

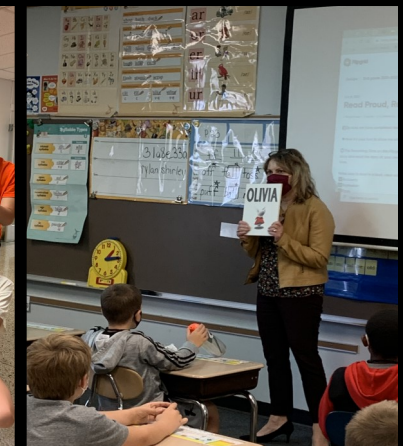
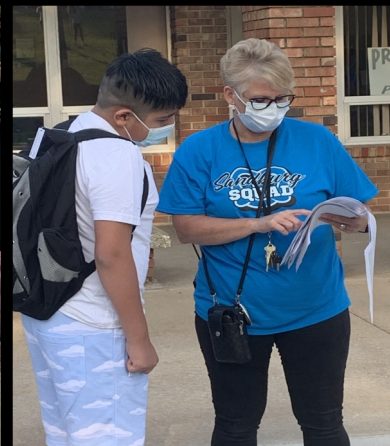
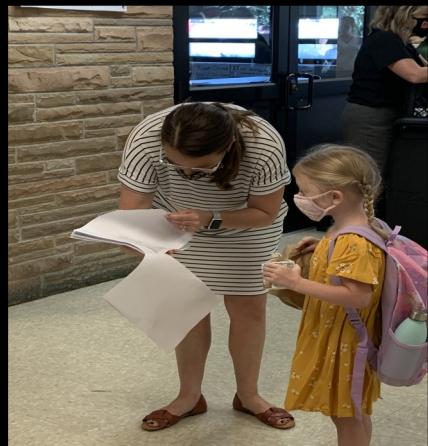
FSD145

Freeport School District

Comprehensive Annual Financial Report

For the Fiscal Year
Ended June 30, 2021

Freeport, IL



**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended
June 30, 2021

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Officers and Officials	i
Organizational Chart	ii
Transmittal Letter.....	iii-viii
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1-3
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis	MD&A 1-7
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	4-5
Statement of Activities	6
Fund Financial Statements	
Governmental Funds	
Balance Sheet	7-8
Reconciliation of Fund Balances of the Governmental Funds to the Governmental Activities in the Statement of Net Position	9
Statement of Revenues, Expenditures and Changes in Fund Balances....	10-11
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities	12-13

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Basic Financial Statements (Continued)

Fund Financial Statements (Continued)

Proprietary Fund

Statement of Net Position	14
Statement of Revenues, Expenses and Changes in Net Position	15
Statement of Cash Flows	16
Notes to Financial Statements	17-52

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Budgetary Basis General Fund.....	53-63
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	64
Teachers' Retirement System of the State of Illinois.....	65
Teachers' Health Insurance Security Fund.....	66
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios	
Illinois Municipal Retirement Fund	67-68
Schedule of the District's Proportionate Share of the Net Pension Liability and Related Ratios	
Teachers' Retirement System of the State of Illinois.....	69
Schedule of Changes in the Employer's Total OPEB Liability and Related Ratios	
Other Postemployment Benefit Plan	70

FREERPORT SCHOOL DISTRICT #145
FREERPORT, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Required Supplementary Information (Continued)

Schedule of the District's Proportionate Share of the Collective Net OPEB Liability and Related Ratios Teachers' Health Insurance Security Fund.....	71
Notes to Required Supplementary Information.....	72

SUPPLEMENTARY INFORMATION

MAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet - General Fund - By Account	73
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund - By Account	74
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Budgetary Basis	75-84
Working Cash Accounts.....	85
Operations and Maintenance Fund.....	86-87
Debt Service Fund.....	88
Transportation Fund	89-90
Illinois Municipal Retirement/Social Security Fund.....	91-92
Capital Projects Fund	93
Tort Fund	94
Fire Prevention and Safety Fund.....	95
Consolidated Year End Financial Report.....	96

STATISTICAL SECTION

Financial Trends

Schedule of Net Position by Component.....	97-98
Schedule of Expenses by Identifiable Activity	99-100
Schedule of Revenues by Source and Total Changes in Net Position	101-102
Schedule of Fund Balances - Governmental Funds	103-104
Changes in Fund Balance - Governmental Funds.....	105-106

FREEPORT SCHOOL DISTRICT #145

FREEPORT, ILLINOIS

TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
STATISTICAL SECTION (Continued)	
Revenue Capacity	
Schedule of Major Categories of EAV	107-108
Assessed Valuations, Tax Rates and Extensions	109
Schedule of Property Tax Levies and Collections	110
Ten Principal Taxpayers in the District	111
Debt Capacity	
Schedule of Legal Bonded Debt Margin	112
Ratios of Outstanding Debt by Type	113
Ratios of Bonded Debt Outstanding	114
Direct and Overlapping Government	115
Schedule of Direct and Overlapping Debt	116
Demographic and Economic Information	
Demographic and Economic Statistics	117
Principal Employers	118
Operating Information	
Faculty, Staff and Administrator Statistics - Full-Time Equivalent Data	119
Schedule of Average Daily Attendance, Operating Expense per Pupil and Total Operating Expense	120
Capital Asset Statistics	121

INTRODUCTORY SECTION

FREEPORT SCHOOL DISTRICT 145

Principal Officers

June 30, 2021

Board of Education Members

President	Mr. Jack Sosnowski
Vice-president	Ms. Martha Furst
Member	Mr. Pete Norman
Member	Mr. Ryan Shirley
Member	Mr. Allen Greene
Member	Ms. Charlene Williams
Member	Rev. Adron Simmons

District Administration

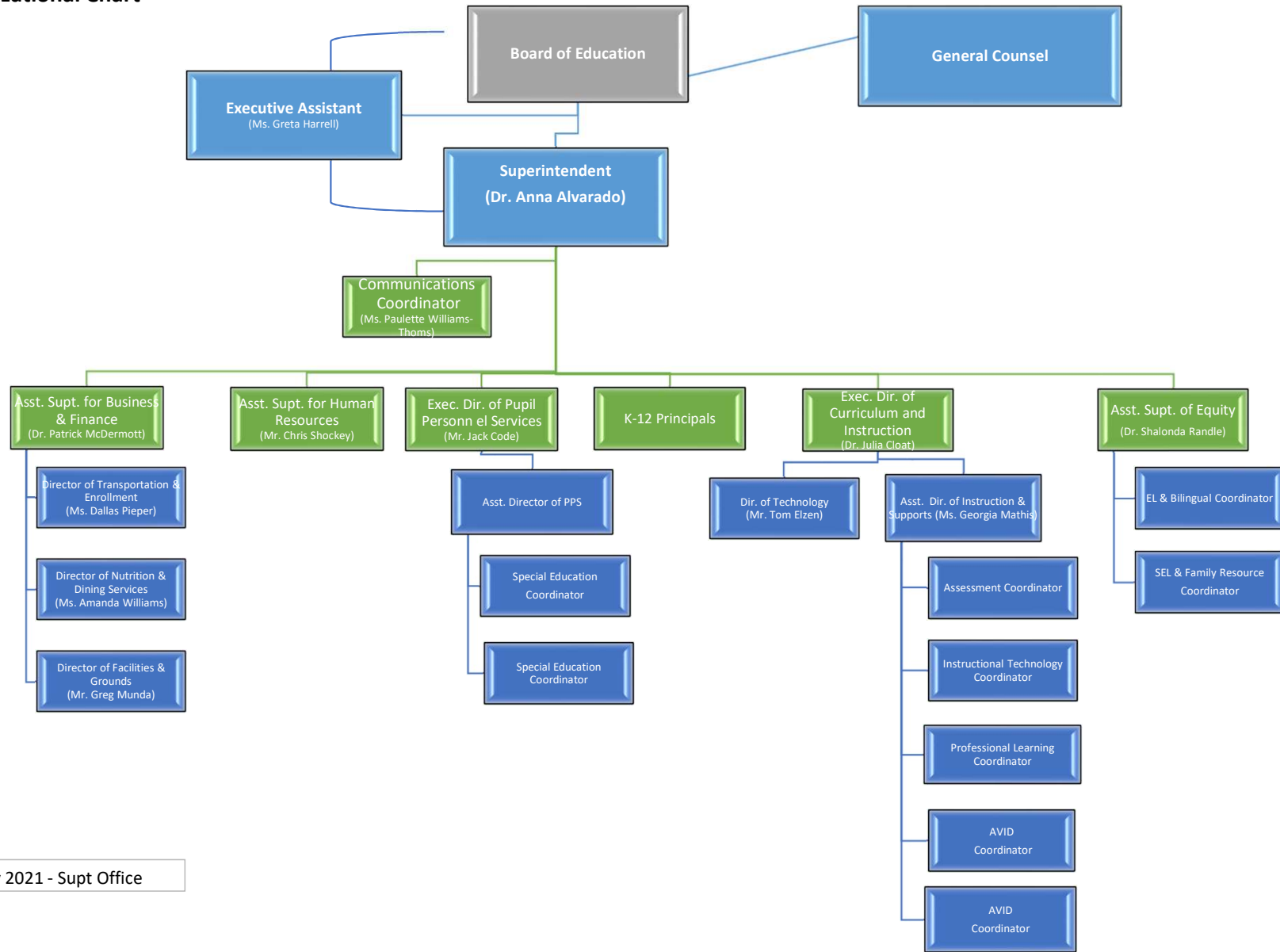
Superintendent	Dr. Anna Alvarado
Assistant Superintendent for Curriculum & Instruction	Dr. Julia Cloat
Assistant Superintendent for Business & Finance	Dr. Patrick McDermott
Director of Human Resources	Mr. Christopher Shockey
Director of Equity and Curriculum	Dr. Shalonda Randle
Director of Pupil Personnel Services	Mr. John Code

Building Principals

Blackhawk Elementary School	Ms. Stacey Kleindl
Carl Sandburg Middle School	Dr. Jennifer Macek
Center Elementary School	Ms. Amanda Hayes
Empire Elementary School	Ms. Patricia Schneider
Freeport High School	Dr. Beth Summers
Freeport Middle School	Ms. Danielle Summers
Jones Farrar IB Magnet School	Ms. Jennifer DeJong
Lincoln Douglas Elementary School	Ms. Melissa Sago

FREEPORT SCHOOL DISTRICT 145

Organizational Chart



May 2021 - Supt Office



F S D 1 4 5

F r e e p o r t S c h o o l D i s t r i c t

February 16, 2022

Members of the Community and the Board of Education
Freeport School District No. 145

Dear Members of the Community and the Board:

The Comprehensive Annual Financial Report (CAFR) for Freeport School District No. 145 (the District) for the fiscal year ending June 30, 2021, is hereby submitted. Submittal of this report complies with the requirements of the Illinois School Code. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data, as presented, is accurate in all material aspects and represents the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds, and that all disclosures necessary for public understanding of the District's financial status have been incorporated within this report.

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

This CAFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the district's organizational chart, and a list of principal officers and elected officials. The financial section includes the independent auditor's report on financial statements and pertinent schedules. The statistical section includes historical, multi-year financial, and demographic information pertinent to the district's financial condition.

The District is required to undergo an annual single audit in conformity with the provisions of the U.S. Office of Management and Budget's (OMB) Title 2 CFR Part 200, "*Audits of States, Local Governments, and Non-Profit Organizations.*" Information related to this single audit, including a schedule of federal financial assistance and the independent auditor's reports on the internal control structure and on compliance with applicable laws and regulations, is included under separate cover.

The financial reporting entity of the District is to include the District, as the primary government, organizations for which the District is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading. Based on these criteria, there are no other organizations whose financial statements should be combined with the general purpose financial statements of the District. Additionally, based on consideration of oversight responsibility, scope of public service, and special financing relationships, the District is an independent entity, and not included as a component unit of any other reporting entity.



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F r e e p o r t S c h o o l D i s t r i c t

History of the District

In 1850, the citizens of Freeport voted in a referendum election to tax to build Union School. The vote passed 125 to 9. In 1852, the first public school, Union School, was built on South Galena Street in Freeport and opened for classes in October. The first public high school was on the second floor and the middle school was on the first floor (grammar school classes were conducted in the basements of the Presbyterian, Evangelical, and Methodist churches). In 1856, the first formal system of graded instruction was put into place in the county by the creation of a school system supported by general taxation and the election of a three-commissioner board of school commissioners. The commissioners were seated in 1857, so 1857 is considered the formal creation of Freeport School District.

Several schools were built in subsequent years. The high school principal was considered the supervisor of the school system. In 1867, the board of commissioners determined that such a supervisory system was not adequate to meet the demands of a rapidly growing school system and they elected Mr. G. G. Alvord as the first superintendent.

In 1919, a special election was held approving the purchase of the 25.19-acre tract of land that was the site of Stephenson County's first county fair in 1856. The site had also served in 1861 as Camp Scott, a training site for local men mobilized for service in the Civil War. On this site the present Freeport High School was built in 1925-26 and opened for classes in September 1926. This building has had several additions, including in 1924, 1947-48, 1962-64, and 1996.

Since 1919, several buildings have opened and closed. The current school buildings and administrative offices that are in use today comprise 787,283 square feet of building space, situated on 190.34 acres. Along with Freeport High School, the current list of schools includes the following. Empire Elementary was built in 1951, with additions in 1956 and 1963. Freeport Middle School (formerly Freeport Junior High School) was built in 1952, with additions in 1957 and 1963. Freeport Middle School is also the location of the 997-seat Jeanette Lloyd Theater. Blackhawk Elementary was built in 1954, with an addition in 1965. Lincoln Douglas Elementary was built in 1958, with an addition in 1965. The first Center Elementary was built in 1905. The current Center Elementary was built in 1968 and underwent renovations in 1994 to convert it from an open-concept elementary school. Carl Sandburg Middle School was built in 1969. It also underwent renovation to convert it from an open-concept school in 1995. Jones Farrar IB World School was built by Highland Community College as a vocational education building in 1975. Freeport School District bought the building in 1991. It served as a temporary site for Center and Carl Sandburg during their respective renovations, then became the District's Early Learning Center. It became an IB magnet school in 2010. Taylor Park Elementary was built in 1952, with additions in 1957 and 1965, but was closed in 2020.



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F r e e p o r t S c h o o l D i s t r i c t

The old maintenance shop, built in 1947 and the attached bus garage, built in 1966, were converted into the Freeport Alternative High School and vocational classrooms in 2003. The Banks-Bergagna Education Center was the education building for First Presbyterian Church. Built in 1956, the building was purchased by the District in 2007. The central administration building was built as the Farm Credit Services building in 1972 and purchased by the District in 1988. Finally, in 2003 the District purchased the old Zimmerman car dealership facility and converted it into the maintenance shop and offices, transportation offices and bus maintenance garage, and the District’s warehouse.

District Composition and Communities Served

The District serves grades preschool through grade 12. The District maintains ten school buildings: an elementary International Baccalaureate magnet school (K – 6th grade) and four additional elementary schools (Preschool – 4th grade), one upper elementary school (5th – 6th grade), one middle school (7th – 8th grade), one high school (9th – 12th grade), one alternative high school, and a transitional education facility. Each institution has full State of Illinois recognition and accreditation.

Enrollment includes 3,608 students from the City of Freeport, the Villages of Cedarville and Ridott, and the unincorporated areas of central Stephenson County in between these communities. The district covers 99 square miles located entirely in Stephenson County, IL and is located approximately 114 miles northwest of Chicago, IL, 65 miles southwest of Madison, WI, and approximately 30 miles west of Rockford, Illinois. The District serves 55% of the preschool through grade 12 students in Stephenson County.

Governance

The Board of Education consists of seven elected officials from our community. Freeport School District 145’s current Board is comprised of:

Mr. Jack Sosnowski	First elected 2015	Term expires 2023	President
Ms. Martha Furst	First elected 2019	Term expires 2023	Vice President
Mr. Peter Norman	First elected 2015	Term expires 2023	
Rev. Adron Simmons	First elected 2019	Term expires 2023	
Mr. Alan Greene	First elected 2021	Term expires 2025	
Mr. Ryan Shirley	First elected 2021	Term expires 2025	
Mrs. Charlene Williams	First elected 2021	Term expires 2025	



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F r e e p o r t S c h o o l D i s t r i c t

Economic Condition and Outlook

The District's predominately residential tax base is expected to remain pressured in the near term but continue to see signs of moderate valuation increases. The District's \$946 million tax base has ceased its depreciation, after a decline by a cumulative 15.7% from its peak in 2008. Based on discussions with the county assessor, District officials project that valuations will continue to show stabilization and slight increases of the tax base in 2020 and moving forward.

We expect the District's financial operations will continue to improve based on recent expenditure reductions. The district posted General Fund (Education + Operations & Maintenance + Transportation Funds) moderate operating surplus in 2021, for the sixth year in a row and for the seventh time in several years. The District has more aggressively controlled personnel expenditures over the past several years, primarily by reducing staff through attrition. Year-end figures indicate these cuts have resulted in finishing the last five fiscal years in the black.

The District's debt burden will likely remain manageable. The District carries a moderate direct debt burden of 2.67% of full value. All of the District's outstanding debt is secured by its debt service extension base (DSEB), a dedicated levy that is unlimited as to rate but limited in amount by the District's annual DSEB (\$2.7 million). All of the District's outstanding debt is fixed rate. Principal amortization is below average with 64.9% of GO debt retired within ten years.

Currently, the District has a modest pension burden given the state is primarily responsible for funding teacher pensions. District teachers participate in the Teachers Retirement System (TRS) of Illinois, a multi-employer defined benefit pension plan, and non-teaching District employees participate in the Illinois Municipal Retirement Fund (IMRF), an agent multi-employer plan. As of June 30, 2021, TRS had a low reported funded ratio of 40.6%, while as of December 31, 2020, IMRF had a stronger funded ratio of 94.1%. The state is primarily responsible for funding TRS through payments made on behalf of school districts.

Revenues are comprised of local property taxes, state aid, and federal funding with the mix of the three revenue streams varying by each district. The state constitution creates a foundational level for education funding, and through its adoption of the Evidence Based Funding (EBF) model the state has slightly increased its annual allocation for state aid funding. In recent years the district has experienced slight increases and budgeted them in fiscal 2020 and 2021. Local property taxes have historically been largely predictable for Illinois school districts. Property taxes comprised 45.0% of fiscal 2021 Operating Fund revenues, and the district benefits from in excess of a 100% collection rate.

Management has made budget cuts in order to restore balanced operations.

The District received both the ASBO Certificate of Excellence in Financial Reporting and the GFOA Certificate of Achievement for Excellence in Financial Reporting for its 2018, 2019 and 2020 CAFR.



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F r e e p o r t S c h o o l D i s t r i c t

Financial Policies / Budget Schedule

Financial policies regarding the acquisition, acknowledgement, investment, and expenditure of all District funds have been established by the Board of Education. A board finance committee meets on a regular basis to devote additional time and scrutiny of all financial operations on a policy and oversight level. The Board of Education follows a budget planning schedule that extends from October through the following September of each fiscal year and complies with all Illinois statutory requirements including, but not limited to, budgeting, levying, truth-in-taxation, and proper and complete auditing of district accounts.

Basis of Accounting and Reporting / Independent Audit

The District reports the government-wide financial statements on the accrual basis of accounting, and the fund financial statements are prepared on the modified accrual basis. Notes to financial statements expand upon the basis of accounting used by the District as well as other accounting practices and procedures. All district funds are included in this report and have been audited by Sikich of Naperville, IL, who has issued an unmodified (clean) opinion on the Freeport School District 145's financial statements for the year ended June 30, 2021. The independent auditor's report is located at the front of the financial section of this report. The financial statements have been prepared in accordance with the standards set forth by the Governmental Accounting Standards Board (GASB).

Financial Management and Internal Controls

Management of the District is responsible for establishing and maintaining a system of internal control designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Tests are conducted by the District's independent auditors to determine the adequacy of internal control, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.



FSD 145

Freeport School District

Budgetary Controls

Budgetary control is maintained at line-item levels by the buildings for their expenditures and built up into program and/or cost centers before being combined to form totals by fund. All actual activity compared to budget is reported to the District's management on a monthly basis. Reports of actual activity to budget are reported to the Board of Education monthly. The complete budget of the District is found on its website: www.fsd145.org.

Cash Management

The District invests up to 100 percent of available cash, timing investment maturities to actual cash needs. In addition, all checking accounts are of interest-bearing types. Investments are maintained in certificates of deposit, bank repurchase agreements, U.S. Treasury obligations, General Obligation Bonds, and commercial paper. Investments in prime commercial paper are made in small amounts in short-term money market accounts that are maintained as AAA ratings and monitored by PMA Financial Network on a weekly basis. There is minimal risk for our District in this area and within the restrictions allowed by the Illinois School Code. The District maintains investment relationships with several major local and Chicago area banks, two state-wide investment pools, and one nation-wide money manager.

Closing Statement

It is our belief that this Comprehensive Annual Financial Report will provide the District's management, outside investors, and local citizens with a meaningful financial presentation. We hope that all readers of this Report will obtain a clear and concise understanding of the District's financial condition as of June 30, 2021. We extend our appreciation to the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a professional and fiscally responsible manner.

Respectfully submitted,

Dr. Anna Alvarado
Superintendent of Schools

Dr. Patrick McDermott
Assistant Superintendent for
Business & Finance

FINANCIAL SECTION

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Freeport School District #145
Freeport, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Freeport School District #145 (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Freeport School District #145 as of June 30, 2021, and the respective changes in financial position, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The District adopted GASB Statement No. 84, Fiduciary Activities for the year ended June 30, 2021. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information identified in the accompanying table of contents be presented to supplement the basic financial statements. Such information, 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.

