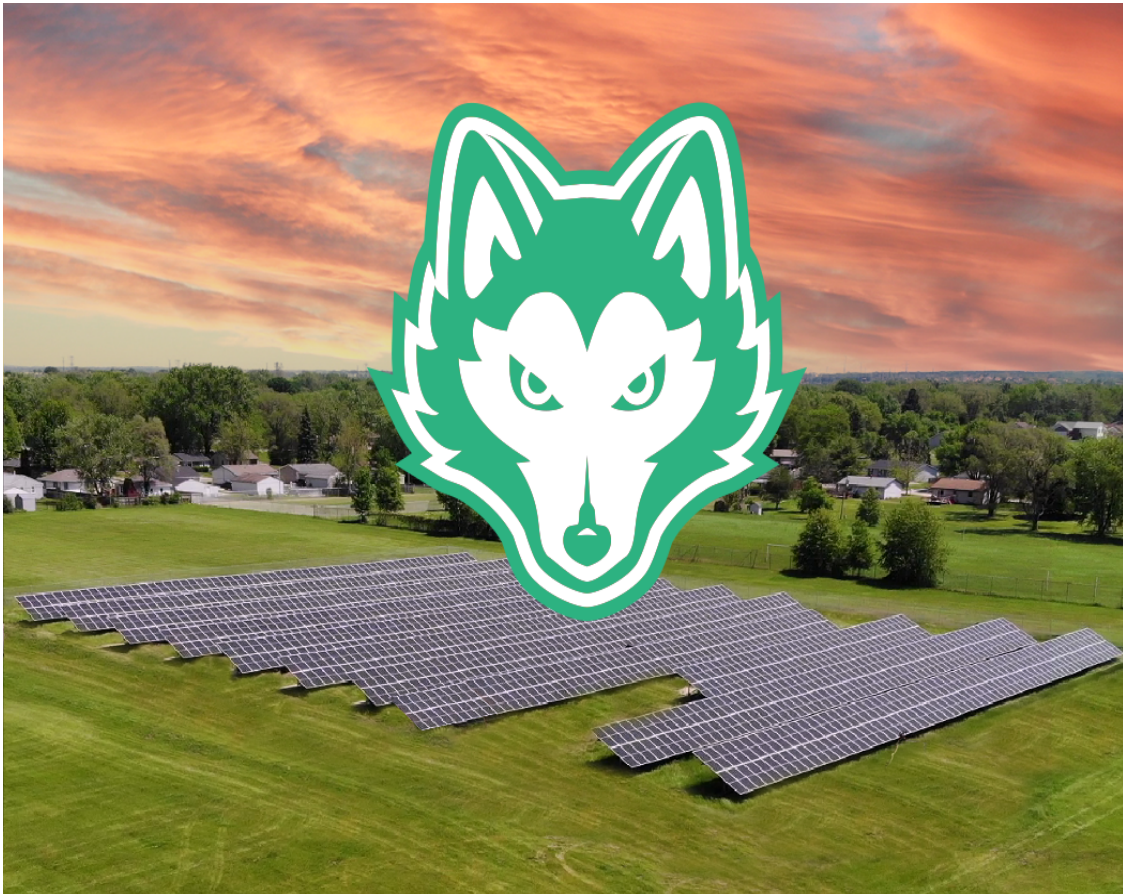


ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2021



Harlem Consolidated School District #122
Machesney Park, Illinois 61115

R. Terrell Yarbrough, Ed.D
Superintendent of Schools

COMPREHENSIVE ANNUAL FINANCIAL
REPORT

OF

**HARLEM CONSOLIDATED SCHOOL
DISTRICT 122**

MACHESNEY PARK, ILLINOIS

As of and for the Year Ended June 30, 2021

Officials Issuing Report

Joshua Aurand, Assistant Superintendent for Business and
Operations

Department Issuing Report

Business Office

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

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December 3, 2021

Board of Education and Citizens
Harlem Consolidated School District No. 122
Machesney Park, Illinois 61115

The Comprehensive Annual Financial Report (ACFR) of the Harlem Consolidated School District No. 122 (the District) for the fiscal year ended June 30, 2021, is hereby submitted. The District's Business Office has prepared this report. We believe the data, as presented, is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Harlem Consolidated School District's MD&A can be found in the Financial Section, immediately following the report of the independent auditor.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District's administration. To provide a reasonable basis for making these representations, the District has established an internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, the District's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement. As administration, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The independent accounting firm of Baker Tilly has audited the Harlem Consolidated School District's basic financial statements. The purpose of the independent audit conducted by Baker Tilly was to express an opinion as to whether the District's financial statements as of and for the fiscal year ended June 30, 2021, present fairly in all material respects the financial position and the change in net position of the District in accordance with GAAP. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the government-wide and fund financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Harlem Consolidated



A Community of Leaders

8605 N. Second St., Machesney Park, IL 61115 ■ (815) 654-4500 ■ (815) 654-4600 (fax) ■ www.harlem122.org

Harlem Consolidated Schools

DISTRICT 122

School District's basic financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP.

In addition to the independent audit of the financial statements, a separate, federally mandated "Single Audit" was performed to meet the needs of specific grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair financial statements, but also on the audited government's internal controls and compliance with legal requirements applicable to certain federal awards. These reports are available in the Harlem Consolidated School District's separately issued Single Audit Reports.

The CAFR is presented in three sections: introductory, financial, and statistical.

Introductory Section

The introductory section is designed to introduce the reader to the report and includes this transmittal letter, the organizational chart, a list of District officials, and the Certificate of Achievement for Excellence in Financial Reporting for the 2020 fiscal year.

Financial Section

The financial section begins with the independent auditor's report. The auditor's report discloses the opinion of the independent auditor with regard to the presentation of the financial statements. This section also includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide information on the District's financial position and operating results, and additional supplementary information and schedules that provide detailed information relative to the Basic Financial Statements.

Statistical Section

The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. This section is designed to provide the user with a broader and more complete understanding of the District and its financial affairs than is possible from only the financial statements and supporting schedules presented in the financial section.

Harlem Consolidated School District #122

District Organization and History

In 1910, the District became the second consolidated school district in Winnebago County, Illinois. The District has grown to house students in eleven buildings. The schools are organized with children in pre-kindergarten and kindergarten, attending the District's Early Education Center, Maple (Pre-kindergarten), children in grades one through six attending eight elementary schools, students in grades seven and eight attending middle school, students in grades nine through twelve attend the high school main campus. The School District had 6,324 students enrolled for the 2020-2021 school year. Current enrollment projections continue to show a slight decrease in enrollment for the near future.

The District is located in Northern Winnebago County, which borders Wisconsin. The District serves three progressive communities with a combined population of over 40,000 residents. The District is located adjacent to the City of Rockford on the north and east. The City of Loves Park, Village of Machesney Park and the southern part of the Village of Roscoe are the primary population centers of the District's twenty-two square miles. The District derives its name from the Harlem Township.

Harlem Consolidated Schools

DISTRICT 122

The flat topography and concentrated population allow the District to provide neighborhood schools with minimal time riding school buses. Students living more than 1.5 miles from school are transported to the school building on District buses. Students who would encounter a hazardous road condition on their way to school are also transported.

The racial makeup of the student population in FY21 was 68.9% White, 6.5% African American, 14.4% Hispanic, 10.2% Other. Low income students made up 50.3% of the population. Our low-income students are pupils receiving public aid or are eligible for free or reduced-price lunches. During FY21 all students received free lunches.

Despite the many diverse responsibilities placed on schools, the District has maintained a healthy educational philosophy and has developed a sound educational system through careful program management. Strides have been made during the past years in the revision of curriculum, maintaining career/vocational classes and special education services for students with special needs.

Educators continuously encounter a public that has shifting attitudes and expectations. State and national education priorities have prompted the District to shift its emphasis from the responsibility of providing educational opportunities to the responsibility of guaranteeing every child an appropriate education.

The Elementary and Secondary Education Act (ESEA) has diversified goals of programs and continue to place additional financial constraints upon the District. Due to the need to prioritize our resources and in order to review the District's educational programming for its effectiveness, the District developed a long range plan which can be accessed at www.harlem122.org. The District's responsibility of meeting the needs of each student is taken seriously and reflects this commitment in its mission statement.

Mission Statement

The Mission of the Harlem Consolidated School District, as a vital part of the community, is to help diverse learners realize their unlimited potential by providing an educational program dedicated to academic excellence and the development of strong character in a safe and respectful learning environment.

Belief Statements

We believe each individual has unlimited potential to reach his or her goals and ambitions.

We believe that every student has an equal right to a quality education that builds on his or her individual strengths and needs.

We believe in interrupting inequities within our system which prevent students from realizing their unlimited potential.

We believe in fostering individual academic, social and character growth and development of the learner.

We believe the Harlem Consolidated School District, its families, and the Community as a whole, are equally vital partners in the pursuit of lifelong learning.

Harlem Consolidated Schools

DISTRICT 122

We believe every person has the right to learn and work in a safe, non-threatening environment.

We believe in effective and responsible use of our resources.

District Long-Range Plan

GOAL #1 - All students, through extensive curriculum opportunities and innovative technology, will be college and career ready.

STRATEGY 1:

By February 2017, the District will assess the current HoLA (Harlem Language Academy)/ English Learner Program implementation plan based on the needs of our English Learners.

The HoLA (Harlem Language Academy) program is a form of bilingual education in which monolingual and bilingual students learn literacy and academic content in two languages. For Harlem Kindergarten through 8th grade students, HoLA fosters bilingualism, biliteracy and biculturalism. HoLA is currently offered at Parker Center, Rock Cut Elementary, and Harlem Middle School.

STRATEGY 2:

By February 2017, upon the completion and review of the 1:1 Technology Pilot Program, a recommendation will be presented to the Board of Education regarding the future use of technology in the classroom.

Our students benefit from technology infused learning environments that empower students to be self-motivated learners and ensure that curriculum, instruction and assessments are aligned with 21st century skills. The District's Technology Integration Plan will allow students and staff access to technologies that support opportunities for critical thinking, communication, collaboration and creativity.

STRATEGY 3:

By August 2017, the Education Committee will establish a target goal and an instrument to measure adequate yearly growth in math and reading (pre-k 8).

Three times per year, students K-8 participate in iReady benchmark assessments to determine their growth in math and reading. This nationally normed and adaptive assessment provides a customized evaluation of every student that tracks their growth and performance over time.

STRATEGY 4:

By August 2017, the District will establish standards for college and career readiness for grades 7-12 based on the guidance Illinois School Board of Education.

The Harlem School District will soon be implementing the Illinois PaCE (Postsecondary and Career Expectations) framework in order to provide our students with the essential knowledge and skills needed for college and/or career. Utilizing the PaCE framework, counselors and students will work together to develop individual student plans of study for a complete range of career options, which allows students to discover their interests and passions.

STRATEGY 5:

By February 2018, the task force will develop a coherent and consistent program proposal that further addresses the needs of Gifted and High Achieving students grade K-6.

Harlem Consolidated Schools

DISTRICT 122

The Advanced Learner Program supports students through a tiered process known as MTSS (Multi-Tiered Systems of Supports). “Advanced Learners” may qualify for certain levels of service that include cluster groupings, entrance into the Academic Academy or grade/subject level acceleration.

STRATEGY 6:

By June 2018, the District will assess our current CEANCI programs based on the Framework for Quality Programs of Study, in order to address the strengths and weaknesses of our career and technical education programming grades 7-12.

Career and Technical Education classes at Harlem High School and Harlem Middle School provide students with the opportunity to participate in classes aligned to their career goals. The District is currently working to develop pathways that strengthen the preparation for careers in the region.

STRATEGY 7:

By June 2018, the District will conduct a Program Review of the current early childhood programming and create a plan to provide early childhood education to all students meeting the at-risk criteria.

Donald C. Parker Early Childhood Education Center offers a Birth to 3 program, as well as, half-day preschool (am/pm) and full-day Kindergarten. In 2018, Parker Center received a grant to expand the Birth to 3 and preschool programs to include more students and families. The preschool program is now split between Maple Elementary and Donald C. Parker Early Childhood Education Center.

STRATEGY 8:

By June 2020, the District will conduct a Fine Arts Program Review and develop a coherent and consistent curriculum that addresses the needs of students PreK-12.

This strategy is not completed. Currently, students in the grades 4 through 6 may apply to attend the Fine Arts magnet program at Machesney Elementary School.

STRATEGY 9:

By June 2021, the 4-year graduation rate will be 90%.

The Harlem School District graduation rate in 2016 was 74%. In 2021, the graduation rate was 82%.

GOAL #2 - Equip students with 21st Century skills incorporating practical experiences that contribute to the success of their community.

STRATEGY 1:

By June 2018, the Harlem School District will align instructional strategies and partnerships with local businesses to develop internships, work study, and job shadowing experiences grades 9-12.

Partnerships with local businesses to develop internships, work study programs and job shadowing experiences will play a key role in the development of pathways that strengthen the preparation for careers in the region. Goal 2: Strategy 1 is being implemented within Goal 1: Strategy 6

STRATEGY 2:

By August 2018, the District will develop a service learning process for elementary through high school based on the Harlem School District Service Learning Plan.

Strategy currently in progress.

Harlem Consolidated Schools

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STRATEGY 3:

By August 2020, the District will implement a comprehensive Pre-K-12 program addressing the process of the 4C's (Critical Thinking, Communication, Collaboration, Creativity) of 21st Century skills to support student skill development in all academic areas.

The District has implemented the 4 C's (Collaboration, Creativity, Communication and Critical Thinking) into the professional development that the District offers. We have also created two talent development specialist positions. These individuals provide lessons to K-3 students on strengthening these skills.

GOAL #3 - Create an environment that promotes the social, emotional and physical growth of all students and staff.

STRATEGY 1:

By June 2018, the District will develop a proposal for the development and implementation of wellness initiatives which address physical, social and emotional needs of staff and students.

The Harlem Wellness Program provides staff and students with initiatives and educational opportunities that address their overall health and wellbeing. The Wellness Program for staff provides annual health assessments and biometric screenings for covered individuals along with incentivized wellness activities. The District is currently developing a comprehensive student wellness program.

STRATEGY 2:

By August 2019, the District will assess the current social and emotional programming District-wide and develop a comprehensive plan to address student social and emotional needs.

