7,390)	28,757
Other Objects	60,000	60,000	94,874	(34,874)	57,374
Non-Capitalized Equipment	13,000	13,000	—	13,000	—
	<u>1,043,008</u>	<u>1,043,008</u>	<u>1,075,167</u>	<u>(32,159)</u>	<u>820,803</u>
Executive Administration Services					
Salaries	1,179,900	1,179,900	1,202,759	(22,859)	1,153,983
Employee Benefits	180,873	180,873	248,091	(67,218)	229,491
Purchased Services	60,800	60,800	69,614	(8,814)	29,612

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Educational Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2023

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

	2023			Variance with Final Budget	2022
	Original Budget	Final Budget	Actual		Actual
Expenditures - Continued					
Support Services - Continued					
General Administration - Continued					
Executive Administration Services - Continued					
Supplies and Materials	\$ 18,000	18,000	13,474	4,526	3,957
Other Objects	3,000	3,000	12,251	(9,251)	5,166
	<u>1,442,573</u>	<u>1,442,573</u>	<u>1,546,189</u>	<u>(103,616)</u>	<u>1,422,209</u>
Special Area Administration Services					
Salaries	576,600	576,600	635,573	(58,973)	552,619
Employee Benefits	249,015	249,015	166,588	82,427	153,476
Purchased Services	151,700	151,700	110,909	40,791	102,762
Supplies and Materials	4,000	4,000	2,639	1,361	376
Capital Outlay	3,000	3,000	—	3,000	—
Other Objects	—	—	8,510	(8,510)	—
	<u>984,315</u>	<u>984,315</u>	<u>924,219</u>	<u>60,096</u>	<u>809,233</u>
Total General Administration	<u>3,469,896</u>	<u>3,469,896</u>	<u>3,545,575</u>	<u>(75,679)</u>	<u>3,052,245</u>
School Administration					
Office of the Principal Services					
Salaries	8,694,200	8,694,200	9,259,945	(565,745)	8,815,143
Employee Benefits	2,397,440	2,397,440	2,964,490	(567,050)	2,763,401
Purchased Services	62,000	62,000	87,267	(25,267)	57,391
Supplies and Materials	12,000	12,000	10,479	1,521	6,693
Other Objects	—	—	19,411	(19,411)	34,784
	<u>11,165,640</u>	<u>11,165,640</u>	<u>12,341,592</u>	<u>(1,175,952)</u>	<u>11,677,412</u>
Other Support Services - School Admin					
Salaries	1,618,700	1,618,700	1,931,847	(313,147)	1,884,807
Employee Benefits	377,574	377,574	402,998	(25,424)	425,595
Purchased Services	50,000	50,000	39,600	10,400	44,550
Supplies and Materials	—	—	—	—	228
Other Objects	—	—	—	—	3,900
	<u>2,046,274</u>	<u>2,046,274</u>	<u>2,374,445</u>	<u>(328,171)</u>	<u>2,359,080</u>
Total School Administration	<u>13,211,914</u>	<u>13,211,914</u>	<u>14,716,037</u>	<u>(1,504,123)</u>	<u>14,036,492</u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Educational Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued

For the Fiscal Year Ended June 30, 2023

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

	2023				2022 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Support Services - Continued					
Business					
Direction of Business					
Support Services					
Salaries	\$ 228,000	228,000	232,372	(4,372)	223,819
Employee Benefits	51,632	51,632	52,955	(1,323)	50,646
	<u>279,632</u>	<u>279,632</u>	<u>285,327</u>	<u>(5,695)</u>	<u>274,465</u>
Fiscal Services					
Salaries	669,900	669,900	505,126	164,774	429,871
Employee Benefits	134,421	134,421	89,840	44,581	70,901
Purchased Services	128,500	128,500	148,861	(20,361)	122,417
Supplies and Materials	7,500	7,500	9,019	(1,519)	12,628
Other Objects	4,850	4,850	4,181	669	5,817
	<u>945,171</u>	<u>945,171</u>	<u>757,027</u>	<u>188,144</u>	<u>641,634</u>
Operations and Maintenance					
Purchased Services	1,082,662	1,082,662	1,206,796	(124,134)	1,062,797
Supplies and Materials	1,250	1,250	2,621	(1,371)	38,026
Capital Outlay	25,000	25,000	—	25,000	—
Non-Capitalized Equipment	302,900	302,900	291,371	11,529	283,238
	<u>1,411,812</u>	<u>1,411,812</u>	<u>1,500,788</u>	<u>(88,976)</u>	<u>1,384,061</u>
Food Services					
Salaries	1,254,300	1,254,300	1,245,321	8,979	1,441,095
Employee Benefits	8,400	8,400	6,167	2,233	7,338
Purchased Services	4,091,000	4,091,000	3,898,572	192,428	4,921,776
Supplies and Materials	89,646	89,646	74,730	14,916	31,491
Capital Outlay	25,000	25,000	—	25,000	—
Non-Capitalized Equipment	10,000	10,000	—	10,000	3,016
	<u>5,478,346</u>	<u>5,478,346</u>	<u>5,224,790</u>	<u>253,556</u>	<u>6,404,716</u>
Internal Services					
Salaries	18,000	18,000	194,560	(176,560)	179,511
Employee Benefits	7,884	7,884	67,295	(59,411)	70,761
Purchased Services	—	—	1,325	(1,325)	—

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Educational Account - General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
 For the Fiscal Year Ended June 30, 2023
 (with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)**

	2023			Variance with Final Budget	2022 Actual
	Original Budget	Final Budget	Actual		
Expenditures - Continued					
Support Services - Continued					
Business - Continued					
Internal Services - Continued					
Supplies and Materials	\$ 72,000	72,000	81,985	(9,985)	88,212
	97,884	97,884	345,165	(247,281)	338,484
Total Business	8,212,845	8,212,845	8,113,097	99,748	9,043,360
Central					
Information Services					
Salaries	110,100	110,100	118,237	(8,137)	98,319
Employee Benefits	—	—	21,935	(21,935)	17,206
Purchased Services	52,000	52,000	63,406	(11,406)	25,071
Supplies and Materials	75,000	75,000	65,963	9,037	61,070
Other Objects	3,000	3,000	2,881	119	1,379
	240,100	240,100	272,422	(32,322)	203,045
Staff Services					
Salaries	920,100	920,100	1,183,227	(263,127)	1,054,603
Employee Benefits	2,344,156	2,344,156	1,765,597	578,559	2,098,529
Purchased Services	76,200	76,200	70,069	6,131	139,862
Supplies and Materials	2,000	2,000	1,029	971	1,548
Other Objects	4,000	4,000	3,553	447	2,144
	3,346,456	3,346,456	3,023,475	322,981	3,296,686
Data Processing Services					
Salaries	2,160,300	2,160,300	2,507,075	(346,775)	2,132,824
Employee Benefits	467,834	467,834	470,651	(2,817)	398,548
Purchased Services	983,000	983,000	1,285,902	(302,902)	530,950
Supplies and Materials	2,284,400	2,284,400	1,957,673	326,727	1,940,327
Capital Outlay	75,000	75,000	78,891	(3,891)	66,710
Non-Capitalized Equipment	230,000	230,000	456,928	(226,928)	117,972
	6,200,534	6,200,534	6,757,120	(556,586)	5,187,331
Total Central	9,787,090	9,787,090	10,053,017	(265,927)	8,687,062

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Educational Account - General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
 For the Fiscal Year Ended June 30, 2023
 (with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)**