Management implemented GASB S-75 in the fiscal year ended June 30, 2020. Therefore, only two years of data is presented as 2018 and 2019 data is not available. Such missing information, although not a part of the basic financial statements, is required by GASB. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary 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, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also issued a report dated February 16, 2022, 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 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.

Sikich LLP

Naperville, Illinois
February 16, 2022

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

Freeport School District No. 145

Management Discussion and Analysis

As management of Freeport School District No. 145 (the "District"), we offer the readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2021.

The MD&A is provided at the beginning of the report to provide an overview of the District's financial position at June 30, 2021 and the results of operations for the year. This summary should not be taken as a replacement for the audit report, which consists of the basic financial statements, notes to the financial statements, required and other supplementary information.

FINANCIAL HIGHLIGHTS

The District's financial situation continues to struggle like most school Districts in Illinois. State aid, through Illinois' Evidence Based Funding (EBF) model has created increases in state funding to the District. Some continuing delays in non-EBF state funding have had some impact on the District. Investment earnings continue to be low due to the continued low investment rates.

The liabilities of the District exceeded its assets at the end of the year by \$17.8 million (net position). Of this amount, (\$32.7) million (unrestricted net position) may be used to meet the District's ongoing obligations.

The District's net position decreased by \$2.2 million for the year.

The General Fund - Educational and Working Cash Funds balance increased by \$11.6 million from the prior year to a total of \$17.6 million.

At the end of the year, the aggregate fund balances for the District's governmental funds (Educational, Operations and Maintenance, Working Cash, Transportation, Retirement/Social Security, Tort, Debt Service, Capital Project, and Fire Prevention and Safety), was \$36 million or 47% of the total expenditures of these governmental funds.

USING THIS FINANCIAL REPORT

The financial section of this annual report consists of four parts - Independent Auditor's Reports, required supplementary information which includes the MD&A (this section), the basic financial statements, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

Government -Wide Financial Statements

The first two statements are government-wide financial statements that provide both short term and long term information about the District's overall financial status, similar to a private sector business. In the government-wide financial statements the District's activities are shown in one category - governmental activities. The District's basic services are instruction, administration and building maintenance. These activities are largely financed with property taxes and state grants.

Freeport School District No. 145

Management Discussion and Analysis

USING THIS FINANCIAL REPORT (continued)

Government -Wide Financial Statements (continued)

The statement of net position presents information on all of the District's assets and liabilities, 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. To assess the overall health of the District you need to consider additional non-financial factors such as the condition of the District's buildings and facilities.

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 occurs, regardless of the timing of cash flows. Thus revenues and expenses are reported in this statement for some items that will only result in cash flows in the next fiscal period.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds - not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by state law, while others are established to control and manage money for particular purposes or to show that the District is properly using certain revenues.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for each. By doing so, readers may better understand the long-term impact of the District'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 nine individual governmental funds. Two of those funds, the Educational, and Working Cash are considered the General Fund of the District and are combined accordingly. Individual fund information is presented in separate columns in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and the changes in fund balances for all the other funds. These funds are all considered major funds of the District. More detail of the individual revenues and expenditures for these funds are presented in the other supplementary information section of this report.

The District adopts annual budgets for all the governmental funds. A budgetary comparison statement has been provided for the general and special revenue funds only, which is in compliance with GASB Statement No. 34.

Freeport School District No. 145

Management Discussion and Analysis

USING THIS FINANCIAL REPORT (continued)

Fund Financial Statements (continued)

Proprietary Fund - The District maintains one proprietary fund. Proprietary funds are reported in the same way as the government-wide financial statements. Internal Service Funds are a type of proprietary fund and provide service to other funds in the District. The District's internal service fund accounts for the medical and dental benefits for District employees.

Fiduciary Funds - The District is the trustee, or fiduciary, for assets that belong to others or are designated to be used for a specific purpose with the principal left intact. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purpose and by those to whom the assets belong. The District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These activities are excluded from the government-wide financial statements because the District cannot use these assets to finance its operations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The District's net position was (\$19.7) million at June 30, 2021. Of this amount, (\$39.2) million was unassigned. Restricted net position is reported separately to show the limits from legislation, or accounting principles that limit the District's ability to use that net position for day to day operations. The following analysis focuses on the net position and changes in net position of the District's governmental activities.

Net Position Governmental Activities June 30 (In Millions)		
	2021	2020
Current assets	\$56.9	\$43.5
Capital assets	13.7	11.9
Deferred outflows of resources	10.6	13.0
Total assets and deferred outflows	81.2	68.4
Current liabilities	7.7	7.7
Long term liabilities	69.4	57.8
Deferred inflows of resources	23.8	20.8
Total liabilities and deferred inflows	100.9	86.3
Net position		
Net investment in capital assets	2.2	(0.3)
Restricted	17.4	15.2
Unrestricted	(39.2)	(32.7)
Total net position	(\$19.7)	(\$17.8)

Freeport School District No. 145

Management Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

**Changes in Net Position
Governmental Activities
For the years ended June 30
(In Millions)**

	2021	2020
Revenues:		
Program revenues:		
Charges for services	\$.7	\$.8
Operating grants and contributions	31.7	27.2
General revenue:		
Local property taxes	24.3	23.7
Payments in lieu of taxes	2.3	1.8
Earnings on investments	.2	.5
General state aid	23.0	23.1
Other general revenues	1.1	.1
Total revenues	83.3	77.1
Function/program expenses:		
Instruction	43.6	39.6
Pupil service	6.6	6.0
Instructional staff	6.3	6.3
General administration	2.1	1.9
School administration	6.9	6.2
Business services	16.6	12.2
Central services	.9	.8
Other support services	.1	.1
Community services	.2	.2
Payments to other governmental units	.8	.7
Interest and service charges on debt	1.6	1.3
Total function/program expenses	85.6	75.3
Change in net position	(2.2)	1.8
Net position, beginning	(17.8)	(15.7)
Prior period adjustment	.4	(3.9)
Net position, beginning, as restated	(17.4)	(19.7)
Net position, ending	(\$19.7)	(\$17.8)

The cost of governmental activities for this year was \$85.6 million. Local property taxes financed about 29% of this or \$24.3 million.

Operating grants and contributions such as other state and federal funding was the next largest contributor with \$24.3 million of the total cost. General state aid was the next largest contributor with \$23 million. Additionally, a small amount comes from payments in lieu of taxes (\$2.3 million) and charges for services (\$.7 million).

Freeport School District No. 145

Management Discussion and Analysis

DISTRICT FUND'S FINANCIAL ANALYSIS

The District's budget is prepared according to Illinois law and was not amended during the year.

A budget was prepared for all funds except the Internal Service Fund and the Trust and Agency Funds.

General Fund

The General Fund is the District's main operating fund and includes the Educational and Working Cash Funds. Actual revenue for the General Fund was \$47.2 million compared to budgeted revenue of \$48 million. Actual revenue was lower than budgeted largely due to pandemic shut down preventing expenditure of federal (Title I and National School Lunch Program) dollars, and the subsequent lack of submission for reimbursement.

Actual expenditures in the General Fund were \$47.8 million compared to budgeted expenditures of \$48.1 million. Actual expenditures were slightly lower due to pandemic shut down preventing expenditure of federal (Title I and National School Lunch) dollars.

Actual revenues exceeded actual expenditures and other financing sources (uses) for the year by \$11.4 million bringing the general fund balance to \$17.6 million at June 30, 2021.

Operations and Maintenance Fund

The Operations and Maintenance Fund had actual revenues of \$5.5 million and expenditures of \$4.2 million resulting in an ending fund balance of \$5.5 million.

Transportation Fund

The Transportation Fund had actual revenues of \$3.7 million and expenditures of \$3.4 million resulting in an ending fund balance of \$5.7 million.

Retirement/Social Security

The Retirement/Social Security Fund had actual revenues of \$1.9 million and expenditures of \$1.7 million resulting in an ending fund balance of \$2.9 million.

Tort Fund

The Tort Fund had actual revenues of \$712 thousand and expenditures of \$559 thousand resulting in an ending fund balance of \$1.1 million.

Debt Service Fund

The Debt Service Fund had actual revenues of \$2.8 million and expenditures of \$2.7 million resulting in an ending fund balance of \$1.7 million.

Freeport School District No. 145

Management Discussion and Analysis

Capital Projects Fund

The Capital Projects Fund had actual revenues of \$128 thousand and expenditures of \$5.4 million resulting in an ending fund balance of \$1 million.

Fire Prevention and Safety Fund

The Fire Prevention and Safety Fund had actual revenues of \$150 thousand and expenditures of \$20 thousand resulting in an ending fund balance of \$516 thousand.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2021, the District had \$61.4 million invested in land, buildings, land improvements and equipment. Of this amount, \$47.8 million in depreciation has accumulated over the years, including \$1.4 million of depreciation being incurred in the current year. The District's net book value of capital assets at June 30, 2021 is \$13.7 million. Total additions for the year were \$7.3 million. All of the additions during the year were financed with previously issued bond proceeds and local donations. More detailed information can be found in Note 3 of the financial statements.

Net Book Value of Capital Assets at June 30 (In Millions)		
	2021	2020
Land	\$.8	\$.8
Construction in progress	.1	2.3
Buildings	10.5	6.3
Land improvements	.8	.9
Equipment	1.5	1.6
Total	\$13.7	\$11.9

Debt Administration

At June 30, 2021, the District had \$38.9 million in general obligation bonds. During the year the District retired \$8.9 million in general obligation bonds and issued \$18.6 million in general obligation bonds. Principal due next year on these obligations is \$1.4 million.

Outstanding Debt at June 30 (In Millions)		
	2021	2020
General obligation bonds	\$38.9	\$29.1
Total	\$38.9	\$29.1

State statutes limit the amount of debt that a School District may issue. The current unused debt limitation for the District is \$2.3 million under that statutory limit. Additional details on the District's long term debt can be found in Note 4 of the financial statements.

Freeport School District No. 145

Management Discussion and Analysis

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Uncertainty with the Illinois State budget, which provides nearly one third of the funding for the District, is an ever present concern. The State's implementation of its evidence based funding (EBF) model in fiscal year 2018 has helped shore up state funding. The District saw a \$1.1 million increase in EBF funding for FY19 and a \$1.35 million increase in EBF funding for FY20. However, FY21 EBF funding was flat with FY20.

Interest income earnings remain low due to continued poor investment rates, though slight increases have been realized. Moving into FY21 the District will continue to practice sound fiscal management while trying to meet state and federal mandates, and provide the best quality education to the students of Freeport School District No. 145.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Freeport School District No. 145's finances for all those with interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to:

Patrick McDermott, Ed.D., SFO
Assistant Superintendent for Business & Finance
Freeport School District No. 145
501 E. South Street
Freeport, IL 61032
Phone number (815) 232-0300

BASIC FINANCIAL STATEMENTS

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

STATEMENT OF NET POSITION

June 30, 2021

	Governmental Activities
ASSETS	
Cash	\$ 18,048,589
Investments	6,695,834
Receivables (net of allowance for uncollectibles)	
Property taxes	24,595,800
Intergovernmental	3,702,049
Inventory	15,000
Prepaid items	2,432
Other	8,547
Net pension asset	3,877,518
Capital assets	
Land	930,701
Depreciable building, property and equipment, net	12,749,137
Total assets	70,625,607
DEFERRED OUTFLOWS OF RESOURCES	
Unamortized loss on refunding	1,625,558
Pension items - TRS	315,639
Pension items - IMRF	8,372,553
OPEB items - District plan	18,219
OPEB items - THIS	265,058
Total deferred outflows of resources	10,597,027
Total assets and deferred outflows of resources	81,222,634
LIABILITIES	
Accounts payable	2,102,838
Salaries and wages payable	4,015,973
Claims payable	918,342
Accrued interest payable	423,385
Unearned revenue	244,403
Long-term liabilities	
Due within one year	1,825,404
Due after one year	67,533,874
Total liabilities	77,064,219
DEFERRED INFLOWS OF RESOURCES	
Pension items - TRS	2,231,010
Pension items - IMRF	4,261,162
OPEB items - THIS	5,021,476
Property taxes levied for subsequent years	12,297,899
Total deferred inflows of resources	23,811,547
Total liabilities and deferred inflows of resources	100,875,766

(This statement is continued on the following page.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

STATEMENT OF NET POSITION

June 30, 2021

	<u>Governmental Activities</u>
NET POSITION	
Net investment in capital assets	\$ 2,203,591
Restricted for	
Operations and maintenance	5,478,685
Tort	1,144,404
IMRF/FICA	2,890,412
Debt service	1,663,995
Transportation	5,668,729
Fire prevention and safety	515,690
Unrestricted (deficit)	<u>(39,218,638)</u>
TOTAL NET POSITION (DEFICIT)	<u><u>\$ (19,653,132)</u></u>

See accompanying notes to financial statements.

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2021

	<u>General</u>	<u>Operations and Maintenance</u>	<u>Debt Service</u>
ASSETS			
Cash	\$ 11,976,380	\$ 1,274,718	\$ 225,370
Investments	65,518	2,344,955	-
Receivables			
Property taxes, net	15,078,447	2,350,007	2,877,250
Intergovernmental	3,188,632	900	-
Inventory	15,000	-	-
Prepaid items	2,432	-	-
Other	6,453	-	-
Advances to other funds	687,480	821,206	-
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	\$ 31,020,342	\$ 6,791,786	\$ 3,102,620
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 953,019	\$ 136,498	\$ -
Salaries and wages payable	3,923,348	-	-
Unearned revenue	242,803	1,600	-
	<hr/>	<hr/>	<hr/>
Total liabilities	5,119,170	138,098	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	731,552	-	-
Property taxes levied for subsequent years	7,539,223	1,175,003	1,438,625
	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	8,270,775	1,175,003	1,438,625
FUND BALANCES			
Nonspendable	704,912	-	-
Restricted for			
Operations and maintenance	-	5,478,685	-
Tort	-	-	-
IMRF/FICA	-	-	-
Debt service	-	-	1,663,995
Transportation	-	-	-
Fire prevention and safety	-	-	-
Assigned for			
Future years' budget	8,878	-	-
Working cash	12,096,393	-	-
Capital projects	-	-	-
Unassigned	4,820,214	-	-
	<hr/>	<hr/>	<hr/>
Total fund balances	17,630,397	5,478,685	1,663,995
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 31,020,342	\$ 6,791,786	\$ 3,102,620

Transportation	Municipal Retirement/ Social Security	Capital Projects	Tort	Fire Prevention and Safety	Total
\$ 524,819	\$ 2,118,011	\$ 687,941	\$ 800,670	\$ 440,680	\$ 18,048,589
3,040,365	-	1,244,996	-	-	6,695,834
1,699,999	1,730,053	-	710,023	150,021	24,595,800
508,616	-	3,901	-	-	3,702,049
-	-	-	-	-	15,000
-	-	-	-	-	2,432
-	-	-	-	-	6,453
821,206	-	-	-	-	2,329,892
\$ 6,595,005	\$ 3,848,064	\$ 1,936,838	\$ 1,510,693	\$ 590,701	\$ 55,396,049
\$ 76,277	\$ -	\$ 925,766	\$ 11,278	\$ -	\$ 2,102,838
-	92,625	-	-	-	4,015,973
-	-	-	-	-	244,403
76,277	92,625	925,766	11,278	-	6,363,214
-	-	-	-	-	731,552
849,999	865,027	-	355,011	75,011	12,297,899
849,999	865,027	-	355,011	75,011	13,029,451
-	-	-	-	-	704,912
-	-	-	-	-	5,478,685
-	-	-	1,144,404	-	1,144,404
-	2,890,412	-	-	-	2,890,412
-	-	-	-	-	1,663,995
5,668,729	-	-	-	-	5,668,729
-	-	-	-	515,690	515,690
-	-	-	-	-	8,878
-	-	-	-	-	12,096,393
-	-	1,011,072	-	-	1,011,072
-	-	-	-	-	4,820,214
5,668,729	2,890,412	1,011,072	1,144,404	515,690	36,003,384
\$ 6,595,005	\$ 3,848,064	\$ 1,936,838	\$ 1,510,693	\$ 590,701	\$ 55,396,049

See accompanying notes to financial statements.

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

June 30, 2021

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 36,003,384
Amounts reported for governmental activities in the statement of net position are different because:	
Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet	13,679,838
Revenues in the statement of activities that do not provide current financial resources are unavailable in the funds	731,552
Net pension assets are not financial resources and are not reported in governmental funds	3,877,518
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	8,372,553
Deferred inflows of resources	(4,261,162)
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Teachers' Retirement System of the State of Illinois are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	315,639
Deferred inflows of resources	(2,231,010)
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Teachers' Health Insurance Security Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	265,058
Deferred inflows of resources	(5,021,476)
Assumption changes for the OPEB plan are recognized as deferred outflows of resources on the statement of net position	
Deferred outflows of resources	18,219
Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, therefore, is not recognized in the governmental funds balance sheet	(423,385)
Gains and losses on debt refundings are capitalized and amortized at the government-wide level	1,625,558
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position	
General obligation bonds	(38,935,688)
Unamortized bond premium	(2,385,239)
Net OPEB liability	(552,124)
Total OPEB liability - THIS	(25,054,571)
Net pension liability - TRS	(2,431,656)
The net position of the internal service fund is included in the governmental activities in the statement of net position	(3,246,140)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (19,653,132)</u>

See accompanying notes to financial statements.

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2021

	General	Operations and Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Tort	Fire Prevention and Safety	Total
REVENUES									
Property taxes	\$ 14,854,424	\$ 2,309,042	\$ 2,818,748	\$ 1,699,654	\$ 1,729,696	\$ -	\$ 709,885	\$ 149,985	\$ 24,271,434
Corporate personal property replacement taxes	-	2,141,276	-	-	117,059	-	-	-	2,258,335
State aid	33,981,786	950,000	-	1,404,423	-	-	-	-	36,336,209
Federal aid	8,082,573	20,015	-	40,000	-	-	-	-	8,142,588
Investment income	1,429	16,946	176	24,868	278	128,323	82	41	172,143
Other	1,131,746	76,182	8,605	543,058	5,393	-	2,213	468	1,767,665
Total revenues	58,051,958	5,513,461	2,827,529	3,712,003	1,852,426	128,323	712,180	150,494	72,948,374
EXPENDITURES									
Current									
Instruction									
Regular programs	21,578,117	-	-	-	191,928	-	-	-	21,770,045
Pre-K programs	769,596	-	-	-	17,366	-	-	-	786,962
Special programs	6,852,783	-	-	-	167,337	-	-	-	7,020,120
Other instructional programs	6,316,578	-	-	-	82,319	-	-	-	6,398,897
Support services									
Pupils	5,046,994	-	-	8,673	171,817	-	-	-	5,227,484
Instructional staff	4,852,452	-	-	-	121,091	-	-	-	4,973,543
General administration	1,241,192	-	-	-	26,515	-	558,666	-	1,826,373
School administration	5,380,547	-	-	-	166,665	-	-	-	5,547,212
Business	4,336,735	4,061,570	-	2,606,784	676,818	1,215,089	-	-	12,896,996
Central	749,281	-	-	-	28,421	-	-	-	777,702
Other support services	63,953	-	-	55,285	12,065	-	-	-	131,303
Community services	181,678	-	-	-	1,517	-	-	-	183,195
Intergovernmental									
Payments to other districts and government units	761,529	-	-	-	-	-	-	-	761,529

	General	Operations and Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Tort	Fire Prevention and Safety	Total
EXPENDITURES (Continued)									
Debt service									
Principal	\$ -	\$ -	\$ 1,565,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,565,000
Interest	-	-	1,182,555	-	-	-	-	-	1,182,555
Capital outlay	461,143	137,801	-	732,891	-	4,230,432	-	19,652	5,581,919
Total expenditures	58,592,578	4,199,371	2,747,555	3,403,633	1,663,859	5,445,521	558,666	19,652	76,630,835
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(540,620)	1,314,090	79,974	308,370	188,567	(5,317,198)	153,514	130,842	(3,682,461)
OTHER FINANCING SOURCES (USES)									
Issuance of bonds	14,215,000	-	-	-	-	-	-	-	14,215,000
Issuance of refunding bonds	4,380,000	-	-	-	-	-	-	-	4,380,000
Premium on bonds sold	1,543,901	-	-	-	-	-	-	-	1,543,901
Payment to escrow agent	(8,173,143)	-	-	-	-	-	-	-	(8,173,143)
Proceeds from sale of asset	9,762	-	-	-	-	-	-	-	9,762
Insurance proceeds	-	10,000	-	3,551	-	-	-	-	13,551
Total other financing sources (uses)	11,975,520	10,000	-	3,551	-	-	-	-	11,989,071
NET CHANGE IN FUND BALANCE	11,434,900	1,324,090	79,974	311,921	188,567	(5,317,198)	153,514	130,842	8,306,610
FUND BALANCES, JULY 1	5,797,316	4,154,595	1,584,021	5,356,808	2,701,845	6,328,270	990,890	384,848	27,298,593
Change in accounting principle	398,181	-	-	-	-	-	-	-	398,181
FUND BALANCES, JULY 1, AS RESTATED	6,195,497	4,154,595	1,584,021	5,356,808	2,701,845	6,328,270	990,890	384,848	27,696,774
FUND BALANCES, JUNE 30	\$ 17,630,397	\$ 5,478,685	\$ 1,663,995	\$ 5,668,729	\$ 2,890,412	\$ 1,011,072	\$ 1,144,404	\$ 515,690	\$ 36,003,384

See accompanying notes to financial statements.