In 2019, the Harlem School District completed a review of the Student Support Services department and the district's social and emotional programming. Currently, each school is implementing Multi-Tiered Systems of Support (MTSS) to provide both academic and social support, which includes the Positive Behavioral Interventions and Supports (PBIS) framework. Training and support for staff is currently focused on trauma-informed practices, crisis intervention and suicide prevention.

GOAL #4 - The District will effectively and efficiently communicate with all stakeholders in a transparent and inclusive environment.

STRATEGY 1:

By August 2017, the District will develop a building-specific parent resource guide that outlines the social/emotional and academic supports and services the school offers for students.

The Harlem School District website features school-specific guides that outline the social/emotional and academic supports and services offered for students and their families. These guides also define the Multi-Tiered Systems of Supports (MTSS) process and the level of support provided within each tier.

STRATEGY 2:

By August 2018, a task force of internal and external stakeholders will evaluate the current communication plan and develop strategies to increase transparency in communication between all stakeholders.

The Harlem School District's comprehensive communication plan outlines communication goals and channels by which the District communicates. The Department of Stakeholder Engagement is responsible for the review and implementation of the communication plan.

Harlem Consolidated Schools

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STRATEGY 3:

By August 2018, the District will begin the implementation of Partnership for Academically Successful Students (PASS) program facilitated by Pacific Educational Group, or its equivalent, which will focus on a process to gain multiple family perspectives about student success.

This strategy was not completed.

GOAL #5 - Generate and maintain customs that foster a culture of Harlem Pride for past, present, and future generations.

STRATEGY 1:

By June 2018, a task force will assess our current programs and activities that recognize the accomplishments of students and staff and develop a plan that supports a culture of pride.

The Harlem School District is in the process of assessing the current programs and activities that recognize the accomplishments of students and staff. Based on this assessment, a plan will be developed to foster Harlem's culture of pride.

STRATEGY 2:

By June 2018, the District will create and implement an alumni relations plan.

The Harlem School District has contracted with Alex Gary Inc. to develop an alumni contact information database. The contact information collected will be used by the District to connect with alumni and strengthen alumni relations.

GOAL #6 - The District will assess and utilize a District-wide building and facility maintenance cycle.

STRATEGY 1:

By August 2018, the District will complete the installation of secured entrances at all elementary buildings.

The front entrances of each school have been updated to increase safety and security for staff and students. Each entry is designated with a ballistic-rated glass and visitors are required to provide their ID and purpose for entry before being allowed access into the school.

STRATEGY 2:

By August 2019, the District will complete renovations that bring one set of restrooms at each elementary school to ADA standards.

Each elementary school has at least one set of restrooms that meet ADA standards.

STRATEGY 3:

By January of each school year, the District will review the Facilities, Life Safety Plans, and building level requests to continually prioritize and complete ongoing building maintenance and facility upgrades.

Each year the Assistant Superintendent of Business and Operations reviews and prioritizes building maintenance and facility upgrades.

Harlem Consolidated Schools

DISTRICT 122

Programs

- Dual Language Immersion
- Advanced Learner
- Fine Arts
- Special Education
- Advanced Placement and Honors Courses
- Dual Credit and Career Endorsement Pathways
- Athletics, Clubs and Organizations
- Birth to Three and Early Childhood Programs
- Full-Day Kindergarten

Points of Pride

The Harlem School District was named “Ally of the Year” by the Illinois Safe Schools Alliance. This award recognized our gender equity policy development.

The District’s 5-year Technology Integration Plan allowed every student access to either a Chromebook or tablet by 2021.

The District developed a software program that provides student and route information for bus drivers. Through the use of tablets on every bus, this software program helps keep our students and drivers safe!

The Harlem Veteran Project’s “The Monster Within,” earned the 2017 Spotlight Feature Award at the Mosaic World Film Festival.

The Harlem Girls Bowling team were back-to-back State Champions (2017, 2018) and National Champions (2017). The Harlem Boys Bowling team were State Champions (2017) and National runners up (2017).

Financial Condition

Over the last few years, the General Fund has seen increases in its fund balance. In 2018 the General Fund increased \$1,841,940, in 2019 the General Fund increased \$1,548,245, in 2020 the General Fund increased \$5,159,322 (The reason the FY 20 balance increased so much is the District qualified for a Property Tax Relief Grant, which provided an additional \$4,061,987) and in FY2021 the General Fund increased \$1,355,752. These increases continue to show improvement in the District’s financial health. These increases mainly consist of additional local and state revenues. Regarding the Property Tax Relief Grant, the District abated property taxes for a second year, going forward the abatement amount will be included in the District’s EBF formula. In FY 18, the State of Illinois passed a new Evidence Based Funding model which is the District’s main source of State revenue. This new funding model has provided additional funds to the District and will ensure that there is not a loss of funds due to a decline in enrollment. The District was in Tier 2 and funded at 71% in 2021.

Between FY 20 and FY 21 the District was allocated \$23,421,417 in CARES/COVID funding which is currently scheduled to conclude by the end of FY 24.

Every district receives a designation from the Illinois State Board of Education (ISBE) in order to provide further information regarding the financial condition of school districts throughout the State of Illinois. These designations, ranked from highest to lowest, are; Financial Recognition, Financial Review, Financial Early Warning and Financial Watch.

Harlem Consolidated Schools

DISTRICT 122

<u>Fiscal Year</u>	<u>Designation</u>
• 2017	Review
• 2018	Review
• 2019	Review
• 2020	Recognition
• 2021	Recognition

The District has historically been in a community with stable tax values. Due to the economic recession, the district experienced a notable decrease in equalized assessed valuation (EAV). In 2009, the equalized assessed valuation of the District was \$734,923,482. By 2014, EAV had bottomed out at \$567,031,565. Since that time period the EAV has begun to slowly increase over each of the last six years. The EAV in 2020 was \$677,019,388. Over the last five years EAV has increased by \$108,073,332 or 19%. In 1996, the County passed the “Property Tax Extension Limitation Act.” This Act imposed a mandatory property tax limitation, which limits the increase in property tax extensions to 5% or the percent increase in the National Consumer Price Index (CPI), whichever is less. Voters must approve increases above 5% or the Consumer Price Index by referendum. This Act limits the amount of tax dollars available to the District.

The District’s 11 school buildings, when you take the year built plus additions, have an average age of 50.4 years old. The District prioritizes maintenance and upkeep of its facilities and has invested \$14.9 million in Life Safety funds over the last 7 years. Those funds focused on security and facility improvements.

The District has eight Tax Incremental Financing (TIF) districts within the School District boundaries. The TIF districts cause the School District’s property tax to remain on the level at which the property was during the conception of the TIF, with any increased value being captured by the TIF to further development. Growth within the TIF districts has helped the economic development within the local area, but has created a loss of property tax revenue. The largest single source of revenue to the School District is local property taxes.

Long-Term Financial Planning

The District utilizes a third party to assist with Long-Range financial planning. Historical information is used in conjunction with current budget information and certain estimates regarding future variables are made to compile a financial projection five years into the future. This financial projection is updated annually and plays an important role in the future financial decisions of the District.

The Budget

The District annually creates a comprehensive line item budget that is adopted by the Board of Education in a public meeting during the first quarter of the fiscal year. Management’s control of the budget is maintained at the department/building level and is overseen at the District Administrative level. This budget includes all governmental funds that are included in the District’s financial statements. Financial reports are presented to the Board of Education each month to give an up to date assessment of the District’s financial operations. The annual budget is presented on our website site at www.harlem122.org.

Harlem Consolidated Schools

DISTRICT 122

Awards

The Association of School Business Officials International (ASBO) awarded its Certificate of Achievement for Excellence in Reporting to the District for the last twenty-seven consecutive fiscal years (1992 through 2020). In order to be awarded a Certificate of Excellence for Financial Reporting, a government unit must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Excellence for Financial Reporting is valid for a period of one year. We believe our current report continues to conform to the program requirements, and we are submitting it to ASBO to determine eligibility for this recognition. We welcome comments or suggestions regarding this report.

Acknowledgement

The preparation of this report could not have been accomplished without the efficient and dedicated services of Xira Hardt, Accountant. In addition, we would like to express appreciation to all members of the Administrative staff who assisted in the preparation of this report. We also extend a special thank you to the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,



Terrell Yarbrough, Ed.D.
Superintendent



Joshua Aurand
Chief School Business Official



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Harlem Consolidated School District 122

**for its Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2020.**

The report meets the criteria established for
ASBO International's Certificate of Excellence.



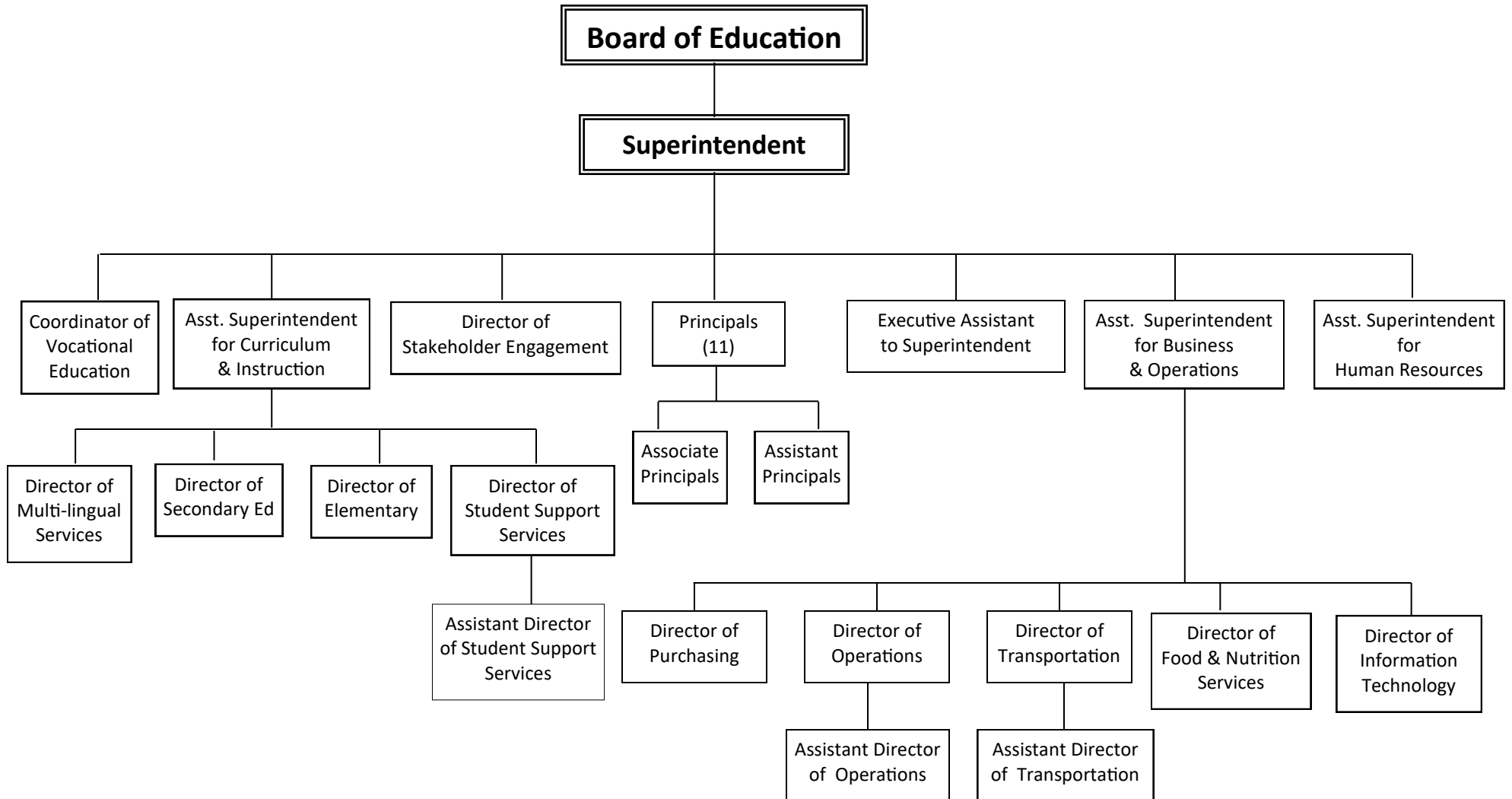
A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director

Harlem Consolidated School District 122
Organizational Chart



COMPREHENSIVE ANNUAL FINANCIAL REPORT
of the
HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

Loves Park, Machesney Park, and Southern Roscoe, Illinois

For the fiscal year ended June 30, 2021

BOARD OF EDUCATION

		<u>Term Expires</u>
Michael Sterling	President	2023
Jill Berogan	Vice President	2023
Evelyn Meeks	Secretary	2025
Sue Berogan	Member	2023
Larry Smith	Member	2025
Kurt Thompson	Member	2025

DISTRICT ADMINISTRATION

Julie Morris, Ed.D.	Superintendent of Schools
Michelle Erb, Ed.D.	Assistant Superintendent for Curriculum & Instruction
Joshua Aurand	Assistant Superintendent for Business & Operations
Scott Rollinson	Assistant Superintendent for Human Resources

OFFICIALS ISSUING REPORT

Julie Morris, Ed.D.	Superintendent of Schools
Joshua Aurand	Assistant Superintendent for Business & Operations

DEPARTMENT ISSUING REPORT

Business Office

ADMINISTRATIVE CENTER

8605 North Second Street
Machesney Park, IL 61115

. . .

Independent Auditors' Report

To the Board of Education of
Harlem Consolidated School District 122

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Harlem Consolidated School District 122, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Harlem Consolidated School District 122'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.

Auditors' 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 auditors' 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 over financial reporting relevant to Harlem Consolidated School District 122'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 Harlem Consolidated School District 122'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 and each major fund of Harlem Consolidated School District 122 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.

Emphasis of Matter

As discussed in Note 3, Harlem Consolidated School District 122 adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, effective July 1, 2020. Our opinions are 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 required supplementary information as listed in the 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.

Supplementary Information

Our audit for the year ended June 30, 2021 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Harlem Consolidated School District 122's basic financial statements. The supplementary information for the year ended June 30, 2021 as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2021, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2021.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Harlem Consolidated School District 122 as of and for the year ended June 30, 2020 (not presented herein), and have issued our report thereon dated November 30, 2020, which contained unmodified opinions on the respective financial statements of governmental activities, each major fund, and the aggregate remaining fund information. The supplementary information for the year ended June 30, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2020.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Harlem Consolidated School District 122's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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 it.