	2023				2022 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
Expenditures - Continued					
Support Services - Continued					
Other Support Services					
Salaries	\$ 477,200	477,200	1,164,299	(687,099)	580,404
Employee Benefits	49,693	49,693	262,305	(212,612)	122,795
Purchased Services	645,876	645,876	636,858	9,018	535,514
Supplies and Materials	28,000	28,000	24,910	3,090	16,027
Other Objects	500	500	—	500	—
	1,201,269	1,201,269	2,088,372	(887,103)	1,254,740
Total Support Services	76,301,784	76,301,784	78,835,747	(2,533,963)	74,438,139
Community Services					
Salaries	841,500	841,500	868,020	(26,520)	750,735
Employee Benefits	153,914	153,914	181,332	(27,418)	146,221
Purchased Services	206,000	206,000	186,112	19,888	180,554
Supplies and Materials	129,476	129,476	135,576	(6,100)	108,500
Other Objects	4,350	4,350	1,180	3,170	4,569
	1,335,240	1,335,240	1,372,220	(36,980)	1,190,579
Total Community Services	1,335,240	1,335,240	1,372,220	(36,980)	1,190,579
Payments for Special Education Programs					
Other Objects	337,000	337,000	143,602	193,398	147,209
Total Payments to Other Districts and Governmental Units	337,000	337,000	143,602	193,398	147,209

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Educational Account - General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
 For the Fiscal Year Ended June 30, 2023
 (with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)**

	2023			Variance with Final Budget	2022
	Original Budget	Final Budget	Actual		Actual
Expenditures - Continued					
Total Direct Expenditures	\$ 260,645,379	260,877,754	254,387,184	6,490,570	243,074,869
On Behalf Payments	76,000,000	76,000,000	82,596,721	(6,596,721)	77,422,241
Total Expenditures	336,645,379	336,877,754	336,983,905	(106,151)	320,497,110
Excess (Deficiency) of Revenues Over (Under) Expenditures	367,665	135,290	14,164,890	14,029,600	14,819,700
Other Financing (Uses)					
Transfers Out	(3,062,345)	(3,062,345)	(3,062,345)	—	(4,093,460)
Net Change in Fund Balance	<u>(2,694,680)</u>	<u>(2,927,055)</u>	11,102,545	<u>14,029,600</u>	10,726,240
Fund Balance - Beginning			<u>66,748,912</u>		<u>56,022,672</u>
Fund Balance - Ending			<u><u>77,851,457</u></u>		<u><u>66,748,912</u></u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Tort Immunity Account - General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

	2023			Variance with Final Budget	2022
	Original Budget	Final Budget	Actual		Actual
Revenues					
Local Sources					
Taxes					
General Levy	\$ 1,466,746	1,466,746	1,467,396	650	1,149,024
Earnings on Investments	6,000	6,000	39,060	33,060	3,387
Total Revenues	<u>1,472,746</u>	<u>1,472,746</u>	<u>1,506,456</u>	<u>33,710</u>	<u>1,152,411</u>
Expenditures					
Support Services					
Business					
Workers' Compensation Payments					
Purchased Services	860,000	860,000	994,973	(134,973)	853,893
Unemployment Insurance Payments					
Purchased Services	30,000	30,000	22,297	7,703	36,737
Insurance Payments					
Purchased Services	650,000	650,000	638,799	11,201	588,636
Total Expenditures	<u>1,540,000</u>	<u>1,540,000</u>	<u>1,656,069</u>	<u>(116,069)</u>	<u>1,479,266</u>
Net Change in Fund Balance	<u>(67,254)</u>	<u>(67,254)</u>	(149,613)	<u>(82,359)</u>	(326,855)
Fund Balance - Beginning			<u>811,777</u>		<u>1,138,632</u>
Fund Balance - Ending			<u>662,164</u>		<u>811,777</u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Working Cash Account - General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2023
 (with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)**

	2023			Variance with Final Budget	2022
	Original Budget	Final Budget	Actual		Actual
Revenues					
Local Sources					
Taxes					
General Levy	\$ 997,388	997,388	997,838	450	1,002,117
Earnings on Investments	6,000	6,000	26,591	20,591	2,709
Total Revenues	1,003,388	1,003,388	1,024,429	21,041	1,004,826
Expenditures	—	—	—	—	—
Net Change in Fund Balance	<u>1,003,388</u>	<u>1,003,388</u>	1,024,429	<u>21,041</u>	1,004,826
Fund Balance - Beginning			<u>15,676,142</u>		<u>14,671,316</u>
Fund Balance - Ending			<u>16,700,571</u>		<u>15,676,142</u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