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2021

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	8,306,610
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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 as depreciation expense. This is the amount by which capital outlay exceed depreciation expense in the current period

Capital asset additions		3,192,762
Depreciation expense		(1,390,095)

The loss on disposal of capital assets does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds		(27,300)
--	--	----------

Certain revenues included in the statement of activities does not provide current financial resources and, therefore, is deferred in the governmental fund statements		636,055
---	--	---------

The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources are not a source or use of financial resources		(1,668,610)
--	--	-------------

The change in the Teachers' Retirement System of the State of Illinois net pension liability and deferred outflows/inflows of resources are not a source or use of financial resources		975,601
--	--	---------

The change in the Teachers' Health Insurance Security Fund total OPEB liability and deferred outflows/inflows of resources are not a source or use of financial resources		(466,902)
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The change in the net OPEB liability and deferred outflows of resources are not a source or use of financial resources		(43,075)
--	--	----------

Some revenues and expenses reported in the statement of activities do not provide (use) current financial resources and therefore are not reported in the governmental funds

State on-behalf contributions - TRS and THIS		9,752,588
State on-behalf expense - TRS and THIS		(9,752,588)

The issuance of long-term bonds payable is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities		(14,215,000)
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The issuance of long-term refunding bonds payable is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities		(4,380,000)
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The payment to escrow agent is reported as an other financing source when due in governmental funds but as a reduction of principal on the government-wide financial statements		6,466,857
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(This statement is continued on the following page.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES (Continued)

For the Year Ended June 30, 2021

The current year amortizations of loss on refunding is reported as interest expense on the statement of activities - current year loss on refunding	\$ 853,143
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal on the government-wide statement of activities	1,562,853
The accretion of interest on capital appreciation bonds is reported as an increase in principal outstanding on the statement of net position	(96,619)
Governmental funds report the effects of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	
Interest payable	4,250
Bond premium	(1,483,805)
Gain or loss on refunding	459,560
The change in net position of certain activities of internal service funds is included in governmental funds	<u>(911,088)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (2,224,803)</u></u>

See accompanying notes to financial statements.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUND

June 30, 2021

	<u>Internal Service Fund</u>
CURRENT ASSETS	
Receivables	
Other	\$ 2,094
	<hr/>
Total current assets	2,094
	<hr/>
Total assets	2,094
	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	
None	<hr/> -
	<hr/>
Total deferred outflows of resources	-
	<hr/>
Total assets and deferred outflows of resources	2,094
	<hr/>
CURRENT LIABILITIES	
Claims payable	<hr/> 918,342
	<hr/>
Total current liabilities	918,342
	<hr/>
NONCURRENT LIABILITIES	
Advances from other funds	<hr/> 2,329,892
	<hr/>
Total noncurrent liabilities	2,329,892
	<hr/>
Total liabilities	3,248,234
	<hr/>
DEFERRED INFLOWS OF RESOURCES	
None	<hr/> -
	<hr/>
Total deferred inflows of resources	-
	<hr/>
Total liabilities and deferred inflows of resources	3,248,234
	<hr/>
NET POSITION	
Unrestricted (deficit)	<hr/> (3,246,140)
	<hr/>
TOTAL NET POSITION (DEFICIT)	<u><u>\$ (3,246,140)</u></u>

See accompanying notes to financial statements.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND

For the Year Ended June 30, 2021

	Internal Service Fund
OPERATING REVENUES	
Employee contributions	\$ 1,523,058
Employee contributions	5,372,740
Miscellaneous	1,372,061
	<hr/>
Total operating revenues	8,267,859
	<hr/>
OPERATING EXPENSES	
Claims	8,105,425
Administrative fees/premiums	1,073,522
	<hr/>
Total operating expenses	9,178,947
	<hr/>
OPERATING INCOME (LOSS)	(911,088)
	<hr/>
NON-OPERATING REVENUES (EXPENSES)	
None	-
	<hr/>
Total non-operating revenues (expenses)	-
	<hr/>
CHANGE IN NET POSITION	(911,088)
	<hr/>
NET POSITION (DEFICIT), JULY 1	(2,335,052)
	<hr/>
NET POSITION (DEFICIT), JUNE 30	\$ (3,246,140)
	<hr/> <hr/>

See accompanying notes to financial statements.

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Year Ended June 30, 2021

	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 2,893,025
Receipts from interfund service transactions	5,372,740
Payments to suppliers	(8,843,863)
Net cash from operating activities	(578,098)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Increase in interfund loan	578,098
Net cash from noncapital financing activities	578,098
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
None	-
Net cash from capital and related financing activities	-
CASH FLOWS FROM INVESTING ACTIVITIES	
None	-
Net cash from investing activities	-
NET DECREASE IN CASH AND CASH EQUIVALENTS	-
CASH AND CASH EQUIVALENTS, JULY 1	-
CASH AND CASH EQUIVALENTS, JUNE 30	\$ -
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ (911,088)
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Effects of changes in operating assets and liabilities	
Other receivables	(2,094)
Claims payable	335,084
NET CASH FROM OPERATING ACTIVITIES	\$ (578,098)

See accompanying notes to financial statements.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Freeport School District #145 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

a. Nature of Operations

The District Board of Education (the Board) is the level of government that has governance responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of the District. The Board receives funding from local, state and federal government sources and must comply with requirements of these funding source entities. Board members are elected by the public and have decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. Based on these criteria, the District is considered a primary government and there are no other organizations or agencies whose financial statements should be combined or discretely presented with these basic financial statements.

b. Reporting Entity

Accounting principles generally accepted in the United States of America require that the financial reporting entity include (1) the primary government, (2) organizations for which the primary district is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided by governmental accounting standards have been considered and there are no agencies or entities which should be presented with the District.

c. Fund Accounting

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Fund Accounting (Continued)

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds) and the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the District (internal service funds). The District does not have any enterprise funds.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The District uses two departmental accounts to summarize its operating fund activities: the Educational Account and the Working Cash Account.

The Special Revenue Funds (Operations and Maintenance Fund, Transportation Fund, Tort Fund and Illinois Municipal Retirement/Social Security Fund) are used to account for the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The Tort Fund and Illinois Municipal Retirement/Social Security Fund did not meet the criteria for inclusion as a major fund; however, the District has elected to report them as such.

The Debt Services Fund is used to account for financial resources that are restricted, committed or assigned to expenditures for the period payment of principal, interest and related fees on general long-term debt. The Debt Services Fund did not meet the criteria for inclusion as a major fund; however, the District has elected to report it as such.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Fund Accounting (Continued)

The Capital Projects Fund and Fire Prevention and Safety Fund are used to account for financial resources that are restricted, committed or assigned to expenditures for the acquisition or construction of capital facilities and other capital assets. The Capital Projects Fund and Fire Prevention and Safety Fund did not meet the criteria for inclusion as a major fund; however, the District has elected to report them as such.

The District reports the following internal service funds:

The Internal Service Fund is used to account for revenues and expenses related to the District's employee health and dental plans.

d. Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of material interfund activity other than interfund sales and services has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support. The District has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues 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 shared revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Indirect expenses not allocated to functions are reported separately. Interest on general long-term debt is considered such an indirect expense. Depreciation expense is specifically identified by function and is included in the direct expenses of each function.

e. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days is used for property taxes and most other revenues). The District recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related liability is incurred.

Principal and interest on general long-term debt are recorded as expenditures become due.

Those revenues susceptible to accrual are property taxes, charges for services, intergovernmental and interest on investments.

The District reports unearned and unavailable revenue on its financial statements. Unavailable revenues arise when potential revenue does not meet the available criteria for recognition in the current period for governmental funds. Unearned revenues also arise when resources are received by the District before it has legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the District has a legal claim to the resources by meeting all eligibility requirements, the liability for unearned revenue is removed from the financial statements and revenue is recognized. Unavailable revenue results from property taxes being levied and reported as a receivable before the period for which the taxes are levied.

f. Cash and Investments

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, cash in depository accounts and short-term, highly liquid investment instruments with original maturities of three months or less from the date of acquisition, which are stated at cost.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Cash and Investments (Continued)

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on 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; and Level 3 inputs are significant unobservable inputs. The District held no investments to measure at fair value at June 30, 2021.

g. Property Taxes

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. The 2020 and 2019 levies were passed by the Board on December 15, 2020 and December 17, 2019, respectively. Property taxes attached as an enforceable lien on property as of January 1 and are payable in two installments on approximately June 1 and September 1. The District receives significant distributions of tax receipts during July, August, September, October and November.

Property tax receivables reflect the estimated collectible portion of the current year levy. The District historically has received at least one-half of its tax monies by the end of August. The District, to be consistent with past years, has therefore recognized 50% of current year tax levies as revenue for the period each year.

h. Capital Assets

Capital assets are defined as assets with an initial cost of \$1,000 or more with an estimated useful life greater than one year. Capital assets are recorded at cost or estimated historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at acquisition value at the date of donation. Land and construction in progress are not depreciated by the District.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets (Continued)

The estimated useful life is management’s estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Assets	Years
Buildings	50
Land improvements	20
Transportation equipment	5
Equipment	10

i. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

j. Compensated Absences/Other

District employees receive various numbers of sick days per years based on the collective bargaining agreements or policies in place. These days may accumulate to a maximum of 360 days. Sick leave does not vest and, therefore, is recognized only when used.

k. Long-Term Liabilities

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as deferred amounts on refunding, are deferred and amortized over the life of the bond. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are recognized during the current period.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Liabilities (Continued)

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt 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.

l. Net Position/Fund Balances

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or which are legally or contractually required to be maintained intact.

Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities or from enabling legislation adopted by the District. Committed fund balance is constrained by formal actions of the Board, which is considered the District's highest level of decision-making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose.

Currently, the Board has not delegated the authority to assign fund balances. Any residual fund balance in the General Fund and any deficit fund balance of any other governmental fund is reported as unassigned.

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the District considers committed funds to be expended first followed by assigned funds and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets.

None of the restricted net position or restricted fund balance results from enabling legislation adopted by the District.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Use of Estimates

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

n. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the District has delayed the implementation of GASB Statement No. 87, *Leases* to June 30, 2023.

2. DEPOSITS AND INVESTMENTS

The District's investment policy authorizes the District to make deposits/invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, credit union shares, repurchase agreements, commercial paper rated with the three highest classifications by at least two standard rating services and the Illinois School District Liquid Asset Fund Plus.

Certain district funds maintain their cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, rate of return and diversification.

2. DEPOSITS AND INVESTMENTS (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District's investment policy requires all amounts deposited or invested with financial institutions be either covered by federal depository insurance or collateral, preferably held by a third party, in the District's name, in an amount equal to the amount of deposits in excess of depository insurance coverage.

Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the District will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the District's investment policy prefers that all security transactions that are exposed to custodial credit risk are processed with the underlying investments held by a third party custodian.

The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses from increasing interest rates.

Credit risk for investments is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. The District's investment policy seeks to minimize credit risk by requiring investments in securities allowed under the investment policy.

Concentration of credit risk for investments is the risk that the District has a high percentage of their investments invested in one type of investment. The District's investment policy does not further limit its investment choices beyond the Illinois School Code.

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District's investment policy does not address interest rate risk.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CAPITAL ASSETS

Changes in capital assets during the year ended June 30, 2021, are as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 822,541	\$ -	\$ -	\$ 822,541
Construction in progress	2,290,273	1,957,977	4,140,090	108,160
Total capital assets not being depreciated	<u>3,112,814</u>	<u>1,957,977</u>	<u>4,140,090</u>	<u>930,701</u>
Capital assets being depreciated				
Buildings	48,591,948	5,051,884	-	53,643,832
Improvements	2,121,129	-	-	2,121,129
Equipment	3,118,964	-	-	3,118,964
Vehicles	1,727,581	322,991	416,909	1,633,663
Total capital assets being depreciated	<u>55,559,622</u>	<u>5,374,875</u>	<u>416,909</u>	<u>60,517,588</u>
Less accumulated depreciation for				
Capital assets being depreciated				
Buildings	42,269,082	881,777	-	43,150,859
Improvements	1,239,895	110,976	-	1,350,871
Equipment	2,084,427	162,764	-	2,247,191
Vehicles	1,174,561	234,578	389,609	1,019,530
Total accumulated depreciation	<u>46,767,965</u>	<u>1,390,095</u>	<u>389,609</u>	<u>47,768,451</u>
Total capital assets being depreciated, net	<u>8,791,657</u>	<u>3,984,780</u>	<u>27,300</u>	<u>12,749,137</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 11,904,471</u>	<u>\$ 5,942,757</u>	<u>\$ 4,167,390</u>	<u>\$ 13,679,838</u>

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 992,753
Instructional staff	<u>397,342</u>
TOTAL	<u>\$ 1,390,095</u>

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT

a. General obligation bonds consisted of the following at June 30, 2021:

	Date of Issuance	Maturity Date	Interest Rate	Original Issue	Carrying Amount
General obligation bonds					
Limited Tax Capital Appreciation Bonds, Series 2003	4/9/2003	1/1/2023	4.961%	\$ 20,182,851	\$ 2,530,688
General Obligation Limited School Bonds, Series 2014	5/5/2014	2/1/2025	2.00% to 4.25%	4,890,000	2,140,000
General Obligation Limited School Bonds, Series 2018A	6/1/2018	2/1/2035	3.00% to 5.00%	15,285,000	13,145,000
Taxable General Obligation Limited School Bonds, Series 2018B	6/1/2018	2/1/2025	3.65% to 3.76%	2,525,000	2,525,000
General Obligation Limited Tax School Bonds, Series 2020A	10/20/2020	10/01/2040	4.00%	14,215,000	14,215,000
Taxable General Obligation Limited School Bonds, Series 2020B	10/20/2020	10/01/2035	1.75% to 3.30%	4,380,000	4,380,000

In fiscal year 2021, the District issued \$14,215,000 of General Obligation Limited Tax School Bonds, Series 2020A and \$4,380,000 Taxable General Obligation Limited Tax School Bonds, Series 2020B, to refund all of the outstanding General Obligation Limited School Bonds, Series 2010B and a portion of the General Obligation Limited School Bonds, Series 2014 and 2018A. The Certificates bear interest at 1.75% to 4.00%. Interest is payable semiannually on April 1 and October 1 and the bonds mature serially on October 1 annually beginning on October 1, 2025 through October 1, 2040, in amounts ranging from \$290,000 to \$2,810,000.

The refunding was not done to save money on the prior bonds but to enable within the confines of the Debt Service Extension Base to access the unused end years of the Debt Service Extension Base and resulted in a cash flow difference of (\$19,626,519) an economic loss (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$1,055,397.

b. Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2021:

	Beginning Balances	Additions	Reductions	Ending Balances	Current Portion
General obligation bonds*	\$ 29,126,922	\$ 18,691,619	\$ 8,882,853	\$ 38,935,688	\$ 1,426,939
Unamortized bond premium	901,434	1,543,901	60,096	2,385,239	141,354
Net pension liability - TRS	2,395,217	36,439	-	2,431,656	-
Net OPEB liability - THIS	25,964,703	-	910,132	25,054,571	247,604
Net OPEB liability - District Plan	493,853	58,271	-	552,124	9,507
TOTAL	\$ 58,882,129	\$ 20,330,230	\$ 9,853,081	\$ 69,359,278	\$ 1,825,404

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

b. Changes in Long-Term Debt (Continued)

The obligation for net pension liabilities and net OPEB liabilities will be paid from the General and Municipal Retirement/Social Security Funds.

*Includes annual accretion of interest of Limited Tax Capital Appreciation Bonds, Series 2003.

c. Future Debt Service Requirements

A summary of the future debt service requirements to amortize the remaining outstanding general obligation bonds as of June 30, 2021, is as follows:

Year Ending June 30,	General Obligation Bonds			General Obligation (Capital Appreciation Bonds)	
	Principal	Interest	Total	Accretion	Repayment
2022	\$ 55,000	\$ 1,435,974	\$ 1,490,974	\$ 96,574	\$ 1,371,939
2023	60,000	1,433,774	1,493,774	62,537	1,317,860
2024	1,435,000	1,431,374	2,866,374	-	-
2025	1,485,000	1,378,769	2,863,769	-	-
2026	1,545,000	1,317,254	2,862,254	-	-
2027-2031	8,425,000	5,896,984	14,321,984	-	-
2032-2036	10,420,000	3,896,183	14,316,183	-	-
2037-2041	12,980,000	1,339,400	14,319,400	-	-
TOTAL	\$ 36,405,000	\$ 18,129,712	\$ 54,534,712	\$ 159,111	\$ 2,689,799

d. Legal Debt Margin

The June 30, 2021, remaining legal debt limit of the District was \$2,308,468 based upon 13.80% of its 2020 equalized assessed valuation of \$314,377,938, resulting in a legal debt margin of \$43,384,155. Total debt applicable to the limit was \$41,075,688, which includes the outstanding general obligation bonds.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. OPERATING LEASES

The District entered into lease agreements in fiscal year 2017, 2019 and 2020 for the rental of several school buses. Payments are due annually for the leases. Minimum payments due on the leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 623,466
2023	351,872
2024	691,820
2025	<u>652,500</u>
 TOTAL	 <u>\$ 2,319,658</u>

6. RETIREMENT PLAN COMMITMENTS

The retirement plans of the District include the Teachers' Retirement System (TRS or the System) of the State of Illinois (the State) 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 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 on the following pages.

a. Teachers' Retirement System of the State of Illinois

Plan Description

The District participates in the TRS. TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration. TRS issues a publicly available financial report that can be obtained at <http://trsil.org/financial/cafrs/fy2020>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

6. RETIREMENT PLAN COMMITMENTS (Continued)

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

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 ten 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 ten years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.20% of final average salary up to a maximum of 75% with 34 years of service.

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

Essentially all Tier 1 retirees receive an annual 3% 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 3% of the original benefit or 1/2% 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, 2021. 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.

Contributions

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

6. RETIREMENT PLAN COMMITMENTS (Continued)

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

Contributions (Continued)

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, 2020, was 9% 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 makes employer pension contributions on behalf of the District. For the year ended June 30, 2021, state contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability (NPL) associated with the employer, and the employer recognized revenue and expenditures of \$20,284,111 in pension contributions from the State.

2.2 Formula Contributions

Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2021, were \$137,516 and are deferred because they were paid after the June 30, 2020, measurement date.

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 District to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contributions rate is the total employer normal cost beginning with the year ended June 30, 2018.

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

For the year ended June 30, 2021, the employer pension contribution was 10.41% of salaries paid from federal and special trust funds. For the year ended June 30, 2021, salaries totaling \$672,304 were paid from federal and special trust funds that required employer contributions of \$69,987. These contributions are deferred because they were paid after the June 30, 2020 measurement date.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN COMMITMENTS (Continued)

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

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% 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, 2021, the employer paid \$2,011 to TRS for employer contributions due on salary increases in excess of 6% and \$0 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, 2020, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the District were as follow:

District's proportionate share of the net pension liability	\$ 2,431,656
State's proportionate share of the net pension liability associated with the District	<u>190,459,966</u>
TOTAL	<u><u>\$ 192,891,622</u></u>

The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2020, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2020, the employer's proportion was 0.0028204480%, which was a decrease of 0.0001326664% from its proportion measured as of June 30, 2019, (0.0029531144%).

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN COMMITMENTS (Continued)

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

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

For the year ended June 30, 2021, the employer recognized the following pension expense/expenditures and revenue pertaining to the District's employees:

	<u>Governmental Activities</u>	<u>General Fund</u>
State on-behalf contributions - revenue and expense/expenditure	\$ 20,284,111	\$ 10,540,338
District TRS pension (benefit) expense	1,373,113	2,348,714
TOTAL TRS EXPENSE/EXPENDITURE	\$ 21,657,224	\$ 12,889,052

At June 30, 2021, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 23,566	\$ 649
Net difference between projected and actual earnings on pension plan investments	72,606	-
Assumption changes	9,964	25,514
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	2,204,847
District contributions subsequent to the measurement date	209,503	-
TOTAL	\$ 315,639	\$ 2,231,010

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN COMMITMENTS (Continued)

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

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

\$209,503 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 ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2022	\$ (961,305)
2023	(788,870)
2024	(358,168)
2025	(8,308)
2026	(8,223)
TOTAL	\$ (2,124,874)

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

In the June 30, 2020, actuarial valuation, mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are based on a fully generational basis using projection table MP-2017. For the June 30, 2019, actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully generational basis using projection table MP-2014.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN COMMITMENTS (Continued)

a. Teachers' Retirement System of the State of Illinois (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	16.50%	6.10%
U.S. equities small/mid cap	2.30%	7.20%
International equities developed	12.20%	7.00%
Emerging market equities	3.00%	9.40%
U.S. bonds core	7.00%	2.20%
U.S. bonds high yield	2.50%	4.10%
International debt developed	3.10%	1.50%
Emerging international debt	3.20%	4.50%
Real estate	16.00%	5.70%
Private debt	5.20%	6.30%
Hedge funds	10.00%	4.30%
Private equity	15.00%	10.50%
Infrastructure	4.00%	6.20%
TOTAL	100.00%	

Discount Rate

At June 30, 2020, the discount rate used to measure the total pension liability was 7%, which was the same as the June 30, 2019, rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, district contributions and state contributions will be made at the current statutorily required rates.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN COMMITMENTS (Continued)

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

Discount Rate (Continued)

Based on those assumptions, TRS' fiduciary net position at June 30, 2020, was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier 1's liability is partially funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate.

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Employer's proportionate share of the net pension liability	\$ 2,951,588	\$ 2,431,656	\$ 2,003,602

TRS Fiduciary Net Position

Detailed information about the TRS' fiduciary net position as of June 30, 2020, is available in the separately issued TRS Comprehensive Annual Financial Report.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund

Plan Description

The District’s defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases and death benefits to plan members and beneficiaries. The employer plan is affiliated with IMRF, an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information (RSI). That report may be obtained at www.imrf.org.