Prior-Year Comparative Information

We have previously audited Harlem Consolidated School District 122's 2020 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated November 30, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2021 on our consideration of Harlem Consolidated School District 122's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Harlem Consolidated School District 122's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Harlem Consolidated School District 122's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Oak Brook, Illinois
November 30, 2021

Harlem Consolidated School District 122

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2021

The discussion and analysis of Harlem Consolidated School District 122's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2021. The management of the District encourages readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- In total, net position increased by \$8.4. This represents a 316% increase from 2020 which is mainly due to a reduction in long-term debt outstanding.
- General revenues accounted for \$82.0 in revenue or 59% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$56.5 or 41% of total revenues of \$138.6.
- The District had \$130.1 in expenses related to government activities. However, only \$56.5 of these expenses were offset by program specific charges and grants.
- Total fund balances in the fund financial statements of the District increased from \$20.7 in fiscal year 2020 to \$22.3 in fiscal year 2021, an 8% increase.
- In Fiscal Year 2021, the District qualified for a Property Tax Relief Grant from the Illinois State Board of Education (ISBE) which provides school districts with high tax rates relative to other school districts with an opportunity to lower the property tax burden on local taxpayers with the state replacing a portion of the foregone tax revenue with state funds. The amount of funds received from this grant was \$4,061,987. FY 21 was the first year the District abated the Property Tax Relief Grant.
- During the year, \$1.4M of capital projects/life safety projects were completed.

Overview of the Financial Statements

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

- Government-wide financial statements,
- Fund financial statements, and
- Notes to basic financial statements.

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

Government-wide financial statements

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

Harlem Consolidated School District 122

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2021

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

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

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

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are governmental funds (the District maintains no fiduciary or proprietary funds).

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Tort Immunity and Judgment, Operations and Maintenance Fund, Transportation Fund, IMRF/Social Security Fund, Debt Service Fund, Capital Projects Fund, and Fire Prevention and Safety Fund, all of which are considered to be major funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with this budget.

Notes to basic financial statements

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

Harlem Consolidated School District 122

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2021

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension and post-employment benefits to its employees.

Government-Wide Financial Analysis

The District's combined net position was higher on June 30, 2021, than it was the year before, increasing 316% to \$5.7.

Table 1 Condensed Statements of Net Position (in millions of dollars)		
	<u>2020*</u>	<u>2021</u>
Assets:		
Current and other assets	\$ 76.6	\$ 79.3
Capital assets	<u>57.6</u>	<u>57.2</u>
Total assets	<u>134.2</u>	<u>136.5</u>
Total deferred outflows of resources	<u>4.0</u>	<u>3.7</u>
Liabilities:		
Current liabilities	9.9	11.0
Long-term debt outstanding	<u>71.8</u>	<u>61.4</u>
Total liabilities	<u>81.7</u>	<u>72.4</u>
Total deferred inflows of resources	<u>59.6</u>	<u>62.0</u>
Net position:		
Net investment in capital assets	44.7	48.4
Restricted	9.8	12.6
Unrestricted (deficit)	<u>(57.6)</u>	<u>(55.3)</u>
Total net position	<u>\$ (3.1)</u>	<u>\$ 5.7</u>

* Prior year information has not been updated for the District's implementation of GASB Statement No. 84 in fiscal year 2021.

Revenues in the governmental activities of the District of \$138.6 exceeded expenses by \$8.4.

Harlem Consolidated School District 122
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2021

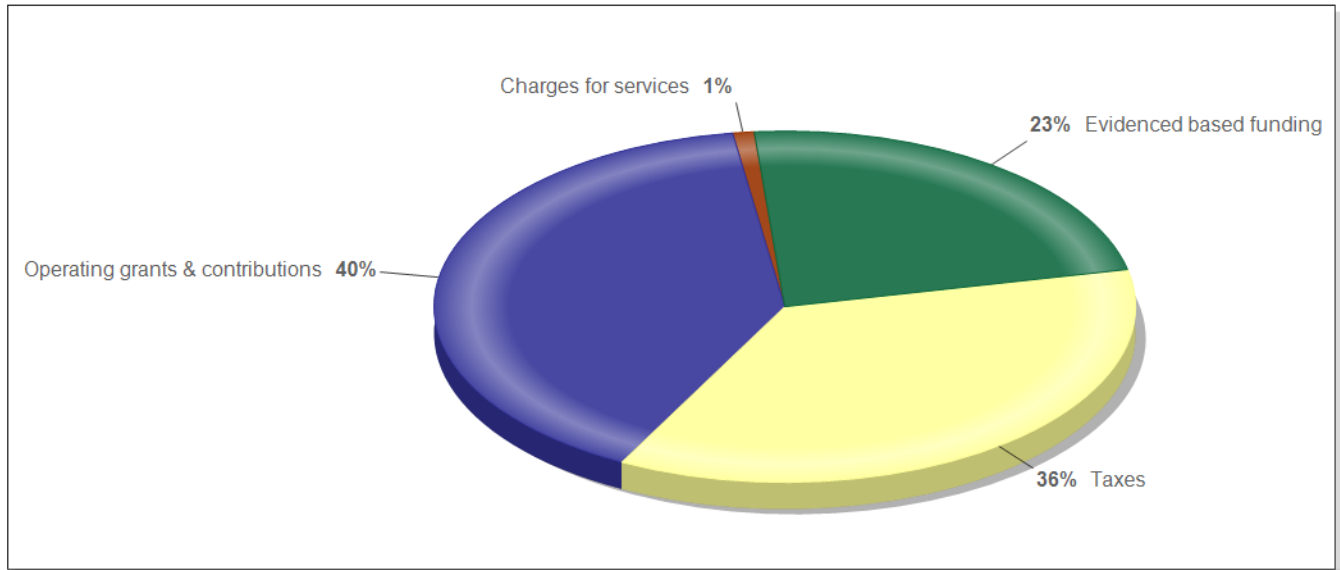
Table 2 Changes in Net Position (in millions of dollars)		
	<u>2020*</u>	<u>2021</u>
Revenues:		
<i>Program revenues:</i>		
Charges for services	\$ 2.1	\$ 1.1
Operating grants & contributions	47.8	55.4
<i>General revenues:</i>		
Taxes	52.7	50.2
Evidenced based funding	31.2	31.2
Other	1.1	0.6
Total revenues	<u>134.9</u>	<u>138.5</u>
Expenses:		
Instruction	87.3	94.9
Pupil & instructional staff services	12.6	11.4
Administration & business	9.8	9.2
Transportation	5.3	5.0
Operations & maintenance	6.4	6.4
Interest & fees	0.8	0.5
Other	2.7	2.7
Total expenses	<u>124.9</u>	<u>130.1</u>
Increase (decrease) in net position	10.0	8.4
Net position (deficit), beginning of year (as restated)	<u>(13.1)</u>	<u>(2.7)</u>
Net position (deficit), end of year	<u>\$ (3.1)</u>	<u>\$ 5.7</u>

* Prior year information has not been updated for the District's implementation of GASB Statement No. 84 in fiscal year 2021.

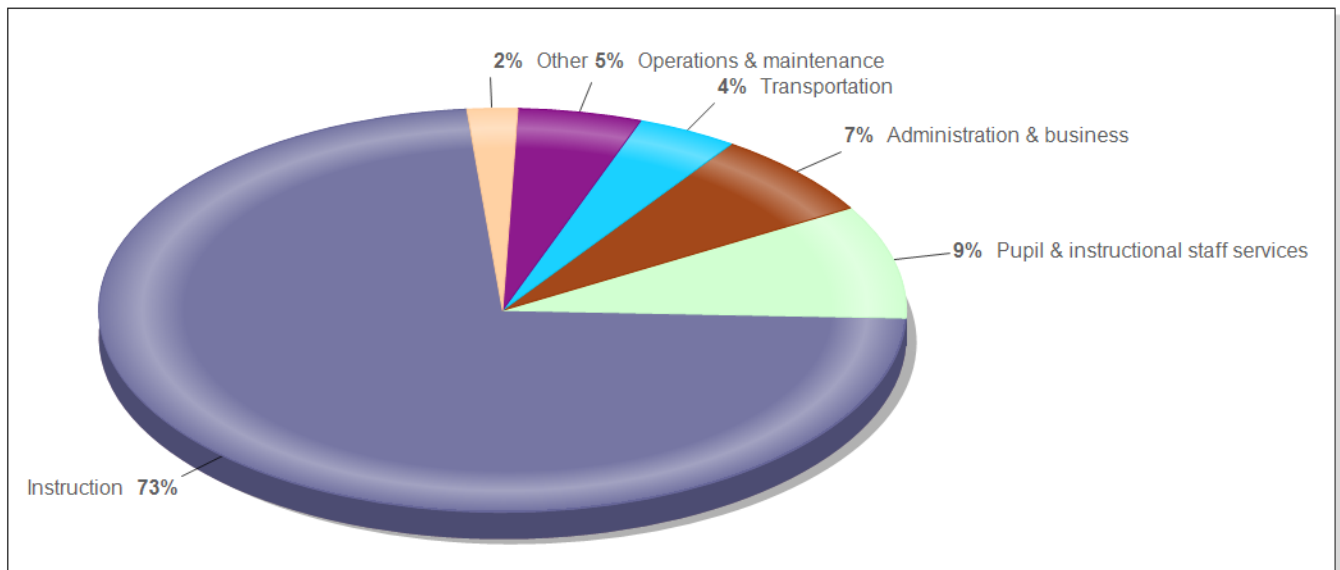
Property taxes accounted for the largest portion of the District's revenues, contributing 36%. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$130.1, mainly related to instructing and caring for the students and student transportation at 86%.

Harlem Consolidated School District 122
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2021

District-Wide Revenues by Source



District-Wide Expenses by Function



Harlem Consolidated School District 122

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2021

Financial Analysis of the District's Funds

- The District's Governmental Funds balance increased from \$20.7 to \$22.3.
- The General Fund in FY 21 had an increase of \$1,355,752 for the year and an ending balance of \$10,914,796. Since FY 19 the fund balance has increased 326.2% or \$7,568,720
- The Operations and Maintenance Fund in in FY 21 had an increase of \$485,927 for the year and an ending balance of \$3,471,131. Since FY19 the fund balance has increased 38.98% or \$973,695.
- The Transportation Fund in in FY 21 had an increase of \$532,474 for the year and an ending balance of \$3,723,719. Since FY19 the fund balance has increased 40.05% or \$1,064,862.
- Transportation Fund – State Revenue – Came in \$356,806 higher than budgeted due to ISBE paying more than projected.

General Fund Budgetary Highlights

- CPPRT came in \$1,780,843 higher than budgeted due to increased corporate revenue.
- General Fund (Education Fund) – Federal Revenue –Medicaid came in \$509,573 higher than budgeted due to the timing of payments from the State and Federal Government. Medicaid funds should come in as normal in the future.

Capital Assets and Debt Administration

Capital assets

By the end of 2021, the District had compiled a total investment of \$112.9 (\$57.2 net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$2.6. More detailed information about capital assets can be found in Note 6 of the basic financial statements.

Table 3			
Capital Assets (net of depreciation)			
(in millions of dollars)			
	<u>2020</u>	<u>2021</u>	
Land	\$ 0.4	\$ 0.4	
Construction in progress	0.6	0.3	
Buildings	52.4	51.6	
Transportation equipment	2.1	2.3	
Other equipment	0.9	0.9	
Land improvements	<u>1.2</u>	<u>1.7</u>	
Total	<u><u>\$ 57.6</u></u>	<u><u>\$ 57.2</u></u>	

Harlem Consolidated School District 122

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2021

Long-term debt

The District retired \$5.3 of outstanding bonds in 2021. At the end of fiscal 2021, the District had a debt margin of \$86.6. More detailed information on long-term debt can be found in Note 7 of the basic financial statements.

Table 4		
Outstanding Long-Term Debt		
(in millions of dollars)		
	<u>2020</u>	<u>2021</u>
General obligation bonds	\$ 14.1	\$ 8.8
Net pension liability	8.7	4.5
Net THIS OPEB liability	47.3	46.4
Capital leases and other	0.1	-
Unamortized premium	0.5	0.4
Net District stand-alone OPEB liability	0.8	0.9
Compensated absences	0.4	0.4
Total	<u>\$ 71.9</u>	<u>\$ 61.4</u>

Factors Bearing on the District's Future

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

In fiscal year 2021, the District was mostly remote learning due to the COVID 19 pandemic. Going forward the District will continue to evaluate the impact of COVID on operations. Federal stimulus funding will help the District offset the financial impact of the COVID-19 pandemic.

Other Factors that will have an impact on financial operations going forward will be:

- Enrollment trends
- Healthcare trends
- Minimum wage increase low
- The State having a budget and adequately funding education

The Board of Education and the District's administration will evaluate and review these factors going forward to continue to ensure the District meets the needs of its students.