	2023			Variance with Final Budget	2022
	Original Budget	Final Budget	Actual		Actual
Revenues					
Federal Sources					
Build America Bond Interest Reimbursement	\$ 147,000	147,000	149,998	2,998	187,963
Expenditures					
Debt Service					
Principal Retirement	2,759,836	2,759,836	2,759,836	—	3,677,625
Interest and Fiscal Charges	460,709	460,709	460,709	—	615,159
Total Expenditures	3,220,545	3,220,545	3,220,545	—	4,292,784
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,073,545)	(3,073,545)	(3,070,547)	2,998	(4,104,821)
Other Financing Sources					
Transfers In	3,062,345	3,062,345	3,062,345	—	4,093,460
Net Change in Fund Balance	<u>(11,200)</u>	<u>(11,200)</u>	<u>(8,202)</u>	<u>2,998</u>	<u>(11,361)</u>
Fund Balance - Beginning			<u>569,654</u>		<u>581,015</u>
Fund Balance - Ending			<u><u>561,452</u></u>		<u><u>569,654</u></u>

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2023

(with Comparative Actual Amounts for the Fiscal Year Ended June 30, 2022)

	2023			Variance with Final Budget	2022
	Original Budget	Final Budget	Actual		Actual
Revenues					
Local Sources					
Replacement Taxes	\$ —	—	3,205,668	3,205,668	—
Expenditures					
Support Services					
Business					
Facilities and Acquisition and Construction Services					
Salaries	—	—	2,536	(2,536)	—
Employee Benefits	—	—	30	(30)	—
Purchased Services	—	—	657,560	(657,560)	—
Non-Capitalized Equipment	—	—	73,004	(73,004)	—
Capital Outlay	—	10,000,000	4,727,096	5,272,904	—
Total Expenditures	—	10,000,000	5,460,226	4,539,774	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	—	(10,000,000)	(2,254,558)	(1,334,106)	—
Other Financing Sources					
Transfers In	—	10,000,000	10,378,461	(378,461)	—
Net Change in Fund Balance	—	—	8,123,903	8,123,903	—
Fund Balance - Beginning			—		—
Fund Balance - Ending			8,123,903		—

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Consolidated Year-End Financial Report
June 30, 2023**

CSFA #	Program Name	State	Federal	Other	Total
478-00-0251	Medical Assistance Program	\$ —	249,714	741,464	991,178
586-18-0875	Agriculture Education	6,754	—	—	6,754
586-18-0868	Early Childhood Block Grant - Preschool for All Children Ages 3 to 5 Years	398,656	—	—	398,656
586-18-0520	Early Childhood Block Grant -	808,303	—	—	808,303
586-44-2222	Preschool for All Expansion - State Grant	453,113	—	—	453,113
586-44-0414	Title I Grants to Local Education Agencies	—	795,139	—	795,139
586-44-1588	Title IVA Student Support & Academic Enrich	—	13,930	—	13,930
586-18-2610	American Rescue Plan - Homeless Children and Youth Grant	—	11,854	—	11,854
586-57-0420	Special Education - IDEA Pre-School Flow Through	—	32,942	—	32,942
586-62-2402	CARES/CRRSAA - Elementary and Secondary School Relief Grant	—	82,728	—	82,728
586-53-2590	ARP - LEA - IDEA	—	663,696	—	663,696
586-62-2578	ARP - LEA and COOP American Rescue Plan (ESSER III)	—	3,797,526	—	3,797,526
586-64-0484	Collaboration for Effective Educator Development Accountability and Reform	—	32,942	—	32,942
586-43-0430	Teacher II - Teacher Quality	—	252,955	—	252,955
586-18-0428	Teacher III Immigrant Education Program	—	20,360	—	20,360
586-64-0417	Special Education - IDEA Flow Through	—	3,384,346	—	3,384,346
586-82-1466	Special Education - IDEA Room and Board	—	482,863	—	482,863
586-18-0428	Title III Lang Inst Program Limited Eng LIPLP	—	79,946	—	79,946
586-18-0413	Fresh Fruit and Vegetables	—	67,311	—	67,311
586-18-2330	Non-Cash Commodity Value	—	128,542	—	128,542
586-18-0407	National School Lunch Program	—	1,420,863	—	1,420,863
586-18-0406	School Breakfast Program	—	157,584	—	157,584
	Other Grant Programs and Activities	—	79,057	—	79,057
	All Other Costs Not Allocated	—	—	366,234,914	366,234,914
	Totals	1,666,826	11,754,298	366,976,378	380,397,502



INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS

October 31, 2023

Members of the Board of Education
Naperville Community Unit School District No. 203
Naperville, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Naperville Community Unit School District No. 203, Illinois, 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, and have issued our report thereon dated October 31, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District’s financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Naperville Community Unit School District No. 203, Illinois
October 31, 2023

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

SUPPLEMENTAL SCHEDULES

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Assessed Valuations, Tax Rates, Extensions and Collections - Last Seven Tax Levy Years
June 30, 2023**

See Following Page

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

**Assessed Valuations, Tax Rates, Extensions and Collections - Last Seven Tax Levy Years
June 30, 2023**

	2016
Assessed Valuation	\$ 4,592,630,325
Property Tax Extensions	
Educational Fund	\$ 153,006,473
Operations and Maintenance Fund	30,477,252
Debt Service Fund	—
Transportation Fund	6,363,378
Municipal Retirement Fund	3,634,091
Tort Immunity Fund	1,001,194
Working Cash Fund	1,998,204
Special Education Fund	31,629,445
Social Security Fund	4,037,833
Total Levies Extended	<u>232,147,870</u>
Current Year Collections	\$ 117,982,192
Subsequent Collections	<u>113,890,518</u>
Total Collections	<u>231,872,710</u>
Percentage of Extensions Collected	<u>99.88%</u>
Rates Extended by Year of Levy (per \$100 of Assessed Valuation) - DuPage County	
Educational Fund	3.3312
Operations and Maintenance Fund	0.6642
Debt Service Fund	—
Transportation Fund	0.1382
Municipal Retirement Fund	0.0792
Tort Immunity Fund	0.0218
Special Education Fund	0.6887
Working Cash Fund	0.0435
Social Security Fund	0.0880
Total Rates Extended	<u>5.0548</u>
Rates Extended by Year of Levy (per \$100 of Assessed Valuation) - Will County	
Educational Fund	3.3353
Operations and Maintenance Fund	0.6576
Debt Service Fund	—
Transportation Fund	0.1422
Municipal Retirement Fund	0.0784
Tort Immunity Fund	0.0218
Special Education Fund	0.6887
Working Cash Fund	0.0436
Social Security Fund	0.0871
Total Rates Extended	<u>5.0547</u>