Plan Administration

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2020, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	319
Inactive employees entitled to but not yet receiving benefits	318
Active employees	<u>331</u>
 TOTAL	 <u><u>968</u></u>

6. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Benefits Provided

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended June 30, 2021, was 7.56% of covered payroll.

Actuarial Assumptions

The District's net pension liability was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Actuarial valuation date	December 31, 2020
Actuarial cost method	Entry-age normal
Assumptions	
Price inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%
Asset valuation method	Market value

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.

Single Discount Rate

A single discount rate of 7.25% was used to measure the total pension liability. The projection of cash flows used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that district contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

FREERPORT SCHOOL DISTRICT #145
FREERPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2020	\$ 40,269,552	\$ 40,565,759	\$ (296,207)
Changes for the period			
Service cost	910,563	-	910,563
Interest	2,879,266	-	2,879,266
Difference between expected and actual experience	(472,531)	-	(472,531)
Changes in assumptions	(448,708)	-	(448,708)
Employer contributions	-	631,768	(631,768)
Employee contributions	-	403,443	(403,443)
Net investment income	-	5,832,982	(5,832,982)
Benefit payments and refunds	(2,021,638)	(2,021,638)	-
Other (net transfer)	-	(418,292)	418,292
Net changes	846,952	4,428,263	(3,581,311)
BALANCES AT DECEMBER 31, 2020	\$ 41,116,504	\$ 44,994,022	\$ (3,877,518)

There were changes in assumptions from the prior year in inflation rates, salary increases and mortality assumptions.

FREERPORT SCHOOL DISTRICT #145
FREERPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2021, the District recognized pension expense of \$2,333,317.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 7,925,779	\$ 330,485
Assumption changes	91,422	313,823
Net difference between projected and actual earnings on pension plan investments	-	3,616,854
Employer contributions after the measurement date	355,352	-
TOTAL	<u>\$ 8,372,553</u>	<u>\$ 4,261,162</u>

\$355,352 reported as deferred outflows of resources resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2022	\$ 1,175,820
2023	1,769,668
2024	954,320
2025	(143,769)
2026	-
Thereafter	-
TOTAL	<u>\$ 3,756,039</u>

FREEMPORT SCHOOL DISTRICT #145
FREEMPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 681,646	\$ (3,877,518)	\$ (7,491,947)

7. OTHER POSTEMPLOYMENT BENEFITS

a. Retirees Health Plan

Plan Description

The District's other postemployment benefits (OPEB) plan is a single-employer defined benefit healthcare plan that is administered by the District. The District provides postemployment benefits for eligible participants enrolled in the District sponsored plan. Benefits are provided in the form of an implicit rate subsidy under which retirees that have not yet reached age 65 receive health insurance coverage by paying an active employee rate. Benefit provisions are established through contractual agreements and may only be amended through negotiations with the Board. The plan does not issue a separate, publicly available report. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The activity of the plan is reported in the District's General Fund.

Benefits Provided

The District provides continued health insurance coverage at the employee rate to all eligible retirees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan (Continued)

Membership

At June 30, 2020 (most recent information available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	-
Active employees	<u>307</u>
TOTAL	<u>307</u>
Participating employers	<u><u>1</u></u>

Total OPEB Liability

The District's total OPEB liability of \$552,124 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2020.

Actuarial Assumptions and Other Inputs

The total OPEB liability at June 30, 2021, as determined by an actuarial valuation as of June 30, 2020, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Market value
Salary increases	4.00%
Discount rate	2.18%
Healthcare cost trend rates	6.00% to 4.50%

The discount rate was based on the 20-year municipal bond yield at June 30, 2021.

Mortality rates were based on the RP-2014 Employee Mortality Table for Males and Females with 2-dimensional, fully generational improvements updating the MP-2017 Mortality Improvement Scale. These rates are improved generationally using MP-2016 Improvement rates.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan (Continued)

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JULY 1, 2020	\$ 493,853
Changes for the period	
Service cost	36,868
Interest	13,010
Difference between expected and actual experience	-
Changes in benefit terms	-
Changes in assumptions	17,900
Benefit payments	<u>(9,507)</u>
Net changes	<u>58,271</u>
BALANCES AT JUNE 30, 2021	<u>\$ 552,124</u>

There were changes in assumptions related to the discount rate since the prior measurement date.

Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the District calculated using the discount rate of 2.18% as well as what the District total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.18%) or 1 percentage point higher (3.18%) than the current rate:

	1% Decrease (1.18%)	Current Discount Rate (2.18%)	1% Increase (3.18%)
Total OPEB liability	\$ 515,413	\$ 552,124	\$ 591,329

FREEMPORT SCHOOL DISTRICT #145
FREEMPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan (Continued)

Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 6.00% to 4.50% as well as what the District's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (5.00% to 3.50%) or 1 percentage point higher (7.00% to 5.50%) than the current rate:

	1% Decrease (5.00% to 3.50%)	Current Healthcare Rate (6.00% to 4.50%)	1% Increase (7.00% to 5.50%)
Total OPEB liability	\$ 612,694	\$ 552,124	\$ 499,859

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

For the year ended June 30, 2021, the District recognized OPEB expense of \$52,583. At June 30, 2021, 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
Changes in assumptions	\$ 18,219	\$ -
TOTAL	\$ 18,219	\$ -

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

Year Ending June 30,	
2022	\$ 2,704
2023	2,704
2024	2,704
2025	2,704
2026	2,704
Thereafter	4,699
TOTAL	\$ 18,219

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teacher Health Insurance Security Fund of the State of Illinois

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

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

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

- On-behalf contributions to the THIS Fund - The State makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.24% of pay during the year ended June 30, 2021. State contributions were \$293,999 and the District recognized revenue and expenditures of this amount during the year.
- Employer contributions to the THIS Fund - The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.92% during the year ended June 30, 2021. For the year ended June 30, 2021, the District paid \$218,128 to the THIS Fund, which was 100% of the required contribution.

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

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.50%
Salary increases	Depends on service and ranges from 9.50% at one year of service to 4% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption
Investment rate of return	0%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Trend for fiscal year 2020 based on expected increases used to develop average costs. For fiscal years on and after 2021, trend starts at 8.25% for non-Medicare cost and Medicare costs, and gradually decreases to an ultimate trend of 4.25%. There is no additional trend rate adjustment due to the repeal of the Excise Tax.

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

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values 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 bonds 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 the THIS Fund is financed on a pay-as-you-go basis, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index described above. The discount rates are 3.13% as of June 30, 2019 and 2.45% as of June 30, 2020.

FREEMPORT SCHOOL DISTRICT #145
FREEMPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)

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 1 percentage point lower (1.45%) or 1 percentage point higher (3.45%) than the current discount rate:

	1% Decrease (1.45%)	Current Discount Rate (2.45%)	1% Increase (3.45%)
Employer's proportionate share of the collective net OPEB liability	\$ 30,112,046	\$ 25,054,571	\$ 21,047,777

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 District's net OPEB liability as of June 30, 2020, using current trend rates and sensitivity trend rates that are either 1 percentage point higher or lower. The current claims trend rates are 8.25% in 2021 decreasing to an ultimate trend rate of 4.25% in 2037.

	1% Decrease ^a	Current Discount Rate	1% Increase ^b
Employer's proportionate share of the collective net OPEB liability	\$ 20,151,507	\$ 25,054,571	\$ 31,682,590

^a One percentage point decrease in healthcare trend rates are 7.25% in 2021 decreasing to an ultimate rate of 3.25% in 2037.

^b One percentage point increase in healthcare trend rates are 9.25% in 2021 decreasing to an ultimate trend rate of 5.25% in 2037.

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)

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

At June 30, 2021, the District disclosed 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, 2020 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 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, 2020, the District's proportion was 0.0093711%, which was a decrease of 0.000101% from its proportion measured as of June 30, 2019 (0.093812%). The State's support and total are for disclosure purposes only.

The amount recognized by the District as its proportionate share of the net OPEB liability, the related state support and the total portion of the net OPEB liability that was associated with the District were as follows:

Employer's proportionate share of the net OPEB liability	\$ 25,054,571
State's proportionate share of the net OPEB liability associated with the employer	<u>33,942,046</u>
TOTAL	<u>\$ 58,996,617</u>

For the year ended June 30, 2021, the employer recognized the following OPEB expense/expenditures and revenue pertaining to the District's employees:

	<u>Governmental Activities</u>	<u>General Fund</u>
State on-behalf contributions - revenue and expense/expenditure	\$ 302,814	\$ 293,999
District OPEB (benefit) expense	<u>714,506</u>	<u>247,604</u>
TOTAL OPEB EXPENSE/EXPENDITURE	<u>\$ 1,017,320</u>	<u>\$ 541,603</u>

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teacher Health Insurance Security Fund of the State of Illinois (Continued)

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

At June 30, 2021, the District disclosed deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 665,674
Changes of assumptions	8,484	4,132,720
Net difference between projected and actual earnings on OPEB plan investments	-	713
Changes in the proportion and differences between employer contributions and proportionate share of contributions	38,446	222,369
Employer contributions subsequent to the measurement date	218,128	-
	<hr/>	<hr/>
TOTAL	\$ 265,058	\$ 5,021,476

\$218,128 disclosed as deferred outflows of resources related to OPEB resulting from the District's 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, 2021. Other amounts disclosed as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year Ended June 30,	
2022	\$ (598,260)
2023	(598,260)
2024	(598,260)
2025	(598,260)
2026	(598,260)
Thereafter	(1,983,246)
	<hr/>
TOTAL	\$ (4,974,546)

FREEMPORT SCHOOL DISTRICT #145
FREEMPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omission; injuries to employees; and natural disasters. The District participates in a public entity risk pool which operates common risk management and insurance programs. Risks covered include general liability, property damage and workers' compensation. The District is self-insured for medical and dental coverage.

No material decreases in insurance coverages have occurred nor have any insurance claims in excess of insurance coverages been paid or reported during the last three fiscal years.

The District is self-insuring its employee medical benefits for each employee or dependent covered and maintains coverage with an insurance carrier for excess amounts. This plan is administered by outside administrators who process the claims. As of June 30, 2021, a liability has been provided for all known claims plus an estimate for those claims incurred but not reported. All claims incurred and not reported are expected to be paid from currently available resources. The costs related to this plan for the year ended June 30, 2021, were accounted for in the Internal Service Fund.

An analysis of claims activity consisted of the following:

	<u>2020 to 2021</u>	<u>2019 to 2020</u>
SELF-INSURANCE LIABILITY, JULY 1	\$ 583,258	\$ 809,976
Current year claims and changes in estimate	8,843,862	7,597,197
Claims paid	<u>(8,508,777)</u>	<u>(7,823,915)</u>
SELF-INSURANCE LIABILITY, JUNE 30	<u>\$ 918,343</u>	<u>\$ 583,258</u>

9. COMMITMENTS AND CONTINGENCIES

a. Grantor Agencies

Federal and state grants-in-aid received by the District are subject to audit and adjustment by grantor agencies. If grant revenues are received for expenditures which are subsequently disallowed, the District may be required to repay the revenues. In the opinion of management, liabilities resulting from such disallowed expenditures, if any, will not be material.

b. Litigation

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

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. INDIVIDUAL FUND DISCLOSURES

a. Advances From/To Other Funds

Advances from/to other funds at June 30, 2021, consisted of the following:

	Advance From	Advance To
General Fund	\$ -	\$ 2,389,892
Internal Service Fund	2,389,892	-
TOTAL	\$ 2,389,892	\$ 2,389,892

All advances from/to balances are to fund temporary cash shortfalls. Repayment is not expected within one year.

REQUIRED SUPPLEMENTARY INFORMATION

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Educational property taxes	\$ 12,070,000	\$ 12,238,296	\$ 168,296
Leasing property taxes	150,025	149,985	(40)
Special education property taxes	2,316,000	2,343,143	27,143
Mobile home privilege tax	27,000	24,163	(2,837)
Working cash property taxes	100,027	123,000	22,973
Summer school tuition from pupils or parents	1,000	-	(1,000)
CTE tuition from other districts	25,000	18,700	(6,300)
Special education - tuition from other districts	130,000	-	(130,000)
Interest on investments	60,200	1,429	(58,771)
Sales to pupils - lunch	-	(856)	(856)
Sales to pupils - breakfast	1,000	-	(1,000)
Sales to pupils - a la carte	10,000	-	(10,000)
Sales to adults	5,000	1,257	(3,743)
Other food service	98,000	34,375	(63,625)
Admission - athletics	35,500	14,280	(21,220)
Student activity fund revenues	130,000	916,313	786,313
Rentals - regular textbooks	-	-	-
Sales - regular textbooks	3,000	816	(2,184)
Donations	2,000	8,005	6,005
Driver's education fees	9,000	10,325	1,325
Refund of prior years expenditures	-	25,937	25,937
Payment of surplus moneys from TIF districts	44,870	45,609	739
Proceeds from vendors' contracts	5,200	4,191	(1,009)
Other local fees	18,000	28,631	10,631
Total local sources	15,240,822	15,987,599	746,777
State sources			
Evidence based funding formula	21,511,115	21,998,712	487,597
Special education - private facility tuition	360,000	264,257	(95,743)
Special education - orphanage - individual	139,000	254,756	115,756
Special education - orphanage - summer individual	10,000	37,845	27,845
CTE - secondary program improvement (CTEI)	500	1,315	815
CTE - agriculture education	8,611	10,216	1,605
State free lunch and breakfast	31,900	11,403	(20,497)
Driver's education	35,000	20,267	(14,733)
Early childhood - block grant	450,000	393,100	(56,900)
Other restricted revenue from state sources	240,459	155,578	(84,881)
Total state sources	22,786,585	23,147,449	360,864
Federal sources			
Other restricted grants-in-aid received directly from federal government	82,000	83,297	1,297
Title V - Rural education initiative (REI)	78,360	78,358	(2)
National school lunch program	1,593,000	-	(1,593,000)
School breakfast program	415,000	-	(415,000)
Summer food service program	185,000	1,440,795	1,255,795

(This schedule is continued on the following pages.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES (Continued)			
Federal sources (Continued)			
Food service - other	\$ -	\$ 109,997	\$ 109,997
Title I - low income	3,194,322	2,159,109	(1,035,213)
Title I - other	629,270	324,163	(305,107)
Federal special education - preschool flow-through	57,907	37,455	(20,452)
Federal special education - IDEA flow-through	1,131,380	1,202,957	71,577
Federal special education - IDEA - room and board	86,880	-	(86,880)
CTE - other	5,600	395	(5,205)
Title III - immigrant education program (IEP)	1,672	1,672	-
Title III - language inst program - limited eng (LIPLEP)	48,190	23,224	(24,966)
Title II - teacher quality	254,128	217,135	(36,993)
Medicaid matching funds - administrative outreach	135,000	161,110	26,110
Medicaid matching funds - fee-for-service program	340,000	129,472	(210,528)
Other restricted revenues from federal sources	1,753,526	2,113,434	359,908
Total federal sources	9,991,235	8,082,573	(1,908,662)
Total revenues	48,018,642	47,217,621	(801,021)
EXPENDITURES			
Instruction			
Regular programs			
Salaries	10,957,415	11,665,379	707,964
Employee benefits	3,243,335	3,189,550	(53,785)
Purchased services	347,730	185,731	(161,999)
Supplies and materials	1,428,861	1,699,158	270,297
Capital outlay	170,000	6,288	(163,712)
Noncapitalized equipment	83,500	99,427	15,927
Termination benefits	13,000	11,838	(1,162)
Total regular programs	16,243,841	16,857,371	613,530
Pre-K programs			
Salaries	461,541	428,315	(33,226)
Employee benefits	158,548	121,817	(36,731)
Supplies and materials	38,112	36,290	(1,822)
Capital outlay	-	9,613	9,613
Total Pre-K programs	658,201	596,035	(62,166)
Special education programs			
Salaries	3,384,574	3,117,137	(267,437)
Employee benefits	1,021,741	717,455	(304,286)
Purchased services	8,000	13,710	5,710
Supplies and materials	40,800	40,537	(263)
Capital outlay	3,000	7,196	4,196
Termination benefits	5,000	1,020	(3,980)
Total special education programs	4,463,115	3,897,055	(566,060)

(This schedule is continued on the following pages.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Instruction (Continued)			
Special education programs pre-k			
Salaries	\$ 31,156	\$ 39,403	\$ 8,247
Employee benefits	-	254	254
Supplies and materials	5,000	808	(4,192)
Capital outlay	5,000	-	(5,000)
Total special education programs pre-k	<u>41,156</u>	<u>40,465</u>	<u>(691)</u>
Remedial and supplemental programs K-12			
Salaries	627,431	396,800	(230,631)
Employee benefits	148,013	99,125	(48,888)
Purchased services	380,925	336,261	(44,664)
Supplies and materials	813,222	645,765	(167,457)
Noncapitalized equipment	9,555	5,498	(4,057)
Total remedial and supplemental programs K-12	<u>1,979,146</u>	<u>1,483,449</u>	<u>(495,697)</u>
CTE programs			
Salaries	447,561	452,728	5,167
Employee benefits	149,931	138,980	(10,951)
Purchased services	2,035	72	(1,963)
Supplies and materials	17,709	8,992	(8,717)
Capital outlay	1,139	724	(415)
Other objects	-	300	300
Termination benefits	4,775	2,400	(2,375)
Total CTE programs	<u>623,150</u>	<u>604,196</u>	<u>(18,954)</u>
Interscholastic programs			
Salaries	495,882	493,485	(2,397)
Employee benefits	33,463	35,771	2,308
Purchased services	67,843	24,547	(43,296)
Supplies and materials	71,393	67,513	(3,880)
Other objects	1,870	1,500	(370)
Total interscholastic programs	<u>670,451</u>	<u>622,816</u>	<u>(47,635)</u>
Summer school programs			
Salaries	184,512	204,528	20,016
Employee benefits	25,312	33,795	8,483
Supplies and materials	60,658	63,825	3,167
Total summer school programs	<u>270,482</u>	<u>302,148</u>	<u>31,666</u>
Gifted programs			
Salaries	373,233	376,110	2,877
Employee benefits	83,560	83,562	2
Total gifted programs	<u>456,793</u>	<u>459,672</u>	<u>2,879</u>

(This schedule is continued on the following pages.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Instruction (Continued)			
Driver's education programs			
Salaries	\$ 101,824	\$ 112,846	\$ 11,022
Employee benefits	28,244	24,991	(3,253)
Purchased services	1,000	493	(507)
Supplies and materials	1,800	772	(1,028)
Capital outlay	-	22,776	22,776
Total driver's education programs	132,868	161,878	29,010
Bilingual programs			
Salaries	507,970	498,028	(9,942)
Employee benefits	98,846	121,214	22,368
Purchased services	1,413	903	(510)
Supplies and materials	21,783	12,454	(9,329)
Total bilingual programs	630,012	632,599	2,587
Truant alternative and optional programs			
Employee benefits	40,960	49,712	8,752
Purchased services	240,000	251,467	11,467
Supplies and materials	9,500	9,384	(116)
Total truant alternative and optional programs	290,460	310,563	20,103
Special education programs K-12 private tuition			
Other objects	800,000	1,492,191	692,191
Total special education programs K-12 private tuition	800,000	1,492,191	692,191
Remedial/supplemental programs K-12 private tuition			
Other objects	10,000	7,658	(2,342)
Total remedial/supplemental programs K-12 private tuition	10,000	7,658	(2,342)
Student activity fund expenditures			
Other objects	130,000	888,852	758,852
Total student activity fund expenditures	130,000	888,852	758,852
Total instruction	27,399,675	28,356,948	957,273
Support services			
Pupils			
Attendance and social work services			
Salaries	767,583	786,962	19,379
Employee benefits	263,032	185,591	(77,441)

(This schedule is continued on the following pages.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Pupils (Continued)			
Purchased services	\$ 700	\$ 43,212	\$ 42,512
Supplies and materials	9,000	5,263	(3,737)
Termination benefits	1,850	1,850	-
Total attendance and social work services	1,042,165	1,022,878	(19,287)
Guidance services			
Salaries	700,987	665,752	(35,235)
Employee benefits	187,248	174,470	(12,778)
Purchased services	49,600	17,696	(31,904)
Supplies and materials	3,000	347	(2,653)
Total guidance services	940,835	858,265	(82,570)
Health services			
Salaries	620,099	609,861	(10,238)
Employee benefits	140,577	130,975	(9,602)
Purchased services	17,200	577	(16,623)
Supplies and materials	30,067	18,708	(11,359)
Total health services	807,943	760,121	(47,822)
Psychological services			
Salaries	277,254	276,142	(1,112)
Employee benefits	52,145	50,886	(1,259)
Purchased services	3,400	613	(2,787)
Supplies and materials	5,000	6,419	1,419
Total psychological services	337,799	334,060	(3,739)
Speech pathology and audiology services			
Salaries	526,283	561,353	35,070
Employee benefits	122,636	134,850	12,214
Purchased services	5,000	791	(4,209)
Supplies and materials	5,000	1,645	(3,355)
Total speech pathology and audiology services	658,919	698,639	39,720
Other support services - pupils			
Salaries	148,217	118,427	(29,790)
Employee benefits	32,527	31,451	(1,076)
Other objects	86,880	-	(86,880)
Total other support services - pupils	267,624	149,878	(117,746)
Total pupils	4,055,285	3,823,841	(231,444)