Requests for Information

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

Joshua Aurand, Assistant Superintendent for Business and Operations
 Harlem Consolidated School District 122
 8605 North Second Street
 Machesney Park, Illinois 61115

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

STATEMENT OF NET POSITION

AS OF JUNE 30, 2021

	GOVERNMENTAL ACTIVITIES
Assets	
Cash and investments	\$ 51,973,050
Student activity cash	421,355
Receivables (net of allowance for uncollectibles):	
Property taxes	19,995,413
Replacement taxes	822,260
Intergovernmental	4,133,426
Other	192,937
Inventory	136,376
Prepaid items	304,035
Net pension asset	1,312,746
Capital assets:	
Land	363,110
Construction in progress	329,570
Capital assets being depreciated, net of accumulated depreciation	<u>56,471,614</u>
Total assets	<u>136,455,892</u>
Deferred outflows of resources	
Deferred outflows related to pensions	1,931,509
Deferred outflows related to OPEB	<u>1,770,978</u>
Total deferred outflows of resources	<u>3,702,487</u>
Liabilities	
Accounts payable	758,637
Salaries and wages payable	1,911,712
Contracts payable	6,946,509
Unearned other	50,350
Health claims payable	1,360,865
Long-term liabilities:	
Other long-term liabilities - due within one year	2,384,138
Other long-term liabilities - due after one year	<u>59,024,743</u>
Total liabilities	<u>72,436,954</u>
Deferred inflows of resources	
Property taxes levied for a future period	43,901,999
Deferred inflows related to pensions	7,887,125
Deferred inflows related to OPEB	<u>10,218,466</u>
Total deferred inflows of resources	<u>62,007,590</u>
Net position	
Net investment in capital assets	48,391,483
Restricted for:	
Tort immunity	696,608
Operations and maintenance	3,471,131
Student transportation	3,753,386
Retirement benefits	2,770,771
Debt service	435,446
Capital projects	1,457,514
Unrestricted (deficit)	<u>(55,262,504)</u>
Total net position	<u>\$ 5,713,835</u>

See notes to basic financial statements

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2021

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE		NET (EXPENSES)
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	REVENUE AND
				GOVERNMENTAL ACTIVITIES
Governmental activities				
Instruction:				
Regular programs	\$ 34,672,600	\$ 385,037	\$ 1,602,087	\$ (32,685,476)
Special programs	16,683,896	-	8,497,140	(8,186,756)
Other instructional programs	4,168,385	150	29,962	(4,138,273)
Student activities	289,186	292,623	-	3,437
State retirement contributions	39,278,243	-	39,278,243	-
Support services:				
Pupils	8,845,941	-	172,572	(8,673,369)
Instructional staff	2,445,276	-	283,538	(2,161,738)
General administration	2,002,818	-	-	(2,002,818)
School administration	4,704,360	-	-	(4,704,360)
Business	2,519,869	134,314	1,970,453	(415,102)
Transportation	4,986,361	-	3,592,239	(1,394,122)
Operations and maintenance	6,392,920	261,689	-	(6,131,231)
Central	1,846,573	-	-	(1,846,573)
Other supporting services	126,790	-	-	(126,790)
Community services	723,163	-	-	(723,163)
Payments to other districts and gov't units - excluding special education	19,633	-	-	(19,633)
Interest and fees	465,096	-	-	(465,096)
Total governmental activities	\$ 130,171,110	\$ 1,073,813	\$ 55,426,234	(73,671,063)

General revenues:

Taxes:

Real estate taxes, levied for general purposes	29,906,804
Real estate taxes, levied for specific purposes	10,139,193
Real estate taxes, levied for debt service	5,760,877
Personal property replacement taxes	4,395,119
State aid-formula grants	31,242,281
Investment income	98,571
Miscellaneous	492,834

Total general revenues 82,035,679

Change in net position 8,364,616

Net position (deficit), beginning of year (as restated) (2,650,781)

Net position, end of year \$ 5,713,835

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GOVERNMENTAL FUNDS

BALANCE SHEET

AS OF JUNE 30, 2021

WITH COMPARATIVE TOTALS AS OF JUNE 30, 2020

	GENERAL FUND	TORT IMMUNITY AND JUDGMENT FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND
Assets				
Cash and investments	\$ 33,134,271	\$ 1,535,473	\$ 6,284,074	\$ 4,443,014
Student activity cash	421,355	-	-	-
Receivables (net allowance for uncollectibles):				
Property taxes	14,002,584	546,407	2,140,573	922,274
Replacement taxes	822,260	-	-	-
Intergovernmental	3,205,007	-	-	928,419
Other	107,939	-	60,546	1,115
Inventory	136,376	-	-	-
Prepaid items	<u>273,756</u>	<u>10,626</u>	<u>11,803</u>	<u>7,850</u>
Total assets	<u>\$ 52,103,548</u>	<u>\$ 2,092,506</u>	<u>\$ 8,496,996</u>	<u>\$ 6,302,672</u>
Liabilities				
Accounts payable	\$ 345,147	\$ 82	\$ 152,933	\$ 41,700
Salaries and wages payable	1,748,137	2,682	23,529	111,836
Contracts payable	6,374,078	9,749	996	245,584
Unearned other	50,350	-	-	-
Health claims payable	<u>1,181,247</u>	<u>2,722</u>	<u>51,695</u>	<u>125,201</u>
Total liabilities	<u>9,698,959</u>	<u>15,235</u>	<u>229,153</u>	<u>524,321</u>
Deferred inflows of resources				
Property taxes levied for a future period	30,744,127	1,199,678	4,699,869	2,024,965
Unavailable state and federal aid receivable	745,666	-	50,000	29,667
Unavailable other receivable	<u>-</u>	<u>-</u>	<u>46,843</u>	<u>-</u>
Total deferred inflows of resources	<u>31,489,793</u>	<u>1,199,678</u>	<u>4,796,712</u>	<u>2,054,632</u>
Fund balance				
Nonspendable	410,132	10,626	11,803	7,850
Restricted	-	866,967	3,459,328	3,715,869
Assigned	421,355	-	-	-
Unassigned	<u>10,083,309</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>10,914,796</u>	<u>877,593</u>	<u>3,471,131</u>	<u>3,723,719</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 52,103,548</u>	<u>\$ 2,092,506</u>	<u>\$ 8,496,996</u>	<u>\$ 6,302,672</u>

See notes to basic financial statements

MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	FIRE PREVENTION AND LIFE SAFETY FUND	TOTAL	
				2021	2020
\$ 3,207,908	\$ 1,647,152	\$ 811,886	\$ 909,272	\$ 51,973,050	\$ 47,205,885
-	-	-	-	421,355	-
1,177,901	1,148,631	-	57,043	19,995,413	25,548,239
-	-	-	-	822,260	449,792
-	-	-	-	4,133,426	2,718,468
-	-	23,337	-	192,937	267,390
-	-	-	-	136,376	111,835
-	161,560	-	-	465,595	544,992
<u>\$ 4,385,809</u>	<u>\$ 2,957,343</u>	<u>\$ 835,223</u>	<u>\$ 966,315</u>	<u>\$ 78,140,412</u>	<u>\$ 76,846,601</u>
\$ -	\$ -	\$ 218,775	\$ -	\$ 758,637	\$ 557,299
25,528	-	-	-	1,911,712	1,383,591
316,102	-	-	-	6,946,509	6,221,238
-	-	-	-	50,350	84,780
-	-	-	-	1,360,865	1,615,730
<u>341,630</u>	<u>-</u>	<u>218,775</u>	<u>-</u>	<u>11,028,073</u>	<u>9,862,638</u>
2,586,214	2,521,897	-	125,249	43,901,999	45,881,288
-	-	-	-	825,333	353,628
-	-	-	-	46,843	80,031
<u>2,586,214</u>	<u>2,521,897</u>	<u>-</u>	<u>125,249</u>	<u>44,774,175</u>	<u>46,314,947</u>
-	161,560	-	-	601,971	656,827
1,457,965	273,886	616,448	841,066	11,231,529	11,276,338
-	-	-	-	421,355	-
-	-	-	-	10,083,309	8,735,851
<u>1,457,965</u>	<u>435,446</u>	<u>616,448</u>	<u>841,066</u>	<u>22,338,164</u>	<u>20,669,016</u>
<u>\$ 4,385,809</u>	<u>\$ 2,957,343</u>	<u>\$ 835,223</u>	<u>\$ 966,315</u>	<u>\$ 78,140,412</u>	<u>\$ 76,846,601</u>

See notes to basic financial statements

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION AS OF JUNE 30, 2021

Total Fund Balances - Governmental Funds

\$ 22,338,164

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.

57,164,294

Net pension asset recognized in the Statement of Net Position does not provide current financial resources and is not included as an asset in the Governmental Funds Balance Sheet.

1,312,746

Certain revenues receivable by the District and recognized in the Statement of Net Position do not provide current financial resources and are included as deferred inflows of resources in the Governmental Funds Balance Sheet, as follows:

State and federal aid

\$ 825,333

Other unavailable receivables

46,843

872,176

Deferred outflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.

1,931,509

Deferred outflows of resources related to OPEB do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.

1,770,978

Deferred inflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.

(7,887,125)

Deferred inflows of resources related to OPEB do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.

(10,218,466)

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.

Balances at June 30, 2021 are:

Bonds payable

\$ (8,830,000)

Unamortized bond premium

(385,740)

Net OPEB liability

(47,301,403)

Net pension liability -TRS

(4,511,259)

Capital leases

(2,243)

Compensated absences

(378,236)

(61,408,881)

Interest paid prior to its due date, which is after the fiscal year end, is considered to be a prepaid in the governmental funds. However it is considered to be an expense of the current period in the governmental activities and is not an asset on the Statement of Net Position:

(161,560)

Net Position of Governmental Activities

\$ 5,713,835

See notes to basic financial statements

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2020

	GENERAL FUND	TORT IMMUNITY AND JUDGMENT FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND
Revenues				
Property taxes	\$ 29,853,926	\$ 1,121,317	\$ 4,596,012	\$ 1,869,501
Corporate personal property replacement taxes	4,109,038	-	-	-
State aid	55,330,174	-	-	3,592,239
Federal aid	8,772,503	-	250,560	74,902
Investment income	60,362	2,017	11,792	8,507
Student activities	292,623	-	-	-
Other	1,277,067	1,547	209,569	6,853
Total revenues	<u>99,695,693</u>	<u>1,124,881</u>	<u>5,067,933</u>	<u>5,552,002</u>
Expenditures				
Current:				
Instruction:				
Regular programs	32,554,303	-	-	-
Special programs	14,493,909	-	-	-
Other instructional programs	4,430,348	-	-	-
Student activities	289,186	-	-	-
State retirement contributions	21,379,139	-	-	-
Support services:				
Pupils	9,371,104	-	9,518	7,506
Instructional staff	2,565,529	-	-	-
General administration	1,174,672	1,133,839	-	-
School administration	4,233,770	-	-	-
Business	2,426,014	-	7,529	-
Transportation	-	-	-	4,230,235
Operations and maintenance	62,550	-	4,360,869	-
Central	1,794,440	-	-	-
Other supporting services	126,790	-	-	-
Community services	694,956	-	-	-
Payments to other districts and gov't units	2,681,779	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	46,603	-	116,796	804,787
Total expenditures	<u>98,325,092</u>	<u>1,133,839</u>	<u>4,494,712</u>	<u>5,042,528</u>
Excess (deficiency) of revenues over expenditures	<u>1,370,601</u>	<u>(8,958)</u>	<u>573,221</u>	<u>509,474</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers (out)	(14,849)	-	(87,294)	-
Principal on bonds sold	-	-	-	-
Premium on bonds sold	-	-	-	-
Sale or compensation for fixed assets	-	-	-	23,000
Total other financing sources (uses)	<u>(14,849)</u>	<u>-</u>	<u>(87,294)</u>	<u>23,000</u>
Net change in fund balance	1,355,752	(8,958)	485,927	532,474
Fund balance, beginning of year (as restated)	<u>9,559,044</u>	<u>886,551</u>	<u>2,985,204</u>	<u>3,191,245</u>
Fund balance, end of year	<u>\$ 10,914,796</u>	<u>\$ 877,593</u>	<u>\$ 3,471,131</u>	<u>\$ 3,723,719</u>

See notes to basic financial statements

MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	FIRE PREVENTION AND LIFE SAFETY FUND	TOTAL	
				2021	2020
\$ 2,417,328	\$ 5,760,877	\$ -	\$ 124,789	\$ 45,743,750	\$ 49,367,946
286,081	-	-	-	4,395,119	3,154,478
83,425	-	-	-	59,005,838	57,088,183
57,745	-	-	-	9,155,710	6,017,651
5,840	5,664	2,442	1,947	98,571	548,342
-	-	-	-	292,623	-
3,336	7,950	-	172	1,506,494	2,574,360
<u>2,853,755</u>	<u>5,774,491</u>	<u>2,442</u>	<u>126,908</u>	<u>120,198,105</u>	<u>118,750,960</u>
355,016	-	-	-	32,909,319	29,133,008
583,027	-	-	-	15,076,936	15,307,477
101,500	-	-	-	4,531,848	4,285,942
-	-	-	-	289,186	-
-	-	-	-	21,379,139	20,218,912
447,359	-	-	-	9,835,487	9,414,721
39,746	-	-	-	2,605,275	2,560,963
43,094	-	-	-	2,351,605	2,806,456
176,617	-	-	-	4,410,387	3,943,757
213,355	-	-	-	2,646,898	3,123,896
435,964	-	-	-	4,666,199	4,652,243
333,002	-	-	-	4,756,421	4,499,726
168,738	-	-	-	1,963,178	1,822,170
-	-	-	-	126,790	37,282
62,818	-	-	-	757,774	784,202
-	-	-	-	2,681,779	2,518,476
-	5,293,992	-	-	5,293,992	5,517,266
-	501,565	-	-	501,565	660,598
-	-	1,191,383	26,528	2,186,097	2,096,141
<u>2,960,236</u>	<u>5,795,557</u>	<u>1,191,383</u>	<u>26,528</u>	<u>118,969,875</u>	<u>113,383,236</u>
<u>(106,481)</u>	<u>(21,066)</u>	<u>(1,188,941)</u>	<u>100,380</u>	<u>1,228,230</u>	<u>5,367,724</u>
-	14,849	87,294	-	102,143	4,690,668
-	-	-	-	(102,143)	(4,690,668)
-	-	-	-	-	2,115,000
-	-	-	-	-	254,700
-	-	-	-	23,000	47,000
-	14,849	87,294	-	23,000	2,416,700
(106,481)	(6,217)	(1,101,647)	100,380	1,251,230	7,784,424
<u>1,564,446</u>	<u>441,663</u>	<u>1,718,095</u>	<u>740,686</u>	<u>21,086,934</u>	<u>12,884,592</u>
<u>\$ 1,457,965</u>	<u>\$ 435,446</u>	<u>\$ 616,448</u>	<u>\$ 841,066</u>	<u>\$ 22,338,164</u>	<u>\$ 20,669,016</u>

See notes to basic financial statements

HARLEM CONSOLIDATED SCHOOL DISTRICT 122
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Net Change in Fund Balances - Total Governmental Funds

\$ 1,251,230

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

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeds current year net capital outlay in the current period.

(446,833)

The net effect of various miscellaneous transactions involving capital assets (sale, disposal, transfer, etc.) is to decrease net position.