2017	2018	2019	2020	2021	2022
4,767,236,629	4,944,725,198	5,025,550,514	5,254,428,211	5,333,623,674	5,584,445,178
156,680,025	157,477,634	161,692,062	170,984,348	176,142,922	186,441,045
32,294,053	33,808,212	34,430,047	29,545,650	28,865,571	30,502,240
—	—	—	—	—	—
6,963,889	7,569,023	7,859,961	9,084,906	8,757,810	9,242,257
3,690,256	3,937,587	4,030,492	4,240,324	4,330,902	4,579,245
1,042,779	1,111,723	1,100,596	1,150,720	1,466,747	1,546,891
909,309	1,012,829	995,059	1,003,596	997,388	1,055,461
32,942,383	34,312,574	35,078,343	35,929,780	36,428,650	38,482,412
4,090,289	4,342,636	4,442,587	4,692,204	4,778,927	5,048,338
238,612,983	243,572,218	249,629,147	256,631,528	261,768,917	276,897,889
131,401,172	123,863,133	126,439,692	125,603,765	139,095,156	145,710,449
106,912,449	119,357,364	122,931,803	130,649,591	122,792,002	—
238,313,621	243,220,497	249,371,495	256,253,356	261,887,158	145,710,449
99.87%	99.86%	99.90%	99.85%	100.05%	52.62%
3.2862	3.1833	3.2174	3.2541	3.3025	3.3344
0.6780	0.6843	0.6851	0.5623	0.5412	0.5462
—	—	—	—	—	—
0.1462	0.1532	0.1564	0.1729	0.1642	0.1655
0.0774	0.0797	0.0802	0.0807	0.0812	0.0820
0.0219	0.0225	0.0219	0.0219	0.0275	0.0277
0.6918	0.6945	0.6980	0.6838	0.6830	0.6891
0.0189	0.0205	0.0198	0.0191	0.0187	0.0189
0.0858	0.0879	0.0884	0.0893	0.0896	0.0904
5.0062	4.9259	4.9672	4.8841	4.9079	4.9542
3.2908	3.2005	3.2174	3.2541	3.3025	3.3382
0.6713	0.6775	0.6851	0.5623	0.5412	0.5462
—	—	—	—	0.0021	—
0.1448	0.1517	0.1564	0.1729	0.1642	0.0820
0.0775	0.0789	0.0802	0.0807	0.0812	0.1655
0.0216	0.0223	0.0219	0.0219	0.0275	0.0277
0.6828	0.6877	0.6980	0.6838	0.6830	0.6891
0.0209	0.0203	0.0198	0.0191	0.0187	0.0189
0.0858	0.0870	0.0884	0.0893	0.0896	0.0904
4.9955	4.9259	4.9672	4.8841	4.9100	4.9580

NAPERVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 203

Operating Cost and Tuition Charge - Last Four Fiscal Years

June 30, 2023

	2020	2021	2022	2023
Operating Cost Per Pupil				
Average Daily Attendance (ADA)	15,817	15,266	14,706	14,729
Operating Costs				
Educational	\$ 220,216,261	234,495,662	241,061,284	250,659,759
Operations and Maintenance	26,572,318	23,228,547	30,591,208	30,061,892
Debt Service	5,110,890	4,614,370	4,292,785	3,220,545
Transportation	11,328,534	9,251,312	11,469,356	13,507,246
Municipal Retirement/Social Security	8,248,662	8,251,640	8,903,395	8,717,272
Tort	1,180,707	1,230,665	1,479,266	1,656,069
Subtotal	272,657,372	281,072,196	297,797,294	307,822,783
Less Revenue/Expenditures of Non Regular Programs				
Transportation Fees from Other Districts	11,855	16,632	30,431	20,782
Pre-K Programs	1,319,165	1,295,070	1,496,471	1,439,440
Pre-K Programs - Private Tuition	7,213,567	6,690,028	6,785,588	7,424,092
Summer School	1,438,223	645,684	1,239,881	2,499,301
Capital Outlay	12,718,077	13,137,179	13,040,397	14,549,154
Debt Principal Retired	4,273,289	3,843,526	3,677,625	2,759,836
Community Services	1,214,251	11,265,111	1,345,162	1,514,512
Payments to Other Districts and Governmental Units	217,312	201,972	147,209	143,602
Subtotal	28,405,739	37,095,202	27,762,764	30,350,719
Operating Cost	244,251,633	243,976,994	270,034,530	277,472,064
Operating Cost Per Pupil - Based on ADA	15,442	15,982	18,362	18,838
Tuition Charge				
Operating Costs	244,251,633	243,976,994	270,034,530	277,472,064
Less Revenues from Specific Programs, Such as Special Education or Lunch Programs	(28,092,394)	(27,571,294)	(34,923,684)	(33,255,064)
New Operating Costs	216,159,239	216,405,700	235,110,846	244,217,000
Depreciation Allowance	12,413,273	6,115,304	7,274,348	8,942,616
Allowable Tuition Costs	228,572,512	222,521,004	242,385,194	253,159,616
Tuition Charge Per Pupil - Based on ADA	14,451	14,576	16,482	17,188