(This schedule is continued on the following pages.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Instructional staff			
Improvement of instructional services			
Salaries	\$ 1,655,429	\$ 1,112,945	\$ (542,484)
Employee benefits	546,028	395,340	(150,688)
Purchased services	446,851	271,548	(175,303)
Supplies and materials	95,146	45,291	(49,855)
Other objects	4,881	3,074	(1,807)
Termination benefits	14,576	19,607	5,031
Total improvement of instructional services	2,762,911	1,847,805	(915,106)
Educational media services			
Salaries	801,988	825,390	23,402
Employee benefits	168,395	178,193	9,798
Purchased services	789,250	674,558	(114,692)
Supplies and materials	355,142	337,746	(17,396)
Capital outlay	45,000	39,766	(5,234)
Non-capitalized equipment	320,565	35,158	(285,407)
Termination benefits	-	16,310	16,310
Total educational media services	2,480,340	2,107,121	(373,219)
Assessment and testing			
Salaries	56,266	44,650	(11,616)
Employee benefits	20,000	17,539	(2,461)
Purchased services	98,908	63,602	(35,306)
Supplies and materials	17,250	7,958	(9,292)
Total assessment and testing	192,424	133,749	(58,675)
Total instructional staff	5,435,675	4,088,675	(1,347,000)
General administration			
Board of Education services			
Salaries	3,090	3,090	-
Employee benefits	25,700	28,097	2,397
Purchased services	167,292	92,068	(75,224)
Supplies and materials	1,500	1,766	266
Other objects	17,000	16,901	(99)
Total Board of Education services	214,582	141,922	(72,660)
Executive administration services			
Salaries	264,883	270,455	5,572
Employee benefits	46,475	48,947	2,472
Purchased services	7,550	1,776	(5,774)
Supplies and materials	8,714	6,789	(1,925)
Other objects	9,600	4,879	(4,721)
Total executive administration services	337,222	332,846	(4,376)

(This schedule is continued on the following pages.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
General administration (Continued)			
Special area administration services			
Salaries	\$ 322,996	\$ 365,254	\$ 42,258
Employee benefits	85,297	89,417	4,120
Purchased services	38,875	14,933	(23,942)
Supplies and materials	26,105	35,880	9,775
Other objects	450	-	(450)
Termination benefits	3,000	2,086	(914)
Total special area administration services	<u>476,723</u>	<u>507,570</u>	<u>30,847</u>
Total general administration	<u>1,028,527</u>	<u>982,338</u>	<u>(46,189)</u>
School administration			
Office of the principal services			
Salaries	2,256,398	2,196,919	(59,479)
Employee benefits	694,686	686,467	(8,219)
Purchased services	48,485	40,085	(8,400)
Supplies and materials	109,750	115,033	5,283
Other objects	6,979	4,293	(2,686)
Termination benefits	18,498	14,497	(4,001)
Total office of the principal services	<u>3,134,796</u>	<u>3,057,294</u>	<u>(77,502)</u>
Other support services - school administration			
Salaries	814,864	849,894	35,030
Employee benefits	220,721	234,581	13,860
Supplies and materials	4,500	4,151	(349)
Total other support services - school administration	<u>1,040,085</u>	<u>1,088,626</u>	<u>48,541</u>
Total school administration	<u>4,174,881</u>	<u>4,145,920</u>	<u>(28,961)</u>
Business			
Direction of business support services			
Salaries	181,184	181,183	(1)
Employee benefits	43,690	53,688	9,998
Purchased services	161,000	152,155	(8,845)
Supplies and materials	2,000	2,000	-
Other objects	23,450	22,791	(659)
Total direction of business support services	<u>411,324</u>	<u>411,817</u>	<u>493</u>
Operation and maintenance of plant services			
Purchased services	-	606,955	606,955
Supplies and materials	318,070	404,238	86,168
Capital outlay	-	143,033	143,033
Total operation and maintenance of plant services	<u>318,070</u>	<u>1,154,226</u>	<u>836,156</u>

(This schedule is continued on the following pages.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Business (Continued)			
Fiscal services			
Salaries	\$ 149,106	\$ 147,105	\$ (2,001)
Employee benefits	85,815	88,574	2,759
Purchased services	9,010	486,539	477,529
Supplies and materials	2,720	(14,811)	(17,531)
Termination benefits	-	-	-
Total fiscal services	246,651	707,407	460,756
Pupil transportation services			
Salaries	920	-	(920)
Purchased services	83,081	12,810	(70,271)
Supplies and materials	85,000	46,543	(38,457)
Total pupil transportation services	169,001	59,353	(109,648)
Food services			
Salaries	795,926	840,744	44,818
Employee benefits	150,851	153,806	2,955
Purchased services	34,390	26,818	(7,572)
Supplies and materials	1,399,300	1,011,944	(387,356)
Capital outlay	159,064	209,177	50,113
Other objects	2,000	8,135	6,135
Non-capitalized equipment	-	1,950	1,950
Termination benefits	7,000	4,960	(2,040)
Total food service	2,548,531	2,257,534	(290,997)
Internal services			
Salaries	78,810	75,404	(3,406)
Employee benefits	21,605	21,050	(555)
Purchased services	10,000	1,722	(8,278)
Supplies and materials	451	432	(19)
Total internal services	110,866	98,608	(12,258)
Total business	3,804,443	4,688,945	884,502
Central			
Planning, research, development and evaluation services			
Salaries	18,037	5,761	(12,276)
Employee benefits	4,074	1,207	(2,867)
Purchased services	11,000	20,834	9,834
Supplies and materials	974	-	(974)
Total planning, research, development and evaluation services	34,085	27,802	(6,283)

(This schedule is continued on the following pages.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Central (Continued)			
Information services			
Salaries	\$ 82,643	\$ 84,429	\$ 1,786
Employee benefits	12,008	23,135	11,127
Purchased services	7,000	2,651	(4,349)
Supplies and materials	3,500	679	(2,821)
Other objects	8,000	10,544	2,544
Total information services	<u>113,151</u>	<u>121,438</u>	<u>8,287</u>
Staff services			
Salaries	247,591	231,093	(16,498)
Employee benefits	78,207	74,696	(3,511)
Purchased services	59,154	47,161	(11,993)
Supplies and materials	20,000	8,642	(11,358)
Other objects	2,500	1,486	(1,014)
Total staff services	<u>407,452</u>	<u>363,078</u>	<u>(44,374)</u>
Data processing services			
Purchased services	145,000	143,320	(1,680)
Total data processing services	<u>145,000</u>	<u>143,320</u>	<u>(1,680)</u>
Total central	<u>699,688</u>	<u>655,638</u>	<u>(44,050)</u>
Other support services			
Salaries	98,062	56,031	(42,031)
Employee benefits	29,036	3,011	(26,025)
Purchased services	2,300	1,651	(649)
Supplies and materials	700	-	(700)
Termination benefits	-	3,260	3,260
Total other support services	<u>130,098</u>	<u>63,953</u>	<u>(66,145)</u>
Total support services	<u>19,328,597</u>	<u>18,449,310</u>	<u>(879,287)</u>
Community services			
Salaries	58,246	34,040	(24,206)
Employee benefits	29,536	2,841	(26,695)
Purchased services	89,298	40,212	(49,086)
Supplies and materials	352,546	90,791	(261,755)
Capital outlay	23,487	22,570	(917)
Other objects	275	-	(275)
Noncapitalized equipment	648	-	(648)
Total community services	<u>554,036</u>	<u>190,454</u>	<u>(363,582)</u>

(This schedule is continued on the following pages.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Payments to other districts and governmental units			
Payments for regular programs			
Purchased services	\$ 201,653	\$ 92,591	\$ (109,062)
Total payments for regular programs	201,653	92,591	(109,062)
Payments for special education programs			
Purchased services	272,629	381,409	108,780
Total payments for special education programs	272,629	381,409	108,780
Payments for CTE programs			
Purchased services	130,000	120,557	(9,443)
Total payments for CTE programs	130,000	120,557	(9,443)
Payments for regular programs - tuition			
Other objects	3,000	2,880	(120)
Total payments for regular programs - tuition	3,000	2,880	(120)
Payments for CTE programs - tuition			
Other objects	225,000	164,092	(60,908)
Total payments for CTE programs - tuition	225,000	164,092	(60,908)
Total payments to other districts and governmental units	832,282	761,529	(70,753)
Total expenditures	48,114,590	47,758,241	(356,349)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(95,948)	(540,620)	(444,672)
OTHER FINANCING SOURCES (USES)			
Issuance of bonds	-	14,215,000	14,215,000
Issuance of refunding bonds	-	4,380,000	4,380,000
Premium on bonds sold	-	1,543,901	1,543,901
Payment to escrow agent	-	(8,173,143)	(8,173,143)
Proceeds from sale of asset	3,000	9,762	6,762
Total other financing sources (uses)	3,000	11,975,520	11,972,520
NET CHANGE IN FUND BALANCE (BUDGETARY BASIS)	\$ (92,948)	11,434,900	\$ 11,527,848

(This schedule is continued on the following page.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
ADJUSTMENTS TO GAAP BASIS			
On-behalf revenues		\$ 10,834,337	
On-behalf expenditures		<u>(10,834,337)</u>	
NET CHANGE IN FUND BALANCE (GAAP BASIS)		<u>11,434,900</u>	
FUND BALANCE, JULY 1		5,797,316	
Change in accounting principle		<u>398,181</u>	
FUND BALANCE, JULY 1, AS RESTATED		<u>6,195,497</u>	
FUND BALANCE, JUNE 30		<u><u>\$ 17,630,397</u></u>	

(See independent auditor's report.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Seven Fiscal Years

FISCAL YEAR ENDED JUNE 30,	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 705,124	\$ 681,593	\$ 588,066	\$ 542,470	\$ 583,668	\$ 608,874	\$ 663,942
Contributions in relation to the actuarially determined contribution	705,124	681,593	588,066	542,470	583,668	608,874	663,942
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 7,462,396	\$ 7,557,360	\$ 7,596,749	\$ 7,917,509	\$ 8,384,238	\$ 8,890,268	\$ 8,785,019
Contributions as a percentage of covered payroll	9.45%	9.02%	7.74%	6.85%	6.96%	6.85%	7.56%

Notes to Required Supplemental Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 23 years until the remaining period reaches ten years (then ten-year rolling period); the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and price inflation of 2.50%.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Last Seven Fiscal Years

FISCAL YEAR ENDED JUNE 30,	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 385,616	\$ 381,125	\$ 360,605	\$ 194,002	\$ 185,853	\$ 209,053	\$ 207,503
Contributions in relation to the actuarially determined contribution	385,616	381,125	360,605	194,002	185,853	209,053	207,503
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 21,620,966	\$ 22,103,212	\$ 21,679,362	\$ 22,200,271	\$ 23,058,737	\$ 23,705,761	\$ 23,709,569
Contributions as a percentage of covered payroll	1.78%	1.72%	1.66%	0.87%	0.81%	0.88%	0.88%

Notes to Required Supplemental Information

Changes of assumptions: For the 2020-2016 measurement years, the assumed investment rate of return was 7.00%, including an inflation rate of 2.50% and a real return of 4.50%. Salary increases were assumed to vary by service credit and were consistent in 2019 and 2020. For the 2015 measurement year, the assumed investment rate of return was 7.50%, including an inflation rate of 3.00% and a real return of 4.50%. 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 ended June 30, 2014.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' HEALTH INSURANCE SECURITY FUND**

Last Four Fiscal Years

FISCAL YEAR ENDED JUNE 30,	2018	2019	2020	2021
Statutorily required contribution	\$ 195,362	\$ 212,140	\$ 218,093	\$ 218,128
Contributions in relation to the statutorily required contribution	195,362	212,140	218,093	218,128
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 22,200,271	\$ 23,058,737	\$ 23,705,761	\$ 23,709,569
Contributions as a percentage of covered payroll	0.88%	0.92%	0.92%	0.92%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

(See independent auditor's report.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Seven Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020
TOTAL PENSION LIABILITY							
Service cost	\$ 926,410	\$ 868,864	\$ 834,137	\$ 828,431	\$ 799,652	\$ 893,974	\$ 910,563
Interest	2,337,811	2,528,857	1,071,526	2,588,020	2,630,530	2,747,095	2,879,266
Differences between expected and actual experience	(379,614)	(21,134,709)	20,061,513	161,968	319,803	243,545	(472,531)
Changes in assumptions	1,313,621	-	-	(1,161,970)	1,016,757	-	(448,708)
Benefit payments, including refunds of member contributions	(1,584,431)	(1,659,913)	(1,693,555)	(1,795,256)	(1,875,261)	(2,118,077)	(2,021,638)
Net change in total pension liability	2,613,797	(19,396,901)	20,273,621	621,193	2,891,481	1,766,537	846,952
Total pension liability - beginning	31,499,824	34,113,621	14,716,720	34,990,341	35,611,534	38,503,015	40,269,552
TOTAL PENSION LIABILITY - ENDING	\$ 34,113,621	\$ 14,716,720	\$ 34,990,341	\$ 35,611,534	\$ 38,503,015	\$ 40,269,552	\$ 41,116,504
PLAN FIDUCIARY NET POSITION							
Contributions - employer	\$ 732,687	\$ 714,851	\$ 669,916	\$ 518,016	\$ 581,578	\$ 585,807	\$ 631,768
Contributions - member	352,925	350,800	339,561	348,442	373,869	396,121	403,443
Net investment income	2,020,857	172,259	1,106,726	6,317,235	(2,101,767)	6,591,885	5,832,982
Benefit payments, including refunds of member contributions	(1,584,431)	(1,659,913)	(1,693,555)	(1,795,256)	(1,875,261)	(2,118,077)	(2,021,638)
Other (net transfer)	(151,333)	(19,006,494)	19,411,783	(3,009,891)	429,286	168,924	(418,292)
Net change in plan fiduciary net position	1,370,705	(19,428,497)	19,834,431	2,378,546	(2,592,295)	5,624,660	4,428,263
Plan fiduciary net position - beginning	33,378,209	34,748,914	15,320,417	35,154,848	37,533,394	34,941,099	40,565,759
PLAN FIDUCIARY NET POSITION - ENDING	\$ 34,748,914	\$ 15,320,417	\$ 35,154,848	\$ 37,533,394	\$ 34,941,099	\$ 40,565,759	\$ 44,994,022
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ (635,293)	\$ (603,697)	\$ (164,507)	\$ (1,921,860)	\$ 3,561,916	\$ (296,207)	\$ (3,877,518)

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020
Plan fiduciary net position as a percentage of the total pension liability	101.86%	104.10%	100.47%	105.40%	90.75%	100.74%	109.43%
Covered payroll	\$ 7,564,434	\$ 7,795,546	\$ 7,541,109	\$ 7,743,132	\$ 8,307,769	\$ 8,802,712	\$ 8,811,270
Employer's net pension liability (asset) as a percentage of covered payroll	(8.40%)	(7.74%)	(2.18%)	(24.82%)	42.87%	(3.36%)	(44.01%)

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY AND RELATED RATIOS
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Last Seven Fiscal Years

MEASUREMENT DATE JUNE 30,	2014	2015	2016	2017	2018	2019	2020
District's proportion of the net pension liability	0.010021%	0.011022%	0.009842%	0.008753%	0.003099%	0.002953%	0.002820%
District's proportionate share of the net pension liability	\$ 6,098,647	\$ 7,220,538	\$ 7,768,915	\$ 6,687,028	\$ 2,415,531	\$ 2,395,217	\$ 2,431,656
State's proportionate share of the net pension liability associated with the District	136,629,915	139,996,613	175,481,832	160,529,209	165,473,979	170,464,973	190,459,966
TOTAL	\$ 142,728,562	\$ 147,217,151	\$ 183,250,747	\$ 167,216,237	\$ 167,889,510	\$ 172,860,190	\$ 192,891,622
District's covered payroll	\$ 22,140,217	\$ 21,620,966	\$ 22,103,212	\$ 21,679,362	\$ 22,200,271	\$ 23,058,737	\$ 23,705,761
District's proportionate share of the net pension liability associated with the employer as a percentage of its covered payroll	644.66%	680.90%	829.07%	771.32%	756.25%	749.65%	813.69%
Plan fiduciary net position as a percentage of the total pension liability	42.95%	41.50%	36.40%	39.30%	40.00%	39.60%	37.80%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Two Fiscal Years

MEASUREMENT DATE JUNE 30,	2020	2021
TOTAL OPEB LIABILITY		
Service cost	\$ 36,144	\$ 36,868
Interest	12,329	13,010
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions	3,147	17,900
Benefit payments	-	(9,507)
Other changes	332	-
Net change in total OPEB liability	51,952	58,271
Total OPEB liability - beginning	441,901	493,853
TOTAL OPEB LIABILITY - ENDING	\$ 493,853	\$ 552,124
Covered payroll	\$ 7,010,000	\$ 7,010,000
Employer's total OPEB liability as a percentage of covered payroll	7.04%	7.88%

There were changes in assumptions related to the discount rate made in 2020 and 2021.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available. The District implemented GASB 75 in fiscal year ended June 30, 2020.

(See independent auditor's report.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
COLLECTIVE NET OPEB LIABILITY AND RELATED RATIOS
TEACHERS' HEALTH INSURANCE SECURITY FUND

Last Four Fiscal Years

MEASUREMENT DATE JUNE 30,	2017	2018	2019	2020
District's proportion of the collective net OPEB liability	0.094254%	0.093645%	0.093812%	0.093711%
District's proportionate share of the collective net OPEB liability	\$ 24,458,465	\$ 24,671,518	\$ 25,964,703	\$ 25,054,571
State's proportionate share of the collective net OPEB liability associated with the District	32,120,042	33,128,610	35,159,443	33,942,046
TOTAL	\$ 56,578,507	\$ 57,800,128	\$ 61,124,146	\$ 58,996,617
Plan's fiduciary net position as a percentage of the total pension liability	(0.17%)	(0.07%)	0.25%	0.70%
District's covered payroll	\$ 21,679,362	\$ 22,200,271	\$ 23,058,737	\$ 23,705,761
Proportionate of the collective net OPEB liability associated with employer as a percentage of its covered payroll	260.98%	260.36%	265.08%	248.87%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented or as many years as is available.

(See independent auditor's report.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2021

1. BUDGETS AND BUDGETARY ACCOUNTING

The District follows procedures mandated by Illinois State law and the District's board policy to establish the budgetary data reflected in its financial statements. The modified accrual basis budgeted amounts in this report are the result of full compliance with the following procedures:

For each fund, total fund expenditures may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

The District follows these procedures in establishing the budgetary data reflected in the financial report:

- a. Annually the Superintendent submits to the Board a proposed operating budget for the fiscal year commencing on July 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted at a public meeting to obtain taxpayer comments after the proposed budget has been made available to the public for a 30-day period.
- c. Prior to September 30, the budget is legally adopted through passage of resolution.
- d. Legal spending control for District monies is at the fund level, but management control is exercised at budgetary line item levels within each fund. The Board of Education may amend the budget after it is approved using the same procedures necessary to approve the original budget. The Board also authorizes transfers between the various budgetary line items in any fund, not exceeding, in the aggregate, 10% of the total amount budgeted for such fund. There were no amendments or authorized transfers to the original budget.