(2,643)

Certain revenues included in the Statement of Activities do not provide current financial resources and, therefore, are included as deferred inflows of resources in the fund statements:

State and federal aid	\$	471,705
Other unavailable revenue		<u>(33,188)</u>

438,517

The issuance of long-term debt (bonds, capital leases, etc.) provides current financial resources to the governmental funds, while its principal repayment consumes current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. This is the amount of current year principal repayments made during the year.

5,293,992

In the Statement of Activities, operating expenses are measured by the amounts incurred during the year. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources:

Prepaid interest	\$	78,953
Compensated absences		3,457
Net OPEB liability		849,022
Deferred outflows related to OPEB		608,449
Deferred inflows related to OPEB		(2,436,242)
Net pension asset		1,312,746
Net pension liability		4,175,624
Deferred outflows related to pensions		(741,341)
Deferred inflows related to pensions		(1,977,831)
Amortization of premium on bond issuances		103,532
Amortization of deferred charge on refunding		(146,016)
State on-behalf contribution revenue - TRS and THIS		17,899,104
State on-behalf contribution expense - TRS and THIS		<u>(17,899,104)</u>

1,830,353

Change in Net Position of Governmental Activities

\$ 8,364,616

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Harlem Consolidated School District 122 (the “District”) operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to the accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District.

Reporting Entity

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

Basis of Presentation

Government-wide Financial Statements

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

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

Governmental Funds Financial Statements

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

Separate financial statements are provided for all governmental funds.

Measurement Focus and Basis of Accounting

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

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers property taxes and most other revenues available if they are collected within 60 days after year-end and pledged donations and state aid available if they are collected within 90 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, expenditures for unmatured principal and interest on general long-term debt are recognized when due; and certain compensated absences, claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Major Governmental Funds

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

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

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

Tort Immunity and Judgment Fund - accounts for all revenue and expenditures related to the prevention of tort liability. Revenue is derived primarily from local property tax collections and investment income.

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

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

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

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

Capital Project Funds

Capital Projects Fund - accounts for construction projects and renovations financed through transfers from other funds.

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

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

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

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

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

All Financial Statements

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

Assets, Liabilities and Net Position or Equity

Deposits and Investments

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

Receivables and Payables

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

Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2020 levy resolution was approved during the November 12, 2020 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

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

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lesser of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation. The CPI rates applicable to the 2020 and 2019 tax levies were 2.3% and 1.9%, respectively.

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

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

Property taxes are recognized as a receivable at the time they are levied, and the current taxes receivable represents the 2020 levy and prior levies still uncollected, if any. Taxes from the 2020 levy are intended to finance the expenditures for the year ended June 30, 2021, and, accordingly, the entire tax levy has been deferred as of June 30, 2021. The 2021 tax levy, which attached as an enforceable lien on property as of January 1, 2021, has not been recorded as a receivable as of June 30, 2021 as the tax has not yet been levied by the District and will not be levied until December 2021 and, therefore, the levy is not measurable at June 30, 2021.

Personal Property Replacement Taxes

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

Inventory

Inventories are recorded at the lower of cost or market on a first-in-first-out basis and are expensed when used.

Prepaid Items

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

Capital Assets

Capital assets, which include land, construction in progress, buildings and improvements, transportation equipment, and other equipment are reported in the government-wide financial statements.

Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life of more than 1 year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

<i>Assets</i>	<i>Years</i>
Buildings	50
Land improvements	20
Transportation equipment	5-10
Other equipment	3-15

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

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Compensated Absences

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

District employees earn vacation days and these vacation days may be taken at any time during the year in which they were earned or a subsequent two-year period. The vacation days earned is dependent on the type of position, collective bargaining agreement and length of service.

All full-time employees receive various numbers of sick days per years based on the collective bargaining agreements or policies in place. These days may accumulate to an unlimited number of days. Sick leave does not vest and, therefore, is recognized only when used.

Long-Term Obligations

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

In the fund financial statements, governmental funds recognize bond premiums and discounts during the period incurred. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Equity Classifications

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

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

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

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

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

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

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

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

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

Restricted - includes amounts constrained for a specific purpose by external parties (e.g. Debt Service, Capital Projects, State and Federal Grant Funds).

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

Assigned - includes general fund amounts constrained for a specific purpose by the Board of Education or by an official that has been delegated authority to assign amounts. The authority to assign fund balance has been delegated to the District's Assistant Superintendent for Business and Operations through the approved fund balance policy of the District. The Board of Education may also take official action to assign amounts. Additionally, all remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.

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

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

Governmental fund balances reported on the fund financial statements at June 30, 2021 are as follows:

The nonspendable fund balance in the General Fund is comprised of \$136,376 for inventory and \$273,756 for prepaid items. The nonspendable fund balance in the Operations & Maintenance, Debt Service Fund, Transportation Fund and Tort Immunity Fund is comprised of \$11,803, \$161,560, \$7,850 and \$10,626, respectively, for prepaid items. The assigned fund balance in the General Fund is comprised of \$421,355 for student activities. The remaining restricted fund balances are for the purpose of the respective funds as described above in the Major Governmental Funds section.

Comparative Data

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2020, from which such summarized information was derived.

Eliminations and Reclassifications

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

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of Expenditures over Budget

For the year ended June 30, 2021, expenditures exceeded budget in the General Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Debt Service Fund and Tort Immunity and Judgment Fund by \$2,320,315, \$24,500, \$7,885, \$15,119, and \$16,754 respectively, these excesses were funded by available financial resources. The excess of expenditures in the General Fund was attributable to variance related to District's budget for on-behalf payments to TRS and THIS from the State of Illinois.

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES

In January 2017, the Governmental Accounting Standards Board issued statement No. 84 - *Fiduciary Activities*. This Statement improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes. This standard was implemented July 1, 2020.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

	<i>Carrying Value</i>	<i>Statement Balances</i>	<i>Associated Risks</i>
Deposits	\$ 50,916,485	\$ 52,034,051	Custodial credit risk
Money market mutual funds	2,574	2,574	N/A
U.S. agency securities - implicitly guaranteed	500,000	500,000	Credit risk, custodial credit risk, concentration of credit risk, interest rate risk
Municipal bonds	975,246	975,246	Credit risk, custodial credit risk, concentration of credit risk, interest rate risk
Petty cash	100	-	N/A
Total	<u>\$ 52,394,405</u>	<u>\$ 53,511,871</u>	

Reconciliation to financial statements

Per statement of net position

Cash and investments	\$ 51,973,050
Student activity cash	<u>421,355</u>
Total	<u>\$ 52,394,405</u>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investments detailed in the interest rate risk table below are measured using the market valuation method and Level 2 valuation inputs.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 4 - DEPOSITS AND INVESTMENTS - (CONTINUED)

At year end, the District had the following investments:

	<i>Fair Value</i>	<i>Investment Maturity (In Years)</i>			
		<i>Less than one</i>	<i>1-5</i>	<i>5-10</i>	<i>More than 10</i>
Municipal bonds	\$ 975,246	\$ -	\$ 975,246	\$ -	\$ -
US agencies - implicitly guaranteed	500,000	-	500,000	-	-
Total	<u>\$ 1,475,246</u>	<u>\$ -</u>	<u>\$ 1,475,246</u>	<u>\$ -</u>	<u>\$ -</u>

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State Statutes limit the investments in commercial paper and corporate bonds to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's).

As of June 30, 2021, the District's investments were rated as follows:

<i>Investment Type</i>	<i>Standard & Poor's</i>	<i>Moody's Investors Services</i>
U.S. agency securities - implicitly guaranteed	AA+	Aaa
Municipal bonds	AA	Aa3

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At June 30, 2021, the the following investments were exposed to concentration of credit risk.

<i>Issuer</i>	<i>Investment Type</i>	<i>Percentage of Portfolio</i>
Federal Home Loan Bank	U.S. agency securities - implicitly guaranteed	33.89%
Miami - Dade County	Municipal bonds	32.30%
Greater Rockford Illinois Airport Authority	Municipal bonds	33.81%

Custodial Credit Risk - Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2021, the bank balance of the District's deposit with financial institutions totaled \$52,036,625; this entire amount was collateralized and insured.

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

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

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 - INTERFUND TRANSFERS

During the year, the District transferred \$14,849 from the General Fund (Educational Accounts) to the Debt Service Fund for the funding of capital lease principal and interest payments.

The District transferred \$87,294 from the Operations and Maintenance Fund to the Capital Projects Fund to fund capital projects.

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the District for the year ended June 30, 2021 was as follows:

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
<u>Capital assets not being depreciated:</u>				
Land	\$ 363,110	\$ -	\$ -	\$ 363,110
Construction in progress	<u>603,624</u>	<u>1,161,202</u>	<u>1,435,256</u>	<u>329,570</u>
Total capital assets not being depreciated	<u>966,734</u>	<u>1,161,202</u>	<u>1,435,256</u>	<u>692,680</u>
<u>Capital assets being depreciated:</u>				
Land improvements	1,904,067	638,949	-	2,543,016
Buildings	96,737,476	834,027	-	97,571,503
Transportation equipment	7,262,184	804,787	479,460	7,587,511
Other equipment	<u>4,739,916</u>	<u>127,304</u>	<u>329,718</u>	<u>4,537,502</u>
Total capital assets being depreciated	<u>110,643,643</u>	<u>2,405,067</u>	<u>809,178</u>	<u>112,239,532</u>
<u>Less Accumulated Depreciation for:</u>				
Land improvements	725,366	124,521	-	849,887
Buildings	44,293,069	1,670,127	-	45,963,196
Transportation equipment	5,137,605	629,264	476,816	5,290,053
Other equipment	<u>3,840,567</u>	<u>153,935</u>	<u>329,720</u>	<u>3,664,782</u>
Total accumulated depreciation	<u>53,996,607</u>	<u>2,577,847</u>	<u>806,536</u>	<u>55,767,918</u>
Net capital assets being depreciated	<u>56,647,036</u>	<u>(172,780)</u>	<u>2,642</u>	<u>56,471,614</u>
Net governmental activities capital assets	<u>\$ 57,613,770</u>	<u>\$ 988,422</u>	<u>\$ 1,437,898</u>	<u>\$ 57,164,294</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 - CAPITAL ASSETS - (CONTINUED)

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

<i>Governmental Activities</i>	<i>Depreciation</i>
Regular programs	\$ 61,537
Special programs	2,489
General administration	800
Business	1,689,798
Transportation	621,286
Operations and maintenance	181,486
Central	2,363
Other supporting services	<u>18,088</u>
Total depreciation expense - governmental activities	<u><u>\$ 2,577,847</u></u>

NOTE 7 - LONG TERM LIABILITIES

Changes in General Long-term Liabilities. The following is the long-term liability activity for the District for the year ended June 30, 2021:

	<i>Beginning Balance</i>	<i>Additions</i>	<i>Deletions</i>	<i>Ending Balance</i>	<i>Due Within One Year</i>
General obligation bonds	\$ 14,110,000	\$ -	\$ 5,280,000	\$ 8,830,000	\$ 2,200,000
Unamortized premium	<u>489,272</u>	<u>-</u>	<u>103,532</u>	<u>385,740</u>	<u>87,336</u>
Total bonds payable	<u>14,599,272</u>	<u>-</u>	<u>5,383,532</u>	<u>9,215,740</u>	<u>2,287,336</u>
Net THIS OPEB liability	47,334,130	-	900,796	46,433,334	-
Capital leases	16,235	-	13,992	2,243	2,243
Net District OPEB liability	816,295	97,063	45,289	868,069	-
Compensated absences	381,693	501,649	505,106	378,236	94,559
Net pension liability	<u>8,686,883</u>	<u>6,805,303</u>	<u>10,980,927</u>	<u>4,511,259</u>	<u>-</u>
Total long-term liabilities - governmental activities	<u><u>\$ 71,834,508</u></u>	<u><u>\$ 7,404,015</u></u>	<u><u>\$ 17,829,642</u></u>	<u><u>\$ 61,408,881</u></u>	<u><u>\$ 2,384,138</u></u>

The net pension liability will be repaid from the General Fund. The capital leases will be repaid from the Debt Service Fund and funded with transfers from the General Fund and Operations & Maintenance Fund. The obligations for the compensated absences and other post-employment benefits will be repaid from the General Fund.

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 7 - LONG TERM LIABILITIES - (CONTINUED)

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

Purpose	Interest Rates	Original Indebtedness	Carrying Amount
Series 2016 General Obligation Limited Bonds dated March 14, 2016 is due in a single lump sum payment on January 1, 2023	2.40%	\$ 4,000,000	\$ 2,765,000
Series 2017 General Obligation Limited School Bonds dated April 6, 2017 are due in annual installments through January 1, 2026	3.00% to 4.00%	2,635,000	2,350,000
Series 2018 General Obligation Limited School Bonds dated February 6, 2018 are due in annual installments through January 1, 2026	3.00% to 4.00%	2,055,000	1,710,000
Series 2020 General Obligation Limited School Bonds dated March 3, 2020 are due in annual installments through January 1, 2025	5.00%	<u>2,115,000</u>	<u>2,005,000</u>
Total		<u>\$ 10,805,000</u>	<u>\$ 8,830,000</u>

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

	Principal	Interest	Total
2022	\$ 2,200,000	\$ 320,660	\$ 2,520,660
2023	1,965,000	254,090	2,219,090
2024	2,025,000	191,450	2,216,450
2025	1,695,000	102,550	1,797,550
2026	<u>945,000</u>	<u>36,050</u>	<u>981,050</u>
Total	<u>\$ 8,830,000</u>	<u>\$ 904,800</u>	<u>\$ 9,734,800</u>

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 13.8% of the most recent available equalized assessed valuation of the District. As of June 30, 2021, the statutory debt limit for the District was \$93,428,676, providing a debt margin of \$86,601,433.

Capital Leases. The District has various capital lease obligations. These lease agreements qualify as capital leases for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. At June 30, 2021, \$122,120 of amounts included in capital assets were acquired via capital leases. The obligations for the capital leases will be repaid from the Debt Service Fund. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021, are as follows:

	Amount
2022	\$ <u>2,304</u>
Total minimum lease payments	2,304
Less: amount representing interest	<u>(61)</u>
Present value of minimum lease payments	<u>\$ 2,243</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from such risks, the District participates in the following public entity risk pool: Collective Liability Insurance Cooperative (CLIC) for general liability, workers compensation and other. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that each will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pools. There have been no significant reductions in insurance coverage from coverage in any of the past three fiscal years.

The District is self-insured for medical coverage that is provided to District personnel. A third party administrator administers claims for a monthly fee per participant. Expenditures are recorded as incurred in the form of direct contributions from the District to the third party administrator for payment of employee health claims and administration fees. The District's liability will not exceed \$200,000 per employee, as provided by stop-loss provisions incorporated in the plan.

At June 30, 2021, total unpaid claims, including an estimate of claims that have been incurred but not reported to the administrative agent, totaled \$1,360,865. The estimates are developed based on reports prepared by the administrative agent. The District does not allocate overhead costs or other nonincremental costs to the claims liability. For the two years ended June 30, 2020 and June 30, 2021, changes in the liability reported in the General Fund, Tort Immunity and Judgment Fund, Operations and Maintenance Fund, and Transportation Fund for unpaid claims are summarized as follows:

	<i>Claims Payable Beginning of Year</i>	<i>Current Year Claims and Changes in Estimates</i>	<i>Claims Payments</i>	<i>Claims Payable End of Year</i>
Fiscal Year 2020	<u>\$ 1,580,630</u>	<u>\$ 13,634,559</u>	<u>\$ 13,599,459</u>	<u>\$ 1,615,730</u>
Fiscal Year 2021	<u>\$ 1,615,730</u>	<u>\$ 13,608,081</u>	<u>\$ 13,862,946</u>	<u>\$ 1,360,865</u>

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS

Teachers' Health Insurance Security

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

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

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

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

On Behalf Contributions to THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 1.24% of pay during the year ended June 30, 2021. State of Illinois contributions of \$567,329 were recognized as revenues and expenditures by the District during the year in the General Fund based on current financial resources measurement basis. On the economic resources measurement basis, the District recognized revenues and expenses of \$1,646,744 in Governmental Activities equal to the proportion of the State of Illinois's OPEB expense associated with the employer.

Contributions. The District also makes contributions to THIS Fund. The District's THIS Fund contribution was 0.92% during the year ended June 30, 2021. The percentage of employer required contributions in the future will not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. For the year ended June 30, 2021, the District paid \$420,921 to the THIS Fund, which was 100 percent of the required contribution for the year.

THIS Fiduciary Net Position. Detailed information about the THIS Fund's fiduciary net position as of June 30, 2020 is available in the separately issued THIS Annual Financial Report.

Net OPEB Liability. At June 30, 2021, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for the state's retiree insurance support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collection net OPEB liability	\$ 46,433,334
State's proportionate share of the collective net OPEB liability associated with the District	<u>62,904,522</u>
Total	<u>\$ 109,337,856</u>

The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2020, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2020 and 2019, the District's proportion was 0.173568% and 0.171021%, respectively.

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Actuarial Assumptions. The net OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	4.00% to 9.50%
Investment Rate of Return	0.00%
Healthcare Cost Trend Rates - Initial	Medicare and Non-Medicare - 8.25%
Healthcare Cost Trend Rates - Ultimate	4.25%
Fiscal Year the Ultimate Rate is Reached	2037

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2017.

Discount Rate. At June 30, 2020, the discount rate used to measure the total OPEB liability was a blended rate of 2.45%, which was a change from the June 30, 2019 rate of 3.13%. Since THIS is financed on a pay-as-you-go basis, the discount rate is based on the 20-year general obligation bond index.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.45%) or 1-percentage-point higher (3.45%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB Liability	<u>\$ 55,772,365</u>	<u>\$ 46,433,334</u>	<u>\$ 38,983,850</u>

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (initial rate of 7.25% decreasing to an ultimate rate of 3.25%) for Medicare and non-Medicare coverage or 1-percentage point higher (initial rate of 9.25% decreasing to an ultimate rate of 5.25%) for Medicare and non-Medicare coverage than the current healthcare cost trend rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability	<u>\$ 37,323,814</u>	<u>\$ 46,433,334</u>	<u>\$ 58,681,225</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2021, the District recognized OPEB expense of \$1,343,679 and on-behalf revenue and expense of \$2,214,073 for support provided by the state. At June 30, 2021, the District's deferred outflows of resources and deferred inflows of resources related to OPEBs were from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Differences Between Expected and Actual Experience	\$ -	\$ 1,233,685
Changes in Assumptions	15,723	7,659,121
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	1,322
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	1,103,344	1,202,236
District Contributions Subsequent to the Measurement Date	<u>420,921</u>	<u>-</u>
Total	<u>\$ 1,539,988</u>	<u>\$ 10,096,364</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net OPEB liability for the year ending June 30, 2022. The remaining amounts reported as deferred outflows and inflows of resources related to OPEB (\$ (8,977,296)) will be recognized in OPEB expense as follows in these reporting years:

<i>Year Ending June 30,</i>	<i>Amount</i>
2022	\$ (1,224,885)
2023	(1,224,885)
2024	(1,224,885)
2025	(1,224,883)
2026	(1,224,554)
Thereafter	<u>(2,853,204)</u>
Total	<u>\$ (8,977,296)</u>

Postretirement Health Plan

Plan Description. The District's group health insurance plan, which is a single employer plan, provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. This results in an other postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy.

Employees Covered by Benefit Terms. At July 1, 2019, the actuarial valuation date, the following employees were covered by the benefit terms:

Retired Plan Members	3
Active Employees Not Yet Eligible	-
Active Employees Fully Eligible	<u>425</u>
Total	<u>428</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Total OPEB Liability. The District's total OPEB liability of \$868,069 was measured as of June 30, 2021, and was determined by an actuarial valuation as of July 1, 2019.

Inflation	2.50%
Election at Retirement	15.00%
Discount Rate	2.18%
Healthcare Cost Trend Rate - Initial	6.00%
Healthcare Cost Trend Rate - Ultimate	4.50%
Fiscal Year the Ultimate Rate is Reached	2035

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2021.

Mortality rates were based on 2019 IMRF Actuarial Valuation Report.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of the estimates of future events.

Changes in Total OPEB Liability. The District's changes in total OPEB liability for the year ended June 30, 2021 was as follows:

	Total OPEB Liability
Balance at June 30, 2020	\$ 816,295
Changes for the Year:	
Service Cost	55,417
Interest	21,111
Changes in Assumptions and Other Inputs	20,534
Benefit Payments	<u>(45,289)</u>
Net Changes	<u>51,773</u>
Balance at June 30, 2021	<u><u>\$ 868,069</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.07%) or 1-percentage-point higher (5.73%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	<u>\$ 920,786</u>	<u>\$ 868,069</u>	<u>\$ 818,353</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 9 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (8.37%) or 1-percentage-point higher (9.63%) than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$ 795,443	\$ 868,069	\$ 951,648

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 \$101,547. The District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 95,861	\$ 45,091
Assumption Changes	135,129	77,011
Total	\$ 230,990	\$ 122,102

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the total OPEB liability for the year ending June 30, 2022. The remaining amounts reported as deferred outflows and inflows of resources related to OPEB (\$108,888) will be recognized in OPEB expense as follows:

Year Ending June 30,	Amount
2022	\$ 25,019
2023	25,019
2024	25,019
2025	25,019
2026	4,917
Thereafter	3,895
Total	\$ 108,888

NOTE 10 - RETIREMENT SYSTEMS

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

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)

Teachers' Retirement System

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

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/cafrs/fy2020>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

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

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

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

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

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2021 was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the District, is submitted to TRS by the District.

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)

On Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2021, State of Illinois contributions recognized by the District were based on the state's proportionate share of with the pension expense associated with the District, and the District recognized revenue and expenses of \$37,631,499 in governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$20,811,810 in the General Fund based on the current financial resources measurement basis.

2.2 Formula Contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2021, were \$265,363, and are deferred because they were paid after the June 30, 2020 measurement date.

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

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

For the year ended June 30, 2021, the District pension contribution was 10.41 percent of salaries paid from federal and special trust funds. Contributions for the year ended June 30, 2021, were \$84,822, which was equal to the District's required contribution. These contributions are deferred because they were paid after the June 30, 2020 measurement date.

Salary increases over 6 percent. The District is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. For the year ended June 30, 2021, the District paid \$1,644 to TRS for employer contributions due on salary increases in excess of 6 percent.

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

Net Pension Liability. At June 30, 2021, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 4,511,259
State's proportionate share of the collective net pension liability associated with the District	<u>353,345,249</u>
Total	<u>\$ 357,856,508</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 and 2019, the District's proportion was 0.00523255 percent and 0.00537693 percent, respectively.

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)

Summary of Significant Accounting Policies. For purposes of measuring the collective net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of TRS and additions to/deductions from TRS fiduciary net position have been determined on the same basis as they are reported by TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Actuarial Assumptions. The assumptions used to measure the total pension liability in the June 30, 2020 actuarial valuation included (a) 7.00% investment rate of return net of pension plan investment expense, including inflation, (b) projected salary increases varies by amount of service credit, and (c) inflation of 2.50%.

Mortality. Mortality rates were based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates are used on a fully-generational basis using projection table MP-2017. The assumptions were based on the results of an experience study dated September 18, 2018.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities 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 (absolute return)	10.00 %	4.30 %
Private equity	15.00 %	10.50 %
Infrastructure	4.00 %	6.20 %

Discount Rate. At June 30, 2020, the discount rate used to measure the total pension liability was a blended rate of 7.00 percent, which was the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)

Based on those assumptions, TRS's 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.

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

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the collective net pension liability	\$ 5,475,847	\$ 4,511,259	\$ 3,717,124

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2021, the District recognized pension expense of \$938,051 and on-behalf revenue of \$37,631,499 for support provided by the state. At June 30, 2021, the District's deferred outflows of resources and deferred inflows of resources related to pensions were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 43,719	\$ 1,204
Net difference between projected and actual earnings on pension plan investments	134,699	-
Assumption changes	18,485	47,334
Changes in proportion and differences between District contributions and proportionate share of contributions	-	1,312,496
District contributions subsequent to the measurement date	302,644	-
Total	\$ 499,547	\$ 1,361,034

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability for the year ending June 30, 2022. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$1,164,131) will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2022	\$ (666,181)
2023	(324,961)
2024	(154,915)
2025	(9,077)
2026	(8,997)
Total	\$ (1,164,131)

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)

Illinois Municipal Retirement Fund

Plan Description. The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer pension plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

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

For *Regular Tier 1*, pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under *Regular Tier 1*, the pension is increased by 3% of the original amount on January 1 every year after retirement. For *Regular Tier 2*, pension benefits vest after ten years of service. Participating members who retire at or after age 67 with 10 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under *Regular Tier 2*, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of 3% of the original pension amount, or 1/2 of the increase in the Consumer Price Index of the original pension amount. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Plan Membership. At December 31, 2020, the measurement date, membership of the plan was as follows:

Retirees and beneficiaries	397
Inactive, non-retired members	438
Active members	531
Total	1,366

Contributions. As set by statute, District employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's actuarially determined contribution rate for calendar year 2020 was 11.01 percent of annual covered payroll. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies. For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of IMRF and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Actuarial Assumptions. The assumptions used to measure the total pension liability in the December 31, 2020 annual actuarial valuation included (a) 7.25% investment rate of return, (b) projected salary increases from 2.85% to 13.75%, and (c) price inflation of 2.25%. The retirement age is based on experience-based table of rates that are specific to the type of eligibility condition. The tables were last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.

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

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

Asset Class	Target Allocation	Projected Returns/Risk	
		One Year Arithmetic	Ten Year Geometric
Equities	37.00 %	6.35 %	5.00 %
International equities	18.00 %	7.65 %	6.00 %
Fixed income	28.00 %	1.40 %	1.30 %
Real estate	9.00 %	7.10 %	6.20 %
Alternatives	7.00 %		
Private equity		10.35 %	6.95 %
Hedge funds		N/A	N/A
Commodities		3.90 %	2.85 %
Cash equivalents	1.00 %	0.70 %	0.70 %

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)

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

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

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 70,800,610	\$ 63,709,012	\$ 57,952,704
Plan fiduciary net position	<u>65,021,758</u>	<u>65,021,758</u>	<u>65,021,758</u>
Net pension liability/(asset)	<u><u>\$ 5,778,852</u></u>	<u><u>\$ (1,312,746)</u></u>	<u><u>\$ (7,069,054)</u></u>

Changes in Net Pension Liability/(Asset). The District's changes in net pension liability/(asset) for the calendar year ended December 31, 2020 was as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
Balances at December 31, 2019	\$ 62,999,438	\$ 58,673,681	\$ 4,325,757
Service cost	1,234,796	-	1,234,796
Interest on total pension liability	4,489,536	-	4,489,536
Differences between expected and actual experience of the total pension liability	(1,088,491)	-	(1,088,491)
Change of assumptions	(541,877)	-	(541,877)
Benefit payments, including refunds of employee contributions	(3,384,390)	(3,384,390)	-
Contributions - employer	-	1,319,103	(1,319,103)
Contributions - employee	-	539,243	(539,243)
Net investment income	-	8,502,315	(8,502,315)
Other (net transfer)	<u>-</u>	<u>(628,194)</u>	<u>628,194</u>
Balances at December 31, 2020	<u><u>\$ 63,709,012</u></u>	<u><u>\$ 65,021,758</u></u>	<u><u>\$ (1,312,746)</u></u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - RETIREMENT SYSTEMS - (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2021, the District recognized pension expense of \$174,371. The District's deferred outflows and inflows of resources related to pension were from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Differences between expected and actual experience	\$ 376,529	\$ 850,415
Assumption changes	381,271	471,546
Net difference between projected and actual earnings on pension plan investments	-	5,204,130
Contributions subsequent to the measurement date	<u>674,162</u>	<u>-</u>
Total	<u><u>\$ 1,431,962</u></u>	<u><u>\$ 6,526,091</u></u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending June 30, 2022. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$5,768,291)) will be recognized in pension expense as follows:

<i>Year Ending June 30,</i>	<i>Amount</i>
2022	\$ (1,617,092)
2023	(899,583)
2024	(2,386,304)
2025	<u>(865,312)</u>
Total	<u><u>\$ (5,768,291)</u></u>

NOTE 11 - CONTINGENT LIABILITIES

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

NOTE 12 - STATE AND FEDERAL AID CONTINGENCIES

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

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

NOTE 13 - RESTATEMENT

Net position and beginning fund balances have been restated due to the implementation of GASB Statement No. 84 - *Fiduciary Activities*. The restatement is necessary to present student activity amounts within the governmental activities and General Fund.