SUPPLEMENTARY INFORMATION

MAJOR GOVERNMENTAL FUNDS

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

COMBINING BALANCE SHEET
GENERAL FUND - BY ACCOUNT

June 30, 2021

	Educational Accounts	Working Cash Accounts	Total
ASSETS			
Cash	\$ 18,520	\$ 11,957,860	\$ 11,976,380
Investments	-	65,518	65,518
Receivables			
Property taxes, net	14,932,418	146,029	15,078,447
Intergovernmental	3,188,632	-	3,188,632
Inventory	15,000	-	15,000
Prepaid items	2,432	-	2,432
Other assets	6,453	-	6,453
Advances to other funds	687,480	-	687,480
	\$ 18,850,935	\$ 12,169,407	\$ 31,020,342
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 953,019	\$ -	\$ 953,019
Salaries and wages payable	3,923,348	-	3,923,348
Unearned revenue	242,803	-	242,803
	5,119,170	-	5,119,170
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	731,552	-	731,552
Property taxes levied for subsequent years	7,466,209	73,014	7,539,223
	8,197,761	73,014	8,270,775
FUND BALANCES			
Nonspendable	704,912	-	704,912
Assigned for future years' budget	8,878	-	8,878
Assigned for working cash	-	12,096,393	12,096,393
Unassigned	4,820,214	-	4,820,214
	5,534,004	12,096,393	17,630,397
	\$ 18,850,935	\$ 12,169,407	\$ 31,020,342

(See independent auditor's report.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GENERAL FUND - BY ACCOUNT

For the Year Ended June 30, 2021

	Educational Accounts	Working Cash Accounts	Total
REVENUES			
Property taxes	\$ 14,731,424	\$ 123,000	\$ 14,854,424
State aid	33,981,786	-	33,981,786
Federal aid	8,082,573	-	8,082,573
Investment income	898	531	1,429
Other	1,131,434	312	1,131,746
	<hr/>		
Total revenues	57,928,115	123,843	58,051,958
EXPENDITURES			
Current			
Instruction			
Regular programs	21,578,117	-	21,578,117
Pre-K programs	769,596	-	769,596
Special programs	6,852,783	-	6,852,783
Other instructional programs	6,316,578	-	6,316,578
Support services			
Pupils	5,046,994	-	5,046,994
Instructional staff	4,852,452	-	4,852,452
General administration	1,241,192	-	1,241,192
School administration	5,380,547	-	5,380,547
Business	3,853,667	483,068	4,336,735
Central	749,281	-	749,281
Other support services	63,953	-	63,953
Community services	181,678	-	181,678
Intergovernmental	761,529	-	761,529
Capital outlay	461,143	-	461,143
	<hr/>		
Total expenditures	58,109,510	-	58,592,578
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	(181,395)	123,843	(540,620)
OTHER FINANCING SOURCES (USES)			
Issuance of bonds	-	14,215,000	14,215,000
Issuance of refunding bonds	-	4,380,000	4,380,000
Premium on bonds sold	-	1,543,901	1,543,901
Payment to escrow agent	-	(8,173,143)	(8,173,143)
Proceeds from sale of asset	9,762	-	9,762
	<hr/>		
Total other financing sources (uses)	9,762	11,965,758	11,975,520
NET CHANGE IN FUND BALANCES			
	(171,633)	12,089,601	11,434,900
<hr/>			
FUND BALANCES, JULY 1	5,307,456	489,860	5,797,316
	<hr/>		
Change in accounting principle	398,181	-	398,181
<hr/>			
FUND BALANCES, JULY 1, AS RESTATED	5,705,637	489,860	6,195,497
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FUND BALANCES, JUNE 30	\$ 5,534,004	\$ 12,579,461	\$ 17,630,397

(See independent auditor's report.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Educational property taxes	\$ 12,070,000	\$ 12,238,296	\$ 168,296
Leasing property taxes	150,025	149,985	(40)
Special education property taxes	2,316,000	2,343,143	27,143
Mobile home privilege tax	27,000	24,163	(2,837)
Summer school tuition from pupils or parents	1,000	-	(1,000)
CTE tuition from other districts	25,000	18,700	(6,300)
Special education - tuition from other districts	130,000	-	(130,000)
Interest on investments	57,000	898	(56,102)
Sales to pupils - lunch	-	(856)	(856)
Sales to pupils - breakfast	1,000	-	(1,000)
Sales to pupils - a la carte	10,000	-	(10,000)
Sales to adults	5,000	1,257	(3,743)
Other food service	98,000	34,375	(63,625)
Admission - athletics	35,500	14,280	(21,220)
Student activity fund revenues	130,000	916,313	786,313
Sales - regular textbooks	3,000	816	(2,184)
Donations	2,000	8,005	6,005
Driver's education fees	9,000	10,325	1,325
Refund of prior years expenditures	-	25,937	25,937
Payment of surplus moneys from TIF districts	44,400	45,297	897
Proceeds from vendors' contracts	5,200	4,191	(1,009)
Other local fees	18,000	28,631	10,631
Total local sources	15,137,125	15,863,756	726,631
State sources			
Evidence based funding formula	21,511,115	21,998,712	487,597
Special education - private facility tuition	360,000	264,257	(95,743)
Special education - orphanage - individual	139,000	254,756	115,756
Special education - orphanage - summer individual	10,000	37,845	27,845
CTE - secondary program improvement (CTEI)	500	1,315	815
CTE - agriculture education	8,611	10,216	1,605
State free lunch and breakfast	31,900	11,403	(20,497)
Driver's education	35,000	20,267	(14,733)
Early childhood - block grant	450,000	393,100	(56,900)
Other restricted revenue from state sources	240,459	155,578	(84,881)
Total state sources	22,786,585	23,147,449	360,864
Federal sources			
Other restricted grants-in-aid received directly from federal government	82,000	83,297	1,297
Title V - Rural education initiative (REI)	78,360	78,358	(2)
National school lunch program	1,593,000	-	(1,593,000)
School breakfast program	415,000	-	(415,000)
Summer food service program	185,000	1,440,795	1,255,795
Food service - other	-	109,997	109,997
Title I - low income	3,194,322	2,159,109	(1,035,213)

(This schedule is continued on the following pages.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES (Continued)			
Federal sources (Continued)			
Title I - other	\$ 629,270	\$ 324,163	\$ (305,107)
Federal special education - preschool flow-through	57,907	37,455	(20,452)
Federal special education - IDEA flow-through	1,131,380	1,202,957	71,577
Federal special education - IDEA - room and board	86,880	-	(86,880)
CTE - other	5,600	395	(5,205)
Title III - immigrant education program (IEP)	1,672	1,672	-
Title III - language inst program - limited eng (LIPLP)	48,190	23,224	(24,966)
Title II - teacher quality	254,128	217,135	(36,993)
Medicaid matching funds - administrative outreach	135,000	161,110	26,110
Medicaid matching funds - fee-for-service program	340,000	129,472	(210,528)
Other restricted revenues from federal sources	1,753,526	2,113,434	359,908
	<hr/>	<hr/>	<hr/>
Total federal sources	9,991,235	8,082,573	(1,908,662)
	<hr/>	<hr/>	<hr/>
Total revenues	47,914,945	47,093,778	(821,167)
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Instruction			
Regular programs			
Salaries	10,957,415	11,665,379	707,964
Employee benefits	3,243,335	3,189,550	(53,785)
Purchased services	347,730	185,731	(161,999)
Supplies and materials	1,428,861	1,699,158	270,297
Capital outlay	170,000	6,288	(163,712)
Noncapitalized equipment	83,500	99,427	15,927
Termination benefits	13,000	11,838	(1,162)
	<hr/>	<hr/>	<hr/>
Total regular programs	16,243,841	16,857,371	613,530
	<hr/>	<hr/>	<hr/>
Pre-K programs			
Salaries	461,541	428,315	(33,226)
Employee benefits	158,548	121,817	(36,731)
Supplies and materials	38,112	36,290	(1,822)
Capital outlay	-	9,613	9,613
	<hr/>	<hr/>	<hr/>
Total Pre-K programs	658,201	596,035	(62,166)
	<hr/>	<hr/>	<hr/>
Special education programs			
Salaries	3,384,574	3,117,137	(267,437)
Employee benefits	1,021,741	717,455	(304,286)
Purchased services	8,000	13,710	5,710
Supplies and materials	40,800	40,537	(263)
Capital outlay	3,000	7,196	4,196
Termination benefits	5,000	1,020	(3,980)
	<hr/>	<hr/>	<hr/>
Total special education programs	4,463,115	3,897,055	(566,060)
	<hr/>	<hr/>	<hr/>

(This schedule is continued on the following pages.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Instruction (Continued)			
Special education programs pre-k			
Salaries	\$ 31,156	\$ 39,403	\$ 8,247
Employee benefits	-	254	254
Supplies and materials	5,000	808	(4,192)
Capital outlay	5,000	-	(5,000)
Total special education programs	41,156	40,465	(691)
Remedial and supplemental programs K-12			
Salaries	627,431	396,800	(230,631)
Employee benefits	148,013	99,125	(48,888)
Purchased services	380,925	336,261	(44,664)
Supplies and materials	813,222	645,765	(167,457)
Noncapitalized equipment	9,555	5,498	(4,057)
Total remedial and supplemental programs K-12	1,979,146	1,483,449	(495,697)
CTE programs			
Salaries	447,561	452,728	5,167
Employee benefits	149,931	138,980	(10,951)
Purchased services	2,035	72	(1,963)
Supplies and materials	17,709	8,992	(8,717)
Capital outlay	1,139	724	(415)
Other objects	-	300	300
Noncapitalized equipment	4,775	2,400	(2,375)
Total CTE programs	623,150	604,196	(18,954)
Interscholastic programs			
Salaries	495,882	493,485	(2,397)
Employee benefits	33,463	35,771	2,308
Purchased services	67,843	24,547	(43,296)
Supplies and materials	71,393	67,513	(3,880)
Other objects	1,870	1,500	(370)
Total interscholastic programs	670,451	622,816	(47,635)
Summer school programs			
Salaries	184,512	204,528	20,016
Employee benefits	25,312	33,795	8,483
Supplies and materials	60,658	63,825	3,167
Total summer school programs	270,482	302,148	31,666
Gifted programs			
Salaries	373,233	376,110	2,877
Employee benefits	83,560	83,562	2
Total gifted programs	456,793	459,672	2,879

(This schedule is continued on the following pages.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Instruction (Continued)			
Driver's education programs			
Salaries	\$ 101,824	\$ 112,846	\$ 11,022
Employee benefits	28,244	24,991	(3,253)
Purchased services	1,000	493	(507)
Supplies and materials	1,800	772	(1,028)
Capital outlay	-	22,776	22,776
Total driver's education programs	<u>132,868</u>	<u>161,878</u>	<u>29,010</u>
Bilingual programs			
Salaries	507,970	498,028	(9,942)
Employee benefits	98,846	121,214	22,368
Purchased services	1,413	903	(510)
Supplies and materials	21,783	12,454	(9,329)
Total bilingual programs	<u>630,012</u>	<u>632,599</u>	<u>2,587</u>
Truant alternative & optional programs			
Employee benefits	40,960	49,712	8,752
Purchased services	240,000	251,467	11,467
Supplies and materials	9,500	9,384	(116)
Total truant alternative and optional programs	<u>290,460</u>	<u>310,563</u>	<u>20,103</u>
Special education programs K-12 private tuition			
Other objects	800,000	1,492,191	692,191
Total special education programs K-12 private tuition	<u>800,000</u>	<u>1,492,191</u>	<u>692,191</u>
Remedial/supplemental programs K-12 private tuition			
Other objects	10,000	7,658	(2,342)
Total remedial/supplemental programs K-12 private tuition	<u>10,000</u>	<u>7,658</u>	<u>(2,342)</u>
Student activity fund expenditures			
Other objects	130,000	888,852	758,852
Total instruction	<u>27,399,675</u>	<u>28,356,948</u>	<u>957,273</u>
Support services			
Pupils			
Attendance and social work services			
Salaries	767,583	786,962	19,379
Employee benefits	263,032	185,591	(77,441)
Purchased services	700	43,212	42,512
Supplies and materials	9,000	5,263	(3,737)
Termination benefits	1,850	1,850	-
Total attendance and social work services	<u>1,042,165</u>	<u>1,022,878</u>	<u>(19,287)</u>

(This schedule is continued on the following pages.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Pupils (Continued)			
Guidance services			
Salaries	\$ 700,987	\$ 665,752	\$ (35,235)
Employee benefits	187,248	174,470	(12,778)
Purchased services	49,600	17,696	(31,904)
Supplies and materials	3,000	347	(2,653)
Total guidance services	940,835	858,265	(82,570)
Health services			
Salaries	620,099	609,861	(10,238)
Employee benefits	140,577	130,975	(9,602)
Purchased services	17,200	577	(16,623)
Supplies and materials	30,067	18,708	(11,359)
Total health services	807,943	760,121	(47,822)
Psychological services			
Salaries	277,254	276,142	(1,112)
Employee benefits	52,145	50,886	(1,259)
Purchased services	3,400	613	(2,787)
Supplies and materials	5,000	6,419	1,419
Total psychological services	337,799	334,060	(3,739)
Speech pathology and audiology services			
Salaries	526,283	561,353	35,070
Employee benefits	122,636	134,850	12,214
Purchased services	5,000	791	(4,209)
Supplies and materials	5,000	1,645	(3,355)
Total speech pathology and audiology services	658,919	698,639	39,720
Other support services - pupils			
Salaries	148,217	118,427	(29,790)
Employee benefits	32,527	31,451	(1,076)
Other objects	86,880	-	(86,880)
Total other support services - pupils	267,624	149,878	(117,746)
Total pupils	4,055,285	3,823,841	(231,444)
Instructional staff			
Improvement of instructional services			
Salaries	1,655,429	1,112,945	(542,484)
Employee benefits	546,028	395,340	(150,688)
Purchased services	446,851	271,548	(175,303)

(This schedule is continued on the following pages.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Instructional staff (Continued)			
Improvement of instructional services (Continued)			
Supplies and materials	\$ 95,146	\$ 45,291	\$ (49,855)
Other objects	4,881	3,074	(1,807)
Termination benefits	14,576	19,607	5,031
Total improvement of instructional services	2,762,911	1,847,805	(915,106)
Educational media services			
Salaries	801,988	825,390	23,402
Employee benefits	168,395	178,193	9,798
Purchased services	789,250	674,558	(114,692)
Supplies and materials	355,142	337,746	(17,396)
Capital outlay	45,000	39,766	(5,234)
Non-capitalized equipment	320,565	35,158	(285,407)
Termination benefits	-	16,310	16,310
Total educational media services	2,480,340	2,107,121	(373,219)
Assessment and testing			
Salaries	56,266	44,650	(11,616)
Employee benefits	20,000	17,539	(2,461)
Purchased services	98,908	63,602	(35,306)
Supplies and materials	17,250	7,958	(9,292)
Total assessment and testing	192,424	133,749	(58,675)
Total instructional staff	5,435,675	4,088,675	(1,347,000)
General administration			
Board of Education services			
Salaries	3,090	3,090	-
Employee benefits	25,700	28,097	2,397
Purchased services	167,292	92,068	(75,224)
Supplies and materials	1,500	1,766	266
Other objects	17,000	16,901	(99)
Total Board of Education services	214,582	141,922	(72,660)
Executive administration services			
Salaries	264,883	270,455	5,572
Employee benefits	46,475	48,947	2,472
Purchased services	7,550	1,776	(5,774)
Supplies and materials	8,714	6,789	(1,925)
Other objects	9,600	4,879	(4,721)
Total executive administration services	337,222	332,846	(4,376)

(This schedule is continued on the following pages.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
General administration (Continued)			
Special area administration services			
Salaries	\$ 322,996	\$ 365,254	\$ 42,258
Employee benefits	85,297	89,417	4,120
Purchased services	38,875	14,933	(23,942)
Supplies and materials	26,105	35,880	9,775
Other objects	450	-	(450)
Termination benefits	3,000	2,086	(914)
Total special area administration services	476,723	507,570	30,847
Total general administration	1,028,527	982,338	(46,189)
School administration			
Office of the principal services			
Salaries	2,256,398	2,196,919	(59,479)
Employee benefits	694,686	686,467	(8,219)
Purchased services	48,485	40,085	(8,400)
Supplies and materials	109,750	115,033	5,283
Other objects	6,979	4,293	(2,686)
Termination benefits	18,498	14,497	(4,001)
Total office of the principal services	3,134,796	3,057,294	(77,502)
Other support services - school administration			
Salaries	814,864	849,894	35,030
Employee benefits	220,721	234,581	13,860
Supplies and materials	4,500	4,151	(349)
Total support services - school administration	1,040,085	1,088,626	48,541
Total school administration	4,174,881	4,145,920	(28,961)
Business			
Direction of business support services			
Salaries	181,184	181,183	(1)
Employee benefits	43,690	53,688	9,998
Purchased services	161,000	152,155	(8,845)
Supplies and materials	2,000	2,000	-
Other objects	23,450	22,791	(659)
Total direction of business support services	411,324	411,817	493
Operation and maintenance of plant services			
Purchased services	-	606,955	606,955
Supplies and materials	318,070	404,238	86,168
Capital outlay	-	143,033	143,033
Total operation and maintenance of plant services	318,070	1,154,226	836,156

(This schedule is continued on the following pages.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Business (Continued)			
Fiscal services			
Salaries	\$ 149,106	\$ 147,105	\$ (2,001)
Employee benefits	85,815	88,574	2,759
Purchased services	9,010	3,471	(5,539)
Supplies and materials	2,720	(14,811)	(17,531)
Total fiscal services	246,651	224,339	(22,312)
Pupil transportation services			
Salaries	920	-	(920)
Purchased services	83,081	12,810	(70,271)
Supplies and materials	85,000	46,543	(38,457)
Total pupil transportation services	169,001	59,353	(109,648)
Food services			
Salaries	795,926	840,744	44,818
Employee benefits	150,851	153,806	2,955
Purchased services	34,390	26,818	(7,572)
Supplies and materials	1,399,300	1,011,944	(387,356)
Capital outlay	159,064	209,177	50,113
Other objects	2,000	8,135	6,135
Non-capitalized equipment	-	1,950	1,950
Termination benefits	7,000	4,960	(2,040)
Total food service	2,548,531	2,257,534	(290,997)
Internal services			
Salaries	78,810	75,404	(3,406)
Employee benefits	21,605	21,050	(555)
Purchased services	10,000	1,722	(8,278)
Supplies and materials	451	432	(19)
Total internal services	110,866	98,608	(12,258)
Total business	3,804,443	4,205,877	401,434
Central			
Planning, research, development and evaluation services			
Salaries	18,037	5,761	(12,276)
Employee benefits	4,074	1,207	(2,867)
Purchased services	11,000	20,834	9,834
Supplies and materials	974	-	(974)
Total planning, research, development and evaluation services	34,085	27,802	(6,283)

(This schedule is continued on the following pages.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support Services (Continued)			
Central (Continued)			
Information services			
Salaries	\$ 82,643	\$ 84,429	\$ 1,786
Employee benefits	12,008	23,135	11,127
Purchased services	7,000	2,651	(4,349)
Supplies and materials	3,500	679	(2,821)
Other objects	8,000	10,544	2,544
Total information services	113,151	121,438	8,287
Staff services			
Salaries	247,591	231,093	(16,498)
Employee benefits	78,207	74,696	(3,511)
Purchased services	59,154	47,161	(11,993)
Supplies and materials	20,000	8,642	(11,358)
Other objects	2,500	1,486	(1,014)
Total staff services	407,452	363,078	(44,374)
Data processing services			
Purchased services	145,000	143,320	(1,680.00)
Total data processing services	145,000	143,320	(1,680.00)
Total central	699,688	655,638	(44,050)
Other support services			
Salaries	98,062	56,031	(42,031)
Employee benefits	29,036	3,011	(26,025)
Purchased services	2,300	1,651	(649)
Supplies and materials	700	-	(700)
Termination benefits	-	3,260	3,260
Total other support services	130,098	63,953	(66,145)
Total support services	19,328,597	17,966,242	(1,362,355)
Community services			
Salaries	58,246	34,040	(24,206)
Employee benefits	29,536	2,841	(26,695)
Purchased services	89,298	40,212	(49,086)
Supplies and materials	352,546	90,791	(261,755)
Capital outlay	23,487	22,570	(917)
Other objects	275	-	(275)
Noncapitalized equipment	648	-	(648)
Total community services	554,036	190,454	(363,582)

(This schedule is continued on the following page.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS (Continued)
EDUCATIONAL ACCOUNTS

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Payments to other districts and governmental units			
Payments for regular programs			
Purchased services	\$ 201,653	\$ 92,591	\$ (109,062)
Total payments for regular programs	<u>201,653</u>	<u>92,591</u>	<u>(109,062)</u>
Payments for special education programs			
Purchased services	272,629	381,409	108,780
Total payments for special education programs	<u>272,629</u>	<u>381,409</u>	<u>108,780</u>
Payments for CTE programs			
Purchased services	130,000	120,557	(9,443)
Total payments for CTE programs	<u>130,000</u>	<u>120,557</u>	<u>(9,443)</u>
Payments for regular programs - tuition			
Other objects	3,000	2,880	(120)
Total payments for regular programs - tuition	<u>3,000</u>	<u>2,880</u>	<u>(120)</u>
Payments for CTE programs - tuition			
Other objects	225,000	164,092	(60,908)
Total payments for CTE programs - tuition	<u>225,000</u>	<u>164,092</u>	<u>(60,908)</u>
Total payments to other districts and governmental units	<u>832,282</u>	<u>761,529</u>	<u>(70,753)</u>
Total expenditures	<u>48,114,590</u>	<u>47,275,173</u>	<u>(839,417)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(199,645)</u>	<u>(181,395)</u>	<u>18,250</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of asset	3,000	9,762	6,762
Total other financing sources (uses)	<u>3,000</u>	<u>9,762</u>	<u>6,762</u>
NET CHANGE IN FUND BALANCE (BUDGETARY BASIS)	<u>\$ (196,645)</u>	<u>(171,633)</u>	<u>\$ 25,012</u>
ADJUSTMENTS TO GAAP BASIS			
On-behalf revenues		10,834,337	
On-behalf expenditures		<u>(10,834,337)</u>	
NET CHANGE IN FUND BALANCE (GAAP BASIS)		<u>(171,633)</u>	
FUND BALANCE, JULY 1		5,307,456	
Change in accounting principle		<u>398,181</u>	
FUND BALANCE, JULY 1, AS RESTATED		<u>5,705,637</u>	
FUND BALANCE, JUNE 30		<u>\$ 5,534,004</u>	

(See independent auditor's report.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 WORKING CASH ACCOUNTS

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 100,027	\$ 123,000	\$ 22,973
Interest on investments	3,200	531	(2,669)
Payments of surplus moneys from TIF districts	470	312	(158)
Total local sources	103,697	123,843	20,146
Total revenues	103,697	123,843	20,146
EXPENDITURES			
Current			
Business			
Bond issuance costs	-	483,068	483,068
Total expenditures	-	483,068	483,068
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	103,697	(359,225)	(462,922)
OTHER FINANCING SOURCES (USES)			
Issuance of bonds	-	14,215,000	14,215,000
Issuance of refunding bonds	-	4,380,000	4,380,000
Premium on bonds sold	-	1,543,901	1,543,901
Payment to escrow agent	-	(8,173,143)	(8,173,143)
Total other financing sources (uses)	-	11,965,758	11,965,758
NET CHANGE IN FUND BALANCE	\$ 103,697	11,606,533	\$ 11,502,836
FUND BALANCE, JULY 1		489,860	
FUND BALANCE, JUNE 30		\$ 12,096,393	