	Governmental Activities
Net position (deficit) as previously reported, June 30, 2020	\$ (3,068,699)
Adjustment to record student activity net position as of June 30, 2020	<u>417,918</u>
Net position (deficit) as restated, June 30, 2020	<u><u>\$ (2,650,781)</u></u>
	General Fund
Fund balance as previously reported, June 30, 2020	\$ 9,141,126
Adjustment to record student activity fund balances as of June 30, 2020	<u>417,918</u>
Fund balance as restated, June 30, 2020	<u><u>\$ 9,559,044</u></u>

Comparative total columns of the previous year have not been restated to reflect these changes.

NOTE 14 - EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 87, *Leases*, GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, GASB Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 93, *Replacement of Interbank Offered Rates*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance*, with the exception of Statement No. 87, which was postponed by one and a half years.

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

HARLEM CONSOLIDATED SCHOOL DISTRICT 122
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY
AND RELATED RATIOS
Seven Most Recent Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total pension liability			
Service cost	\$ 1,234,796	\$ 1,251,240	\$ 1,154,075
Interest	4,489,536	4,276,191	4,159,403
Differences between expected and actual experience	(1,088,491)	742,055	(220,593)
Changes of assumptions	(541,877)	-	1,596,160
Benefit payments, including refunds of member contributions	<u>(3,384,390)</u>	<u>(3,252,741)</u>	<u>(3,176,055)</u>
Net change in total pension liability	709,574	3,016,745	3,512,990
Total pension liability - beginning	<u>62,999,438</u>	<u>59,982,693</u>	<u>56,469,703</u>
Total pension liability - ending (a)	<u>\$ 63,709,012</u>	<u>\$ 62,999,438</u>	<u>\$ 59,982,693</u>
Plan fiduciary net position			
Employer contributions	\$ 1,319,103	\$ 1,164,876	\$ 1,345,307
Employee contributions	539,243	545,314	528,024
Net investment income	8,502,315	9,587,682	(3,121,674)
Benefit payments, including refunds of member contributions	(3,384,390)	(3,252,741)	(3,176,055)
Other (net transfer)	<u>(628,194)</u>	<u>354,813</u>	<u>771,073</u>
Net change in plan fiduciary net position	6,348,077	8,399,944	(3,653,325)
Plan fiduciary net position - beginning	<u>58,673,681</u>	<u>50,273,737</u>	<u>53,927,062</u>
Plan fiduciary net position - ending (b)	<u>\$ 65,021,758</u>	<u>\$ 58,673,681</u>	<u>\$ 50,273,737</u>
Employer's net pension liability/(asset) - ending (a) - (b)	<u>\$ (1,312,746)</u>	<u>\$ 4,325,757</u>	<u>\$ 9,708,956</u>
Plan fiduciary net position as a percentage of the total pension liability	102.06%	93.13%	83.81%
Covered payroll	\$ 11,983,268	\$ 11,892,940	\$ 11,718,703
Employer's net pension liability/(asset) as a percentage of covered payroll	-10.95%	36.37%	82.85%

Notes to Schedule:

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

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

2018	2017	2016	2015
\$ 1,178,689	\$ 1,155,668	\$ 1,222,891	\$ 1,287,142
4,096,350	3,926,941	3,797,091	3,497,890
379,144	64,274	(475,424)	(317,665)
(1,720,860)	(128,324)	61,320	2,123,683
<u>(2,984,544)</u>	<u>(2,838,019)</u>	<u>(2,699,056)</u>	<u>(2,304,904)</u>
948,779	2,180,540	1,906,822	4,286,146
<u>55,520,924</u>	<u>53,340,384</u>	<u>51,433,562</u>	<u>47,147,416</u>
<u>\$ 56,469,703</u>	<u>\$ 55,520,924</u>	<u>\$ 53,340,384</u>	<u>\$ 51,433,562</u>
\$ 1,312,327	\$ 1,278,838	\$ 1,295,283	\$ 1,300,559
513,176	506,142	481,606	482,414
8,534,306	3,124,927	229,095	2,673,850
(2,984,544)	(2,838,019)	(2,699,056)	(2,304,904)
<u>(990,342)</u>	<u>(233,126)</u>	<u>116,333</u>	<u>33,620</u>
6,384,923	1,838,762	(576,739)	2,185,539
<u>47,542,139</u>	<u>45,703,377</u>	<u>46,280,116</u>	<u>44,094,577</u>
<u>\$ 53,927,062</u>	<u>\$ 47,542,139</u>	<u>\$ 45,703,377</u>	<u>\$ 46,280,116</u>
<u>\$ 2,542,641</u>	<u>\$ 7,978,785</u>	<u>\$ 7,637,007</u>	<u>\$ 5,153,446</u>
95.50%	85.63%	85.68%	89.98%
\$ 11,285,100	\$ 10,780,819	\$ 10,695,651	\$ 10,669,242
22.53%	74.01%	71.40%	48.30%

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF EMPLOYER CONTRIBUTIONS Seven Most Recent Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 1,304,978	\$ 1,135,776	\$ 1,345,307	\$ 1,279,730
Contributions in relation to the actuarially determined contribution	<u>(1,319,103)</u>	<u>(1,164,876)</u>	<u>(1,345,307)</u>	<u>(1,312,327)</u>
Contribution deficiency (excess)	<u>\$ (14,125)</u>	<u>\$ (29,100)</u>	<u>\$ -</u>	<u>\$ (32,597)</u>
Covered payroll	\$ 11,983,268	\$ 11,892,940	\$ 11,718,703	\$ 11,285,100
Contributions as a percentage of covered payroll	11.01%	9.79%	11.48%	11.63%
		<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution		\$ 1,271,059	\$ 1,272,782	\$ 1,278,175
Contributions in relation to the actuarially determined contribution		<u>(1,278,838)</u>	<u>(1,295,283)</u>	<u>(1,300,559)</u>
Contribution deficiency (excess)		<u>\$ (7,779)</u>	<u>\$ (22,501)</u>	<u>\$ (22,384)</u>
Covered payroll		\$ 10,780,819	\$ 10,695,651	\$ 10,669,242
Contributions as a percentage of covered payroll		11.86%	12.11%	12.19%

Notes to Schedule:

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

Valuation date:

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	23 years
Asset valuation method	5-Year Smoothed Market, 20% corridor
Inflation	2.50%
Salary increases	3.35% to 14.25%, including inflation
Investment rate of return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2014 Employee Mortality Table, adjusted to match current IMRF experience

Other information:

There were no benefit changes during the year.

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122**TEACHERS' RETIREMENT SYSTEM**

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY AND DISTRICT CONTRIBUTIONS
Seven Most Recent Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>
District's proportion of the net pension liability	0.0052325532%	0.0053769254%	0.0057910572%
District's proportionate share of the net pension liability	\$ 4,511,259	\$ 4,361,126	\$ 4,513,830
State's proportionate share of the net pension liability	<u>353,345,249</u>	<u>310,376,544</u>	<u>309,216,283</u>
Total net pension liability	<u>\$ 357,856,508</u>	<u>\$ 314,737,670</u>	<u>\$ 313,730,113</u>
Covered payroll	\$ 45,752,327	\$ 43,907,361	\$ 42,034,052
District's proportionate share of the net pension liability as a percentage of covered payroll	9.86%	9.43%	10.41%
Plan fiduciary net position as a percentage of the total pension liability	37.80%	39.60%	40.00%
Contractually required contribution	\$ 421,352	\$ 407,797	\$ 350,629
Contributions in relation to the contractually required contribution	<u>(427,693)</u>	<u>(406,838)</u>	<u>(357,613)</u>
Contribution deficiency (excess)	<u>\$ (6,341)</u>	<u>\$ 959</u>	<u>\$ (6,984)</u>
Contributions as a percentage of covered payroll	0.9348%	0.9266%	0.8508%

Notes to Schedule:

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

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

Key Assumptions:

Long-term expected rate of return	7.00%	7.00%	7.00%
Municipal bond index	2.21%	3.50%	3.87%
Single equivalent discount rate	7.00%	7.00%	7.00%
Inflation rate	2.50%	2.50%	2.50%
Projected salary increases	4.00% to 9.50%	4.00% to 9.50%	4.00% to 9.50%
	varying by service	varying by service	varying by service

See notes to required supplementary information

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.0078725949%	0.0085747558%	0.0173549433%	0.0167550609%
\$ 6,014,516	\$ 6,768,573	\$ 11,369,236	\$ 10,196,841
<u>299,991,701</u>	<u>321,118,574</u>	<u>256,438,875</u>	<u>238,517,464</u>
<u>\$ 306,006,217</u>	<u>\$ 327,887,147</u>	<u>\$ 267,808,111</u>	<u>\$ 248,714,305</u>
\$ 41,352,416	\$ 40,672,745	\$ 40,482,863	\$ 39,576,382
10.76%	11.31%	10.58%	25.76%
39.30%	36.40%	41.50%	43.00%
\$ 279,444	\$ 320,358	\$ 314,726	\$ 605,316
<u>(295,430)</u>	<u>(325,373)</u>	<u>(314,726)</u>	<u>(605,316)</u>
<u>\$ (15,986)</u>	<u>\$ (5,015)</u>	<u>\$ -</u>	<u>\$ -</u>
0.7144%	0.8000%	0.7774%	1.5295%
7.00%	7.00%	7.50%	7.50%
3.58%	2.85%	3.73%	N/A
7.00%	6.83%	7.47%	7.50%
2.50%	2.50%	3.00%	3.00%
3.25% to 9.25%	3.25% to 9.25%	3.75% to 9.75%	5.75%
varying by service	varying by service	varying by service	

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122
DISTRICT OPEB PLAN
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY
AND RELATED RATIOS
Four Most Recent Fiscal Years

	2021	2020	2019	2018
Total OPEB liability				
Service cost	\$ 55,417	\$ 56,365	\$ 40,843	\$ 42,733
Interest	21,111	21,504	21,919	21,950
Changes of benefit terms	20,535	-	-	-
Differences between expected and actual experience	-	(61,736)	-	188,354
Changes of assumptions	-	27,488	7,875	(94,535)
Other changes	-	(33,923)	(576)	97,854
Benefit payments, including refunds of member contributions	(45,289)	18,899	(35,777)	(33,686)
Net change in total OPEB liability	51,774	28,597	34,284	222,670
Total OPEB liability - beginning	816,295	787,698	753,414	530,744
Total OPEB liability - ending (a)	<u>\$ 868,069</u>	<u>\$ 816,295</u>	<u>\$ 787,698</u>	<u>\$ 753,414</u>
Plan fiduciary net position				
Employer contributions	\$ -	\$ -	\$ -	\$ -
Employee contributions	-	-	-	-
Net investment income	-	-	-	-
Benefit payments, including refunds of member contributions	-	-	-	-
Administration	-	-	-	-
Other (net transfer)	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-
Plan fiduciary net position - ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's net OPEB liability - ending (a) - (b)	<u>\$ 868,069</u>	<u>\$ 816,295</u>	<u>\$ 787,698</u>	<u>\$ 753,414</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ 9,397,033	\$ 9,397,033	\$ 8,410,935	\$ 8,410,935
District's net pension liability as a percentage of covered payroll	9.24%	8.69%	9.37%	8.96%

Notes to Schedule:

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

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

DISTRICT OPEB PLAN SCHEDULE OF EMPLOYER CONTRIBUTIONS Four Most Recent Fiscal Years

	2021	2020	2019	2018
Actuarially determined contribution	N/A	N/A	N/A	N/A
Contributions in relation to the actuarially determined contribution	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	N/A	N/A	N/A	N/A
Covered payroll	\$ 9,397,033	\$ 9,397,033	\$ 8,410,935	\$ 8,410,935
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

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

Valuation date:

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	10-year rolling period
Asset valuation method	Market value
Election at retirement	15.00%
Salary increases	4.00%
Investment rate of return	2.18%
Healthcare cost trend rate - initial	6.00%
Healthcare cost trend rate - ultimate	4.50%
Mortality	RP-2014 CHBCA

Other information:

There were no benefit changes during the year.