(See independent auditor's report.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (under)
REVENUES			
Local sources			
Property taxes	\$ 2,269,000	\$ 2,309,042	\$ 40,042
Corporate personal property replacement taxes	1,672,000	2,141,276	469,276
Interest on investments	81,000	16,946	(64,054)
Rentals	37,800	40,294	2,494
Payment of surplus moneys from TIF districts	6,500	7,070	570
Other local revenues	-	28,818	28,818
Total local sources	<u>4,066,300</u>	<u>4,543,446</u>	<u>477,146</u>
State sources			
Evidence based funding formula	900,000	900,000	-
Other restricted revenue from state sources	50,000	50,000	-
Total state sources	<u>950,000</u>	<u>950,000</u>	<u>-</u>
Federal sources			
Other restricted revenue from federal sources	-	20,015	20,015
Total federal sources	<u>-</u>	<u>20,015</u>	<u>20,015</u>
Total revenues	<u>5,016,300</u>	<u>5,513,461</u>	<u>497,161</u>
EXPENDITURES			
Support services			
Business			
Direction of business support services			
Other objects	2,000	1,735	(265)
Total direction of business support services	<u>2,000</u>	<u>1,735</u>	<u>(265)</u>
Facilities acquisition and construction services			
Capital outlay	50,000	-	(50,000)
Total facilities acquisition and construction services	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Operation and maintenance of plant services			
Salaries	2,048,149	1,852,002	(196,147)
Employee benefits	431,640	402,962	(28,678)
Purchased services	794,006	785,365	(8,641)
Supplies and materials	1,484,768	1,011,601	(473,167)
Capital outlay	250,000	137,801	(112,199)
Noncapitalized equipment	3,000	7,624	4,624
Termination benefits	2,000	281	(1,719)
Total operation and maintenance of plant services	<u>5,013,563</u>	<u>4,197,636</u>	<u>(815,927)</u>
Total support services - business	<u>5,065,563</u>	<u>4,199,371</u>	<u>(866,192)</u>
Total expenditures	<u>5,065,563</u>	<u>4,199,371</u>	<u>(866,192)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(49,263)</u>	<u>1,314,090</u>	<u>1,363,353</u>

(This schedule is continued on the following page.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OPERATIONS AND MAINTENANCE FUND (Continued)

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (under)
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of asset	\$ -	\$ 10,000	\$ 10,000
Total other financing sources (uses)	-	10,000	10,000
NET CHANGE IN FUND BALANCE	\$ (49,263)	1,324,090	\$ 1,373,353
FUND BALANCE, JULY 1		4,154,595	
FUND BALANCE, JUNE 30		\$ 5,478,685	

(See independent auditor's report.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 DEBT SERVICE FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 2,761,363	\$ 2,818,748	\$ 57,385
Interest on investments	2,300	176	(2,124)
Payment of surplus moneys from TIF district	7,800	8,605	805
Total local sources	<u>2,771,463</u>	<u>2,827,529</u>	<u>56,066</u>
Total revenues	<u>2,771,463</u>	<u>2,827,529</u>	<u>56,066</u>
EXPENDITURES			
Debt service			
Payments on long-term debt			
Interest on long-term debt	1,119,760	1,182,555	62,795
Principal payments on long-term debt	1,714,603	1,565,000	(149,603)
Total payments on long-term debt	<u>2,834,363</u>	<u>2,747,555</u>	<u>(86,808)</u>
Total expenditures	<u>2,834,363</u>	<u>2,747,555</u>	<u>(86,808)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (62,900)</u>	79,974	<u>\$ 142,874</u>
FUND BALANCE, JULY 1		<u>1,584,021</u>	
FUND BALANCE, JUNE 30		<u><u>\$ 1,663,995</u></u>	

(See independent auditor's report.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TRANSPORTATION FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 1,700,008	\$ 1,699,654	\$ (354)
Regular transportation fees from other districts	512,000	522,819	10,819
Regular transportation fees from co-curricular activities	140,000	14,942	(125,058)
Special education transportation fees from other districts	10,000	-	(10,000)
Investment income	76,000	24,868	(51,132)
Other local revenues	5,000	5,297	297
Total local sources	2,443,008	2,267,580	(175,428)
State sources			
Evidence based funding formula	185,000	185,000	-
Transportation - regular	657,401	556,375	(101,026)
Transportation - special education	682,058	587,836	(94,222)
Early childhood block grant	-	75,212	75,212
Total state sources	1,524,459	1,404,423	(120,036)
Federal sources			
Medicaid matching funds	40,000	40,000	-
Total federal sources	40,000	40,000	-
Total revenues	4,007,467	3,712,003	(295,464)
EXPENDITURES			
Support services			
Pupils			
Other support services			
Salaries	16,000	8,673	(7,327)
Total other support services	16,000	8,673	(7,327)
Total pupils	16,000	8,673	(7,327)
Support services - business			
Pupil transportation services			
Salaries	1,738,724	1,654,972	(83,752)
Employee benefits	442,127	392,410	(49,717)
Purchased services	364,921	266,802	(98,119)
Supplies and materials	608,100	291,373	(316,727)
Capital outlay	776,391	732,891	(43,500)
Other objects	1,900	392	(1,508)
Noncapitalized equipment	2,800	-	(2,800)
Termination benefits	1,000	835	(165)
Total pupil transportation services	3,935,963	3,339,675	(596,288)

(This schedule is continued on the following page.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
 TRANSPORTATION FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Support services - business (Continued)			
Other support services			
Salaries	\$ 24,329	\$ 24,221	\$ (108)
Employee benefits	6,038	6,136	98
Purchased services	6,200	3,268	(2,932)
Supplies and materials	27,500	20,346	(7,154)
Other objects	1,705	1,314	(391)
Total other support services	65,772	55,285	(10,487)
Total support services - business	4,001,735	3,394,960	(606,775)
Total expenditures	4,017,735	3,403,633	(614,102)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(10,268)	308,370	318,638
OTHER FINANCING SOURCES (USES)			
Insurance proceeds	-	3,551	3,551
Total other financing sources (uses)	-	3,551	3,551
NET CHANGE IN FUND BALANCE	\$ (10,268)	311,921	\$ 322,189
FUND BALANCE, JULY 1		5,356,808	
FUND BALANCE, JUNE 30		\$ 5,668,729	

(See independent auditor's report.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 740,013	\$ 739,854	\$ (159)
FICA/Medicare only property taxes	990,036	989,842	(194)
Personal property replacement taxes	107,657	117,059	9,402
Interest on investments	25,500	278	(25,222)
Payment of surplus moneys from TIF districts	5,200	5,393	193
Total local sources	1,868,406	1,852,426	(15,980)
Total revenues	1,868,406	1,852,426	(15,980)
EXPENDITURES			
Instruction			
Regular programs	212,397	191,928	(20,469)
Pre-K programs	15,916	17,366	1,450
Special education programs	200,403	167,337	(33,066)
Special education programs- Pre-K	4,548	6,041	1,493
Remedial and supplemental programs - K-12	25,133	24,380	(753)
CTE programs	7,123	7,248	125
Interscholastic programs	24,440	20,905	(3,535)
Summer school programs	6,535	6,670	135
Gifted programs	5,412	5,306	(106)
Driver's education programs	1,430	1,479	49
Bilingual programs	9,789	10,290	501
Total instruction	513,126	458,950	(54,176)
Support services			
Pupils			
Attendance and social work services	50,721	47,318	(3,403)
Guidance services	14,328	13,539	(789)
Health services	83,431	81,293	(2,138)
Psychological services	3,759	3,733	(26)
Speech pathology and audiology services	6,702	7,512	810
Other Services	21,162	18,422	(2,740)
Total pupils	180,103	171,817	(8,286)
Instructional staff			
Improvement of instructional services	35,402	25,591	(9,811)
Educational media services	84,563	88,991	4,428
Assessment and testing	7,924	6,509	(1,415)
Total instructional staff	127,889	121,091	(5,383)

(This schedule is continued on the following page.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
General administration			
Board of education services	\$ 237	\$ 236	\$ (1)
Executive administration services	12,230	13,054	824
Special area administration services	11,704	13,225	1,521
Total general administration	24,171	26,515	2,344
School administration			
Office of principal services	158,174	154,403	(3,771)
Office support services - school administration	11,132	12,262	1,130
Total school administration	169,306	166,665	(2,641)
Business			
Direction of business support services	8,067	8,223	156
Fiscal services	20,852	21,101	249
Operation and maintenance of plant services	283,414	275,111	(8,303)
Pupil transportation services	237,590	244,037	6,447
Food services	112,724	117,241	4,517
Internal services	11,167	11,105	(62)
Total business	673,814	676,818	3,004
Central			
Planning, research, development and evaluation services	362	151	(211)
Information services	15,148	11,978	(3,170)
Staff services	16,956	16,292	(664)
Total central	32,466	28,421	(4,045)
Other			
Total other	13,450	12,065	(1,385)
Total other	13,450	12,065	(1,385)
Total support services	1,221,199	1,203,392	(16,392)
Community services			
Total expenditures	3,899	1,517	(2,382)
Total expenditures	1,738,224	1,663,859	(72,950)
NET CHANGE IN FUND BALANCE	<u>\$ 130,182</u>	188,567	<u>\$ 56,970</u>
FUND BALANCE, JULY 1		<u>2,701,845</u>	
FUND BALANCE, JUNE 30		<u>\$ 2,890,412</u>	

(See independent auditor's report.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Interest on investments	\$ 260,715	\$ 128,323	\$ (132,392)
Total local sources	260,715	128,323	(132,392)
Total revenues	260,715	128,323	(132,392)
EXPENDITURES			
Support services			
Business			
Facilities acquisition and construction services			
Purchased services	500,000	1,215,089	715,089
Capital outlay	5,000,000	4,230,432	(769,568)
Total facilities acquisition and construction services	5,500,000	5,445,521	(54,479)
Total expenditures	5,500,000	5,445,521	(54,479)
NET CHANGE IN FUND BALANCE	\$ (5,239,285)	(5,317,198)	\$ (77,913)
FUND BALANCE, JULY 1		6,328,270	
FUND BALANCE, JUNE 30		\$ 1,011,072	

(See independent auditor's report.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TORT FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 710,032	\$ 709,885	\$ (147)
Investment income	5,900	82	(5,818)
Payments of surplus moneys from TIF district	2,000	2,213	213
Total local sources	<u>717,932</u>	<u>712,180</u>	<u>(5,752)</u>
Total revenues	<u>717,932</u>	<u>712,180</u>	<u>(5,752)</u>
EXPENDITURES			
Support services			
General administration			
Board of Education services			
Purchased services	150,000	40,045	(109,955)
Total worker's compensation	<u>150,000</u>	<u>40,045</u>	<u>(109,955)</u>
Risk management and claims services payments			
Purchased services	666,802	518,621	(148,181)
Total risk management and claims services payments	<u>666,802</u>	<u>518,621</u>	<u>(148,181)</u>
Total support services - general administration	<u>816,802</u>	<u>558,666</u>	<u>(258,136)</u>
Total expenditures	<u>816,802</u>	<u>558,666</u>	<u>(258,136)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (98,870)</u>	153,514	<u>\$ 252,384</u>
FUND BALANCE, JULY 1		<u>990,890</u>	
FUND BALANCE, JUNE 30		<u>\$ 1,144,404</u>	

(See independent auditor's report.)

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FIRE PREVENTION AND SAFETY FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	\$ 150,025	\$ 149,985	\$ (40)
Investment income	4,300	41	(4,259)
Payments of surplus moneys from TIF districts	450	468	18
	154,775	150,494	(4,281)
Total local sources	154,775	150,494	(4,281)
Total revenues	154,775	150,494	(4,281)
EXPENDITURES			
Support services			
Business			
Facilities acquisition and construction services			
Purchased services	46,937	-	(46,937)
Capital outlay	107,838	19,652	(88,186)
	154,775	19,652	(135,123)
Total support services - business	154,775	19,652	(135,123)
Total expenditures	154,775	19,652	(135,123)
NET CHANGE IN FUND BALANCE	\$ -	130,842	\$ 130,842
FUND BALANCE, JULY 1		384,848	
FUND BALANCE, JUNE 30		\$ 515,690	

(See independent auditor's report.)

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR END FINANCIAL REPORT

For the Year Ended June 30, 2021

CSFA Number	Program Name	State	Federal	Other	Total
478-00-0251	Medical Assistance Program	\$ -	\$ 161,110	\$ -	\$ 161,110
586-13-0427	Title V - Rural Education Initiative	-	78,358	-	78,358
586-18-0428	Title III Immigrant Education Programs - Lang Inst Prog - Limited Eng LIPLEP	-	24,896	-	24,896
586-43-0430	Title II - Teacher Quality - Improving Teacher Quality State Grants	-	194,708	-	194,708
586-44-0414	Title I - Low Income	-	2,086,039	-	2,086,039
586-44-1082	Title I - School Improvement and Accountability	-	324,163	-	324,163
586-57-0420	Fed. - Sp. Ed. - Pre-School Flow Through	-	37,455	-	37,455
586-64-0417	Fed. - Sp Ed - IDEA - Flow Through	-	1,202,611	-	1,202,611
	Other grant programs and activities	36,336,209	4,549,200	-	40,885,409
	All other costs not allocated	-	-	40,567,071	40,567,071
	TOTAL	\$ 36,336,209	\$ 8,658,540	\$ 40,567,071	\$ 85,561,820

(See independent auditor's report.)

STATISTICAL SECTION

This part of Freeport School District #145's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	97-106
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	107-111
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	112-116
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	117-118
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	119-121

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2021	2020	2019	2018
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 2,203,591	\$ (313,885)	\$ (6,662,362)	\$ (6,989,062)
Restricted	17,361,915	15,173,007	25,212,104	24,520,925
Unrestricted	(39,218,638)	(32,685,632)	(34,229,260)	(34,359,449)
TOTAL NET POSITION	\$ (19,653,132)	\$ (17,826,510)	\$ (15,679,518)	\$ (16,827,586)

Note: GASB Statement No. 75 was implemented for fiscal year ended June 30, 2020. GASB Statement No. 68 was implemented for the fiscal year ended June 30, 2015. The 2013 net position was restated in 2014 due to the implementation of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Years prior to 2013 have not been adjusted for this restatement.

Data Source

Annual financial reports

2017	2016	2015	2014	2013	2012
\$ (7,198,950)	\$ (7,157,916)	\$ (6,990,893)	\$ (7,311,028)	\$ (7,171,878)	\$ (6,732,580)
12,405,808	11,511,487	9,737,657	9,644,808	10,810,403	10,878,897
(360,629)	(1,641,434)	(1,813,487)	(690,482)	1,462,062	1,627,139
<u>\$ 4,846,229</u>	<u>\$ 2,712,137</u>	<u>\$ 933,277</u>	<u>\$ 1,643,298</u>	<u>\$ 5,100,587</u>	<u>\$ 5,773,456</u>

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF EXPENSES BY IDENTIFIABLE ACTIVITY

Last Ten Fiscal Years

Fiscal Year	2021	2020*	2019	2018
Instruction	\$ 43,553,508	\$ 39,557,865	\$ 29,396,388	\$ 25,786,991
Pupil service	6,565,586	5,991,300	4,072,674	3,548,077
Instructional staff	6,251,227	6,316,679	4,354,487	4,290,819
General administration	2,084,319	1,947,294	1,336,363	1,387,329
School administration	6,896,564	6,220,817	3,623,957	2,904,653
Business services	16,595,232	12,178,119	11,026,155	10,216,015
Central services	908,447	771,480	604,996	556,864
Other support services	139,239	144,041	163,946	223,553
Community services	195,611	179,093	133,521	130,176
Payments to other governmental units	761,529	678,140	640,741	677,235
On-behalf - State portion of payments	-	-	15,540,734	15,798,516
Interest and service charges on long-term debt	1,610,558	1,293,762	1,834,390	2,220,378
TOTAL EXPENSES	\$ 85,561,820	\$ 75,278,590	\$ 72,728,352	\$ 67,740,606

*Beginning in 2020, TRS on-behalf expenditures are allocated to the functions.

Data Source

Annual financial reports

	2017	2016	2015	2014	2013	2012
\$	26,349,743	\$ 25,176,842	\$ 23,001,221	\$ 23,800,889	\$ 24,142,744	\$ 24,076,437
	3,368,345	3,273,702	2,782,228	2,855,968	2,774,629	2,782,341
	4,372,394	4,537,490	3,988,404	4,199,052	3,671,644	3,442,801
	1,429,661	1,701,537	1,921,270	3,836,215	1,744,274	1,767,649
	2,935,512	3,026,860	2,983,836	3,008,251	3,447,241	2,783,339
	10,155,762	10,016,088	13,731,959	10,355,105	9,063,255	9,773,995
	553,543	638,451	563,202	588,245	563,124	518,918
	224,305	189,051	208,686	239,406	147,648	93,141
	106,299	136,567	127,749	114,790	120,454	114,240
	722,924	687,725	792,917	867,681	1,061,437	830,805
	8,598,035	8,206,923	7,355,453	8,130,657	6,434,195	5,724,014
	1,588,661	1,548,464	1,450,752	1,599,916	1,548,255	1,494,002
\$	60,405,184	\$ 59,139,700	\$ 58,907,677	\$ 59,596,175	\$ 54,718,900	\$ 53,401,682

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF REVENUES BY SOURCE AND TOTAL CHANGES IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2021	2020	2019	2018
PROGRAM REVENUES				
Charges for services	\$ 655,040	\$ 769,480	\$ 3,095,849	\$ 2,974,048
Operating grants and contributions	31,747,835	27,154,277	23,856,758	23,820,601
Capital grants and contributions	-	-	-	-
TOTAL PROGRAM REVENUES	\$ 32,402,875	\$ 27,923,757	\$ 26,952,607	\$ 26,794,649
GENERAL REVENUES				
Local property taxes	\$ 24,271,434	\$ 23,691,525	\$ 23,319,902	\$ 22,884,235
Payments in lieu of taxes	2,258,335	1,780,464	1,653,543	1,530,154
Earnings on investments	172,143	525,022	148,841	67,855
General state aid	23,083,712	23,083,717	21,731,524	20,546,665
Other general revenues	1,148,518	108,023	-	-
TOTAL GENERAL REVENUES	\$ 50,934,142	\$ 49,188,751	\$ 46,853,810	\$ 45,028,909
CHANGE IN NET POSITION	\$ 8,058,427	\$ 1,833,918	\$ 1,078,065	\$ 4,082,952

Data Source

Annual financial reports

	2017	2016	2015	2014	2013	2012
\$	2,931,135	\$ 2,913,018	\$ 2,840,703	\$ 960,291	\$ 1,167,486	\$ 1,231,120
	17,090,888	16,538,862	16,048,140	16,492,518	15,338,420	15,727,820
	-	-	34,500	109,652	119,123	119,123
\$	20,022,023	\$ 19,451,880	\$ 18,923,343	\$ 17,562,461	\$ 16,625,029	\$ 17,078,063
\$	22,785,406	\$ 22,741,952	\$ 22,548,659	\$ 22,122,996	\$ 21,453,482	\$ 21,002,461
	1,818,855	1,644,539	1,781,217	1,707,538	1,629,087	1,574,076
	59,190	36,730	33,909	39,368	30,698	17,513
	17,853,802	17,043,459	14,910,528	14,706,523	14,161,503	14,402,438
	-	-	-	-	-	-
\$	42,517,253	\$ 41,466,680	\$ 39,274,313	\$ 38,576,425	\$ 37,274,770	\$ 36,996,488
\$	2,134,092	\$ 1,778,860	\$ (710,021)	\$ (3,457,289)	\$ (819,101)	\$ 672,869

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2021	2020	2019	2018
GENERAL FUND				
Nonspendable	\$ 704,912	\$ 51,210	\$ 15,177	\$ 15,000
Assigned	12,105,271	551,425	386,550	284,525
Unassigned	4,820,214	5,194,681	6,240,281	7,427,527
TOTAL GENERAL FUND	\$ 17,630,397	\$ 5,797,316	\$ 6,642,008	\$ 7,727,052
ALL OTHER GOVERNMENT FUNDS				
Nonspendable	\$ -	\$ -	\$ 592,219	\$ 676,822
Restricted	17,361,915	15,173,007	24,619,885	23,844,103
Assigned	1,011,072	6,328,270	-	-
GOVERNMENTAL FUNDS	\$ 18,372,987	\$ 21,501,277	\$ 25,212,104	\$ 24,520,925
TOTAL GOVERNMENTAL FUNDS	\$ 36,003,384	\$ 27,298,593	\$ 31,854,112	\$ 32,247,977

Data Source

Audited financial statements

2017	2016	2015	2014	2013	2012
\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
5,706,047	5,605,887	5,505,918	5,405,772	5,305,438	5,171,091
1,667,895	882,453	1,157,103	2,131,877	3,719,745	5,684,891
<u>\$ 7,388,942</u>	<u>\$ 6,503,340</u>	<u>\$ 6,678,021</u>	<u>\$ 7,552,649</u>	<u>\$ 9,040,183</u>	<u>\$ 10,870,982</u>
\$ 951,780	\$ 1,057,533	\$ 1,163,286	\$ 1,269,039	\$ 1,374,792	\$ 1,480,545
11,454,028	10,453,954	9,737,657	8,648,739	9,435,611	9,398,352
-	-	-	-	-	-
<u>\$ 12,405,808</u>	<u>\$ 11,511,487</u>	<u>\$ 10,900,943</u>	<u>\$ 9,917,778</u>	<u>\$ 10,810,403</u>	<u>\$ 10,878,897</u>
<u>\$ 19,794,750</u>	<u>\$ 18,014,827</u>	<u>\$ 17,578,964</u>	<u>\$ 17,470,427</u>	<u>\$ 19,850,586</u>	<u>\$ 21,749,879</u>

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

CHANGES IN FUND BALANCE - GOVERNMENTAL FUND

Last Ten Fiscal Years

Fiscal Year	2021	2020*	2019	2018
REVENUES				
Local property taxes	\$ 24,271,434	\$ 23,691,525	\$ 23,319,902	\$ 22,884,235
Payments in lieu of taxes	2,258,335	1,780,464	1,653,543	1,530,154
Earnings on investments	172,143	525,022	148,841	67,855
Other local sources	1,767,665	883,749	972,070	965,631
State aid	36,336,209	44,233,921	24,001,233	22,557,297
Restricted federal aid	8,142,588	5,902,330	6,046,315	6,011,453
On-behalf - State portion of payments	-	-	15,540,734	15,798,516
Total revenues	72,948,374	77,017,011	71,682,638	69,815,141
EXPENDITURES				
Instruction	35,976,024	38,913,114	26,816,886	24,664,666
Pupil service	5,227,484	6,184,594	4,238,567	3,864,741
Instructional staff	4,973,543	6,330,557	4,321,519	4,379,844
General administration	1,826,373	1,967,649	1,364,737	1,444,784
School administration	5,547,212	6,396,270	3,766,885	3,153,513
Business services	12,896,996	10,807,617	9,989,723	10,185,598
Central services	777,702	803,624	533,404	587,451
Other support services	131,303	161,162	168,834	241,114
Community services	183,195	179,108	135,168	133,860
Payments to other governmental units	761,529	678,140	640,741	677,235
On behalf - State portion of payments	-	-	15,540,734	15,798,516
Capital outlay	5,581,919	5,644,830	1,770,835	854,475
Debt Service				
Principal retirement	1,565,000	1,617,252	994,120	1,080,431
Interest and service charges on long-term debt	1,182,555	1,132,306	1,839,313	2,220,378
Total expenditures	76,630,835	80,816,223	72,121,466	69,286,606
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,682,461)	(3,799,212)	(438,828)	528,535
OTHER FINANCING SOURCES (USES)				
Issuance of bonds	14,215,000	-	-	11,924,692
Issuance of refunding bonds	4,380,000	-	-	-
Premium on bonds sold	1,543,901	-	-	-
Payment to escrow agent	(8,173,143)	-	-	-
Proceeds from sale of asset	9,762	1,195	44,960	-
Insurance proceeds	13,551	30,359	-	-
Transfers in	-	-	11,400,000	17,048,946
Transfers (out)	-	-	(11,400,000)	(17,048,946)
Total other financing sources (uses)	11,989,071	31,554	44,960	11,924,692
NET CHANGE IN FUND BALANCE	\$ 8,306,610	\$ (3,767,658)	\$ (393,868)	\$ 12,453,227
DEBT SERVICES AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	3.6%	3.4%	4.0%	4.8%

*Beginning in 2020, TRS proportionate share expenses are allocated to the functions.

Data Source

Annual financial reports

	2017	2016	2015	2014	2013	2012
\$	22,785,406	\$ 22,741,952	\$ 22,548,659	\$ 22,122,996	\$ 21,453,482	\$ 21,002,461
	1,818,855	1,644,539	1,781,217	1,707,538	1,629,087	1,574,076
	59,190	36,730	33,909	39,368	30,698	17,513
	1,054,971	1,282,702	1,354,951	960,291	1,155,643	1,228,325
	21,096,575	20,232,901	19,037,397	18,277,146	17,991,687	18,003,189
	5,250,080	5,142,497	4,600,318	4,900,890	5,193,164	6,522,178
	8,598,035	8,206,923	7,355,453	8,130,657	6,434,195	5,724,014
	60,663,112	59,288,244	56,711,904	56,138,886	53,887,956	54,071,756
	23,589,488	25,025,333	23,001,221	23,623,019	23,926,873	23,825,269
	3,407,960	3,250,360	2,782,228	2,855,968	2,774,629	2,782,341
	4,295,451	4,437,725	3,988,404	3,997,656	3,454,999	2,985,303
	1,436,933	1,699,613	1,921,270	3,836,215	1,743,178	1,767,649
	2,967,573	3,026,860	2,983,836	3,008,251	3,447,241	2,783,339
	9,545,776	9,414,485	9,482,112	9,698,359	8,929,112	8,779,987
	554,413	638,451	563,202	588,245	563,124	518,918
	226,589	189,051	208,686	239,406	147,648	93,141
	106,847	136,567	127,749	114,790	120,454	114,240
	722,924	687,725	792,917	867,681	1,061,437	830,805
	8,598,035	8,206,923	7,355,453	8,130,657	6,434,195	5,724,014
	729,634	980,922	1,216,491	1,217,221	702,291	2,047,311
	1,112,905	1,152,501	1,054,342	1,028,531	1,080,192	1,134,445
	1,588,661	1,548,464	1,450,752	1,599,916	1,548,255	1,494,002
	58,883,189	60,394,980	56,928,663	60,805,915	55,933,628	54,880,764
	1,779,923	(1,106,736)	(216,759)	(4,667,029)	(2,045,672)	(809,008)
	286,559	101,954	325,296	181,209	134,536	344,637
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	19,060	117,431	15,005	14,647	16,444	4,050
	(19,060)	(15,476)	(15,005)	(14,647)	(16,444)	(4,050)
	286,559	203,909	325,296	181,209	134,536	344,637
\$	2,066,482	\$ (902,827)	\$ 108,537	\$ (4,485,820)	\$ (1,911,136)	\$ (464,371)
	4.6%	4.5%	4.5%	4.4%	4.8%	5.0%

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF MAJOR CATEGORIES OF EAV

Last Ten Levy Years

Tax Levy Year	2020	2019	2018	2017
Category	Valuation	Valuation	Valuation	Valuation
Residential	\$ 199,948,978	\$ 190,659,276	\$ 185,861,047	\$ 183,106,423
Commercial	79,955,241	79,887,958	68,624,153	67,943,270
Industrial	15,759,110	15,493,559	14,952,461	14,744,839
Farm	28,286,583	26,957,055	24,443,977	23,350,805
Railroad	2,465,723	2,264,294	2,374,364	2,617,878
TOTAL	\$ 326,415,635	\$ 315,262,142	\$ 296,256,002	\$ 291,763,215

Data Source

Stephenson County Clerk's Office

2016	2015	2014	2013	2012	2011
Valuation	Valuation	Valuation	Valuation	Valuation	Valuation
\$ 184,505,997	\$ 190,529,678	\$ 197,551,430	\$ 208,938,115	\$ 221,965,545	\$ 231,090,583
67,419,206	67,097,056	68,652,479	70,822,060	72,762,901	74,324,557
15,224,220	15,467,904	16,738,727	16,985,543	17,775,833	17,902,408
22,193,369	21,276,535	20,617,397	20,273,137	20,124,531	19,538,454
3,220,684	2,634,874	2,428,189	1,801,208	1,684,189	1,377,985
\$ 292,563,476	\$ 297,006,047	\$ 305,988,222	\$ 318,820,063	\$ 334,312,999	\$ 344,233,987

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

ASSESSED VALUATIONS, TAX RATES AND EXTENSIONS

Last Ten Levy Years

Tax Levy Year	Equalized Assessed Valuation	Estimated Actual Value	Total Tax Rate	Taxes Extended
2020	\$ 326,415,635	\$ 652,831,270	\$ 7.823	24,595,798
2019	315,262,142	908,512,560	7.911	24,956,961
2018	296,256,002	888,768,006	7.937	23,514,876
2017	291,763,215	875,289,645	7.933	23,144,934
2016	292,563,476	877,690,428	7.807	22,839,962
2015	297,006,047	891,018,141	7.692	22,845,052
2014	305,988,222	917,964,666	7.469	22,854,352
2013	318,820,063	956,460,189	7.014	22,362,358
2012	334,312,999	1,002,938,997	6.569	21,960,820
2011	344,233,987	1,066,003,044	6.195	21,326,845

Data Sources

Annual financial statements, county agency rate reports

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Fiscal Year	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total levies extended	\$ 24,595,798	\$ 23,956,961	\$ 23,144,934	\$ 22,839,962	\$ 22,845,052	\$ 22,854,352	\$ 22,362,358	\$ 21,960,820	\$ 21,326,845	\$ 20,844,360
Collected within the fiscal year of the levy	\$ -	\$ -	\$ 3,013,389	\$ 4,356,296	\$ 3,707,964	\$ 1,803,097	\$ 12,040,865	3,460,696	11,218,961	10,515,054
Percentage collected in fiscal year	0.00%	0.00%	13.02%	19.07%	16.23%	7.89%	53.84%	15.76%	52.60%	50.45%
Collections in subsequent years	\$ -	\$ 24,051,600	\$ 20,257,264	\$ 19,870,846	\$ 19,079,986	\$ 20,943,503	\$ 10,263,982	18,418,431	9,917,534	9,917,534
Total collections to date	\$ -	\$ 24,051,600	\$ 23,270,653	\$ 24,227,142	\$ 22,787,950	\$ 22,746,600	\$ 22,304,847	\$ 21,879,127	\$ 21,136,495	\$ 20,432,588
Percentage of extension collected	0.00%	100.40%	100.54%	106.07%	99.75%	99.53%	99.74%	99.63%	99.11%	98.02%

Note: Certain years have collections in excess of total levies due to miscellaneous adjustments and prior year mobile home collections.

Data Source

District records

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

TEN PRINCIPAL TAXPAYERS IN THE DISTRICT

Current Year and Nine Years Prior

Rank	Taxpayer Name	2021 Equalized Assessed Valuation	Percent of District's Total Equalized Assessed Valuation	Rank	Taxpayer Name	2012 Equalized Assessed Valuation	Percent of District's Total Equalized Assessed Valuation
1	Plymouth MWG	\$ 3,485,000	1.15%	1	NAI Hiffman	\$ 4,333,333	1.25%
2	Menard Inc.	2,187,390	0.72%	2	Titan Tire Corporation	4,217,125	1.21%
3	Walmart Stores, Inc.	2,116,431	0.70%	3	Walmart Stores, Inc.	2,869,510	0.82%
4	Titan Tire Corporation	2,039,490	0.67%	4	Menard Inc.	2,828,840	0.81%
5	Honeywell Micro Switch	1,928,868	0.64%	5	Honeywell Micro Switch	2,458,331	0.71%
6	Residential Alternatives of IL Inc.	1,764,690	0.58%	6	Meadows LLC	1,690,490	0.49%
7	Freeport Assisted Living LLC	1,723,461	0.57%	7	Emster VI & Emster VIII LLC	1,421,650	0.41%
8	Meadows LLC	1,373,512	0.45%	8	General Casualty Co. of IL	1,396,680	0.40%
9	Freeport-3133 Industrial Dr. LLC	1,172,637	0.39%	9	Shopko Specialty Real Estate	1,363,446	0.39%
10	555 West South Street LLC	1,118,165	0.37%	10	Freeport Farm & Fleet	1,286,820	0.37%
TOTAL		\$ 18,909,644	6.24%	TOTAL		\$ 23,866,225	6.86%

Data Source

Stephenson County Assessor's Office

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

SCHEDULE OF LEGAL BONDED DEBT MARGIN

Last Ten Levy Years

Tax Year	Debt Limit	General Obligation Bonds	Total Debt Applicable to Limit	Legal Debt Margin	Percentage of Debt to Debt Limit
2021	\$ 43,384,155	\$ 38,935,688	\$ 38,935,688	\$ 4,448,467	89.7%
2020	43,506,176	27,965,486	27,965,486	15,540,690	64.3%
2019	40,883,328	27,814,883	27,814,883	13,068,445	68.0%
2018	40,263,324	28,809,003	28,809,003	11,454,321	71.6%
2017	40,373,760	18,048,434	18,048,434	22,325,326	44.7%
2016	40,986,834	19,161,339	19,161,339	21,825,495	46.7%
2015	42,226,375	20,313,840	20,313,840	21,912,535	48.1%
2014	43,997,169	21,368,182	21,368,182	22,628,987	48.6%
2013	46,135,194	22,396,713	22,396,713	23,738,481	48.5%
2012	49,036,140	23,476,905	23,476,905	25,559,235	47.9%

Data Source

Annual financial reports

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Obligation Bonds	Total	Percentage of Personal Income	Population	Debt per Capita
2021	\$ 38,935,688	\$ 38,937,709	6.37%	26,355	\$ 1,061
2020	27,965,486	27,965,486	6.19%	25,570	1,094
2019	27,814,883	27,814,883	6.17%	25,684	1,083
2018	28,809,003	28,809,003	5.85%	25,570	1,127
2017	18,048,434	18,048,434	3.55%	25,266	714
2016	19,161,339	19,161,339	4.15%	25,738	744
2015	20,313,840	20,313,840	4.50%	25,951	783
2014	21,368,182	21,368,182	4.20%	26,086	819
2013	22,396,713	22,396,713	4.20%	26,333	851
2012	23,476,905	23,476,905	5.09%	26,520	885

Data Source

Annual financial report

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

RATIOS OF BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Population	Debt per Capita
2021	\$ 38,935,688	\$ 1,663,995	\$ 37,271,693	5.71%	26,355	\$ 1,414
2020	27,965,486	2,091,636	25,873,850	8.54%	25,570	1,012
2019	27,814,883	2,151,111	25,663,772	8.66%	25,684	999
2018	28,809,003	2,284,810	26,524,193	9.07%	25,570	1,037
2017	18,048,434	2,547,272	15,501,162	5.22%	25,266	614
2016	19,161,339	2,635,470	16,525,869	5.40%	25,738	642
2015	20,313,840	2,729,265	17,584,575	5.52%	25,951	678
2014	21,368,182	2,684,497	18,683,685	5.59%	26,086	716
2013	22,396,713	2,779,474	19,617,239	5.70%	26,333	745
2012	23,476,905	2,883,553	20,593,352	5.49%	26,520	777

Data Source

Annual financial report

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
DIRECT RATES										
Freeport School District 145	7.82364	7.91083	7.93735	7.93278	7.80684	7.69178	7.46903	7.01410	6.56894	6.19545
Total direct rates	7.82364	7.91083	7.93735	7.93278	7.80684	7.69178	7.46903	7.01410	6.56894	6.19545
OVERLAPPING RATES										
Stephenson County	1.39156	1.39850	1.40950	1.40894	1.40414	1.40801	1.39135	1.35593	1.27725	1.20950
City of Freeport	1.17577	1.18118	1.20482	1.20963	1.98990	1.16454	1.12227	1.10111	1.09819	1.07009
Freeport Library	0.46256	0.46791	0.46968	0.47068	0.47004	0.44330	0.44174	0.44256	0.44048	0.43906
Highland College	0.56399	0.57004	0.55585	0.55651	0.56143	0.56690	0.48368	0.48479	0.47813	0.49382
Freeport Park District	1.04524	1.08597	1.07780	1.08094	1.08089	1.08306	1.08192	1.07186	1.03686	0.97853
Freeport Township	0.47708	0.49578	0.50489	0.50202	0.48747	0.46880	0.45577	0.43846	0.42559	0.40077
Freeport Mosquito District	0.07123	0.07400	0.05113	0.05115	0.05115	0.05112	0.05109	0.04971	0.04643	0.04488
Total overlapping rates	5.18743	5.27338	5.27367	5.27987	6.04502	5.18573	5.02782	4.94442	4.80293	4.63665
TOTAL DIRECT AND OVERLAPPING RATES	\$ 13.01107	\$ 13.18421	\$ 13.21102	\$ 13.21265	\$ 13.85186	\$ 12.87751	\$ 12.49685	\$ 11.95852	\$ 11.37187	\$ 10.83210

Data Sources

Stephenson County Treasurer and Collector

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF DIRECT AND OVERLAPPING DEBT

June 30, 2021

Governmental Unit	Gross Debt	Percentage Debt Applicable to the District	District's Share of Debt
Direct Debt			
Freeport School District 145	\$ 38,935,688	100%	<u>\$ 38,935,688</u>
Overlapping Debt			
Stephenson County	7,152,160	49%	3,504,558
City of Freeport	74,990,000	100%	74,990,000
Freeport Park District	549,998	100%	549,998
Highland Community College	6,010,000	19%	<u>1,141,900</u>
Total Overlapping Debt			<u>80,186,456</u>
Total Direct and Overlapping General Obligation Bonded Debt			<u><u>\$ 119,122,144</u></u>
Net Direct General Obligation Bonded Debt			
As a percentage of Equalized Assessed Valuation			9%
As a percentage of personal income			5%
Amount per capita			\$ 984
Direct and Overlapping General Bonded Debt			
As a percentage of Equalized Assessed Valuation			26%
As a percentage of estimate full valuation			77%

Note: The percentage of overlap for each District is determined by the amount of assessed valuation of the District within other governments.

Data Sources

Offices of the Cook County Clerk, Cook County Department of Revenue, Treasurer of the Metropolitan Water Reclamation District

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	District Population	Total Household Income	Household Income Per Capita	Unemployment Rate
2020	26,355	\$ 611,559,729	\$ 54,667	7.9%
2019	25,570	451,743,124	40,639	9.5%
2018	25,684	450,527,708	40,380	4.8%
2017	25,570	592,241,659	39,351	4.8%
2016	25,266	508,640,958	40,662	7.5%
2015	25,738	461,376,288	42,531	7.8%
2014	25,951	451,187,328	41,088	9.3%
2013	26,086	509,333,532	45,258	9.2%
2012	26,333	532,702,896	46,595	10.0%
2011	26,520	460,821,530	39,829	10.8%

Note: Values are the average of the values for the three communities that make up Freeport School District: Freeport, IL, Cedarville, IL and Ridott, IL.

Data Sources

American Community five-year survey 2-10-18, US Census Bureau Quickfacts Data, Federal Reserve Bank Economic Data

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2021

Employer	Approximate Number Employed	Rank	Percentage of Total Employment
Freeport Health Network	1400	1	10.99%
The Helm Group	850	2	6.67%
Freeport School District	750	3	5.89%
Berner Food and Beverage	744	4	5.84%
Honeywell	550	5	4.32%
Snak King	447	6	3.51%
Highland Community College	425	7	3.34%
MetLife Auto & Home	413	8	3.24%
Wal-Mart	380	9	2.98%
Titan Tire Coporation	350	10	2.75%

2012

Employer	Approximate Number Employed	Rank	Percentage of Total Employment
Freeport Health Network	1,400	1	12.04%
Honeywell	800	2	6.88%
Freeport School District	750	3	6.45%
Titan Tire Coporation	650	4	5.59%
MetLife Auto & Home	460	5	3.96%
Highland Community College	425	6	3.66%
WalMart	380	7	3.27%
Mechanical, Inc.	369	8	3.17%
Stephenson County	350	9	3.01%
Newell Rubbermaid Co.	310	10	2.67%

Data Sources

2018 Illinois Department of Commerce and Economic Opportunity
Freeport Chamber of Commerce

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

FACULTY, STAFF AND ADMINISTRATOR STATISTICS
FULL-TIME EQUIVALENT DATA

Last Ten Fiscal Years

Fiscal Year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
FACULTY										
Part-time (FTE)	5	5	4	4	3	12	11	11	16	16
Full-time (FTE)	336	337	352	346	343	366	363	358	364	364
STAFF AND ADMINISTRATORS										
Part-time (FTE)	181	203	217	210	201	301	291	302	288	279
Full-time (FTE)	167	173	178	201	167	168	169	148	113	101
TOTAL EMPLOYEES										
Part-time (FTE)	186	208	221	214	204	313	302	313	304	295
Full-time (FTE)	503	510	530	547	510	534	532	506	477	465

Data Source

District personnel records

FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS

SCHEDULE OF AVERAGE DAILY ATTENDANCE, OPERATING EXPENSE
PER PUPIL AND TOTAL OPERATING EXPENSE

Last Ten Fiscal Years

Fiscal Year	Average Daily Attendance	Operating Expense Per Pupil	Total Operating Expense
2021	3,051	\$ 20,215	\$ 61,677,023
2020	3,490	15,812	55,182,632
2019	3,456	14,648	50,623,046
2018	3,415	13,719	46,850,050
2017	3,797	11,894	45,160,481
2016	3,814	11,904	45,403,106
2015	3,571	12,546	44,803,076
2014	3,783	12,464	47,151,695
2013	3,923	11,189	43,894,814
2012	3,838	11,193	42,959,082

Data Source

District records

**FREEPORT SCHOOL DISTRICT #145
FREEPORT, ILLINOIS**

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Fiscal Year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Elementary										
Buildings	5	6	6	6	6	6	6	6	6	6
Square feet	245,193	252,619	252,619	252,619	252,619	252,619	252,619	252,619	252,619	252,619
Capacity (students)	1,650	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900
Enrollment	1,516	1,516	1,516	1,607	1,651	1,707	1,654	1,748	1,733	1,711
Middle										
Buildings	2	2	2	2	2	2	2	2	2	2
Square feet	260,106	260,106	260,106	260,106	260,106	260,106	260,106	260,106	260,106	260,106
Capacity (students)	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Enrollment	1,097	1,097	1,097	1,142	1,140	1,184	1,203	1,189	1,247	1,243
High										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	248,681	248,681	248,681	248,681	248,681	248,681	248,681	248,681	248,681	248,681
Capacity (students)	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Enrollment	1,077	1,077	1,077	1,112	1,159	1,189	1,231	1,263	1,282	1,302
Other										
Buildings	2	2	2	2	2	2	2	2	2	2
Square feet	20,883	20,883	20,883	20,883	20,883	20,883	20,883	20,883	20,883	20,883
Capacity (students)	112	112	112	112	112	112	112	112	112	112
Enrollment	81	81	81	95	107	59	71	75	80	84
Administrative										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	10,065	10,065	10,065	10,065	10,065	10,065	10,065	10,065	10,065	10,065
Transportation										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	56	56	56	56	54	54	51	51	39	39
Athletic Fields										
Football fields	1	1	1	1	1	1	1	1	1	1
Running tracks	1	1	1	1	1	1	1	1	1	1
Baseball/softball	2	2	2	2	2	2	2	2	2	2
Swimming pools	2	2	2	2	2	2	2	2	2	2
Playgrounds	7	7	7	7	7	7	7	7	7	7

Data Sources

Architect's Data and Sixth Day Enrollment Forms