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

TEACHERS' HEALTH INSURANCE SECURITY FUND

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY AND DISTRICT CONTRIBUTIONS Four Most Recent Fiscal Years

	2021	2020	2019	2018
District's proportion of the net OPEB liability	0.173568%	0.171020%	0.174440%	0.176734%
District's proportionate share of the net OPEB liability	\$ 46,433,334	\$ 47,334,130	\$ 45,974,004	\$ 45,861,835
State's proportionate share of the net OPEB liability	<u>62,904,522</u>	<u>64,096,451</u>	<u>61,733,173</u>	<u>60,227,985</u>
Total net OPEB liability	<u>\$ 109,337,856</u>	<u>\$ 111,430,581</u>	<u>\$ 107,707,177</u>	<u>\$ 106,089,820</u>
Covered payroll	\$ 43,907,361	\$ 42,034,052	\$ 41,352,416	\$ 41,352,416
District's proportionate share of the net OPEB liability as a percentage of covered payroll	105.75%	112.61%	111.18%	110.90%
Plan fiduciary net position as a percentage of the total pension liability	0.70%	0.25%	-0.07%	-0.17%
Contractually required contribution	\$ 420,921	\$ 403,948	\$ 386,713	\$ 363,901
Contributions in relation to the contractually required contribution	<u>(420,921)</u>	<u>(403,948)</u>	<u>(386,713)</u>	<u>(363,546)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 355</u>
Contributions as a percentage of covered payroll	0.9587%	0.9610%	0.9352%	0.8791%

Notes to Schedule:

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

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

Key Assumptions:

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

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 27,745,640	\$ 27,854,513	\$ 108,873	\$ 30,419,344
Leasing levy	5,100	5,123	23	4,887
Special education levy	1,986,307	1,994,290	7,983	1,990,861
Other tax levies	518,815	-	(518,815)	-
Mobile home privilege tax	41,007	41,197	190	84,208
Corporate personal property replacement taxes	2,328,195	4,109,038	1,780,843	2,864,478
Regular tuition from pupils or parents (in state)	1,200	850	(350)	1,225
Summer school tuition from pupils or parents (in state)	-	150	150	655
Special education tuition from other LEA's (in state)	90,000	-	(90,000)	135,177
Investment income	101,250	60,362	(40,888)	318,075
Sales to pupils - lunch	-	45,873	45,873	272,555
Sales to pupils - breakfast	-	-	-	25,011
Sales to pupils - a la carte	320,076	67,349	(252,727)	445,373
Sales to pupils - other	-	-	-	6,794
Other food service	8,000	21,092	13,092	24,660
Admissions - athletic	-	25,398	25,398	49,139
Admissions - other	-	639	639	10,033
Fees	24,014	40,887	16,873	74,009
Student activities	852,629	292,623	(560,006)	-
Rentals	86,369	86,364	(5)	83,853
Contributions and donations from private sources	1,000	6,943	5,943	750
Payments of surplus monies from TIF districts	-	518,816	518,816	568,641
Other local fees	-	389,599	389,599	402,409
Other	444,159	31,910	(412,249)	133,357
Total local sources	34,553,761	35,593,016	1,039,255	37,915,494
State sources				
Evidence based funding	30,741,892	31,242,281	500,389	31,241,892
Special education - private facility tuition	645,000	735,939	90,939	629,319
Special education - orphanage - individual	200,000	332,764	132,764	213,651
Special education - orphanage - summer	20,000	22,840	2,840	21,760
CTE - Technical education - tech prep	15,000	-	(15,000)	1,205
State free lunch & breakfast	12,000	7,877	(4,123)	17,935
Driver education	17,000	61,137	44,137	50,830
Early childhood - block grant	1,503,646	1,541,560	37,914	1,267,228
Other restricted revenue from state sources	24,071	6,637	(17,434)	4,285
On behalf payment to TRS from the state	19,000,000	21,379,139	2,379,139	20,218,912
Total state sources	52,178,609	55,330,174	3,151,565	53,667,017

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Federal sources				
Breakfast start-up	\$ 345,000	\$ -	\$ (345,000)	\$ -
National school lunch program	1,650,000	-	(1,650,000)	1,020,286
School breakfast program	-	-	-	183,000
Summer food service admin/program	-	1,813,861	1,813,861	523,480
Fresh fruits & vegetables	-	70,305	70,305	86,923
Food service - other	-	52,247	52,247	106,076
Title I - Low income	1,611,201	1,680,403	69,202	1,147,433
Title I - Other	68,694	103,674	34,980	58,061
Title IV - Safe & drug free schools - formula	86,959	157,357	70,398	86,715
Federal - special education - preschool flow-through	38,407	60,968	22,561	41,425
Federal - special education - IDEA - flow-through	1,508,982	1,626,235	117,253	1,723,356
Emergency immigrant assistance	27,370	-	(27,370)	2,189
Title III - English language acquisition	-	20,710	20,710	25,069
McKinney education for homeless children	10,350	10,350	-	10,353
Title II - Teacher quality	260,000	237,765	(22,235)	197,770
Medicaid matching funds - administrative outreach	250,000	125,773	(124,227)	204,019
Medicaid matching funds - fee-for-service program	1,000,000	1,633,800	633,800	502,102
Other restricted revenue from federal sources	<u>1,068,079</u>	<u>1,179,055</u>	<u>110,976</u>	<u>62,115</u>
Total federal sources	<u>7,925,042</u>	<u>8,772,503</u>	<u>847,461</u>	<u>5,980,372</u>
Total revenues	<u>94,657,412</u>	<u>99,695,693</u>	<u>5,038,281</u>	<u>97,562,883</u>
Expenditures				
Instruction				
Regular programs				
Salaries	20,698,092	22,108,683	(1,410,591)	20,057,730
Employee benefits	6,842,028	7,069,639	(227,611)	6,572,352
On-behalf payments to TRS from the state	19,000,000	21,379,139	(2,379,139)	20,218,912
Purchased services	1,180,508	1,476,167	(295,659)	947,146
Supplies and materials	1,377,286	1,565,996	(188,710)	957,954
Capital outlay	-	46,603	(46,603)	74,799
Other objects	3,650	119,482	(115,832)	47,337
Non-capitalized equipment	<u>113,950</u>	<u>214,336</u>	<u>(100,386)</u>	<u>226,989</u>
Total	<u>49,215,514</u>	<u>53,980,045</u>	<u>(4,764,531)</u>	<u>49,103,219</u>
Special education programs				
Salaries	10,497,009	9,761,543	735,466	10,091,878
Employee benefits	3,637,859	3,402,416	235,443	3,429,044
Purchased services	120,600	190,717	(70,117)	102,022
Supplies and materials	37,224	58,705	(21,481)	45,965
Non-capitalized equipment	<u>32,502</u>	<u>32,505</u>	<u>(3)</u>	<u>30,370</u>
Total	<u>14,325,194</u>	<u>13,445,886</u>	<u>879,308</u>	<u>13,699,279</u>

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Remedial and supplemental programs K - 12				
Salaries	\$ 920,591	\$ 453,213	\$ 467,378	\$ 614,822
Employee benefits	255,356	167,334	88,022	213,833
Purchased services	38,980	81,731	(42,751)	54,734
Supplies and materials	60,220	293,413	(233,193)	105,184
Non-capitalized equipment	-	52,332	(52,332)	815
Total	<u>1,275,147</u>	<u>1,048,023</u>	<u>227,124</u>	<u>989,388</u>
CTE programs				
Salaries	901,297	992,689	(91,392)	1,214,034
Employee benefits	342,216	318,330	23,886	375,777
Purchased services	1,500	-	1,500	1,612
Supplies and materials	400	424	(24)	233
Total	<u>1,245,413</u>	<u>1,311,443</u>	<u>(66,030)</u>	<u>1,591,656</u>
Interscholastic programs				
Salaries	614,643	571,490	43,153	607,271
Employee benefits	39,074	53,792	(14,718)	62,258
Purchased services	101,250	76,634	24,616	73,173
Supplies and materials	33,500	43,156	(9,656)	51,300
Capital outlay	-	-	-	10,046
Other objects	42,000	18,334	23,666	41,514
Non-capitalized equipment	5,000	3,156	1,844	4,661
Total	<u>835,467</u>	<u>766,562</u>	<u>68,905</u>	<u>850,223</u>
Summer school programs				
Salaries	55,000	558,380	(503,380)	135,580
Employee benefits	3,163	72,202	(69,039)	19,300
Purchased services	-	-	-	178
Supplies and materials	-	37,839	(37,839)	45
Total	<u>58,163</u>	<u>668,421</u>	<u>(610,258)</u>	<u>155,103</u>
Gifted programs				
Salaries	130,972	-	130,972	59,921
Employee benefits	52,307	-	52,307	27,152
Total	<u>183,279</u>	<u>-</u>	<u>183,279</u>	<u>87,073</u>
Driver's education programs				
Salaries	81,222	81,222	-	79,680
Employee benefits	28,113	23,397	4,716	22,968
Purchased services	105,000	103,010	1,990	66,880
Total	<u>214,335</u>	<u>207,629</u>	<u>6,706</u>	<u>169,528</u>

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Bilingual programs				
Salaries	\$ 1,115,253	\$ 1,071,410	\$ 43,843	\$ 945,707
Employee benefits	431,717	382,146	49,571	378,873
Purchased services	7,200	6,960	240	7,287
Supplies and materials	6,500	6,293	207	6,895
Total	1,560,670	1,466,809	93,861	1,338,762
Truant's alternative and optional programs				
Purchased services	25,000	9,484	15,516	24,192
Total	25,000	9,484	15,516	24,192
Student activities				
Other objects	856,564	289,186	567,378	-
Total	856,564	289,186	567,378	-
Total instruction	69,794,746	73,193,488	(3,398,742)	68,008,423
Support services				
Pupils				
Attendance and social work services				
Salaries	1,861,542	1,921,871	(60,329)	1,832,448
Employee benefits	664,611	626,369	38,242	601,584
Purchased services	100	-	100	46
Supplies and materials	6,500	5,724	776	6,273
Total	2,532,753	2,553,964	(21,211)	2,440,351
Guidance services				
Salaries	1,014,789	1,120,413	(105,624)	1,066,026
Employee benefits	330,062	350,306	(20,244)	329,107
Purchased services	100	-	100	144
Supplies and materials	1,500	1,440	60	1,734
Total	1,346,451	1,472,159	(125,708)	1,397,011
Health services				
Salaries	595,992	596,964	(972)	318,429
Employee benefits	203,164	153,689	49,475	91,278
Purchased services	30,000	9,532	20,468	10,940
Supplies and materials	17,390	43,914	(26,524)	23,875
Total	846,546	804,099	42,447	444,522
Psychological services				
Salaries	253,810	268,393	(14,583)	257,465
Employee benefits	105,001	71,386	33,615	73,449
Purchased services	64,685	237,004	(172,319)	236,304
Supplies and materials	5,000	8,238	(3,238)	4,465
Total	428,496	585,021	(156,525)	571,683

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Speech pathology and audiology services				
Salaries	\$ 1,028,063	\$ 1,053,607	\$ (25,544)	\$ 1,029,832
Employee benefits	340,356	308,423	31,933	327,228
Purchased services	64,685	163,133	(98,448)	62,715
Supplies and materials	15,000	13,267	1,733	12,409
Capital outlay	-	-	-	2,925
Other objects	3,825	3,544	281	-
Total	1,451,929	1,541,974	(90,045)	1,435,109
Other support services - pupils				
Salaries	2,391,659	1,927,326	464,333	2,140,390
Employee benefits	629,863	454,914	174,949	587,963
Supplies and materials	15,000	31,647	(16,647)	12,244
Total	3,036,522	2,413,887	622,635	2,740,597
Total pupils	9,642,697	9,371,104	271,593	9,029,273
Instructional staff				
Improvement of instructional services				
Salaries	610,914	563,751	47,163	524,132
Employee benefits	127,542	151,724	(24,182)	127,408
Purchased services	182,501	91,748	90,753	150,907
Supplies and materials	28,038	35,269	(7,231)	34,062
Other objects	4,000	3,392	608	3,195
Non-capitalized equipment	-	8,864	(8,864)	1,046
Total	952,995	854,748	98,247	840,750
Educational media services				
Salaries	839,194	868,105	(28,911)	877,078
Employee benefits	300,533	291,184	9,349	291,855
Purchased services	2,000	7,603	(5,603)	1,139
Supplies and materials	156,221	359,963	(203,742)	62,365
Non-capitalized equipment	48,000	2,719	45,281	-
Total	1,345,948	1,529,574	(183,626)	1,232,437
Assessment and testing				
Salaries	124,774	90,298	34,476	281,249
Employee benefits	68,967	34,028	34,939	116,339
Purchased services	64,643	24,168	40,475	44,442
Supplies and materials	15,350	32,713	(17,363)	5,327
Total	273,734	181,207	92,527	447,357
Total instructional staff	2,572,677	2,565,529	7,148	2,520,544

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
General administration				
Board of education services				
Salaries	\$ 77,703	\$ 57,717	\$ 19,986	\$ 83,695
Employee benefits	22,267	34,044	(11,777)	21,382
Purchased services	231,500	188,787	42,713	175,871
Supplies and materials	16,200	11,221	4,979	22,406
Capital outlay	-	-	-	12,004
Other objects	20,000	15,853	4,147	17,667
Total	367,670	307,622	60,048	333,025
Executive administration services				
Salaries	299,289	393,194	(93,905)	261,461
Employee benefits	68,403	128,432	(60,029)	62,893
Purchased services	29,150	4,895	24,255	14,238
Supplies and materials	4,300	6,313	(2,013)	10,268
Other objects	4,100	2,231	1,869	2,312
Non-capitalized equipment	1,500	5,191	(3,691)	-
Total	406,742	540,256	(133,514)	351,172
Special area administration services				
Salaries	208,793	206,759	2,034	300,212
Employee benefits	68,630	76,838	(8,208)	92,327
Purchased services	2,300	601	1,699	896
Supplies and materials	1,500	2,442	(942)	1,532
Other objects	500	-	500	-
Total	281,723	286,640	(4,917)	394,967
Tort immunity services				
Purchased services	115,000	40,154	74,846	13,107
Total	115,000	40,154	74,846	13,107
Total general administration	1,171,135	1,174,672	(3,537)	1,092,271
School administration				
Office of the principal services				
Salaries	3,187,596	3,158,613	28,983	2,770,310
Employee benefits	1,016,120	969,792	46,328	889,447
Purchased services	122,768	96,758	26,010	111,230
Supplies and materials	13,618	7,582	6,036	4,510
Other objects	2,050	1,025	1,025	468
Non-capitalized equipment	500	-	500	-
Total	4,342,652	4,233,770	108,882	3,775,965
Total school administration	4,342,652	4,233,770	108,882	3,775,965

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Business				
Direction of business support services				
Salaries	\$ 207,594	\$ 208,696	\$ (1,102)	\$ 200,336
Employee benefits	60,641	59,652	989	59,907
Purchased services	88,085	95,757	(7,672)	82,404
Supplies and materials	4,850	2,926	1,924	5,677
Other objects	2,000	2,149	(149)	1,610
Non-capitalized equipment	500	2,534	(2,034)	300
Total	<u>363,670</u>	<u>371,714</u>	<u>(8,044)</u>	<u>350,234</u>
Fiscal services				
Salaries	83,582	85,580	(1,998)	80,850
Employee benefits	19,281	15,499	3,782	15,126
Total	<u>102,863</u>	<u>101,079</u>	<u>1,784</u>	<u>95,976</u>
Operation and maintenance of plant services				
Salaries	55,034	46,445	8,589	50,065
Purchased services	-	319	(319)	10,350
Supplies and materials	-	1,308	(1,308)	8,700
Capital outlay	-	-	-	8,950
Non-capitalized equipment	-	14,478	(14,478)	-
Total	<u>55,034</u>	<u>62,550</u>	<u>(7,516)</u>	<u>78,065</u>
Food services				
Salaries	1,026,311	898,528	127,783	953,341
Employee benefits	142,311	117,060	25,251	148,348
Purchased services	34,000	30,827	3,173	30,540
Supplies and materials	1,361,042	855,211	505,831	1,261,375
Capital outlay	20,000	-	20,000	44,136
Other objects	43,000	8,379	34,621	37,413
Non-capitalized equipment	20,000	36,164	(16,164)	9,045
Total	<u>2,646,664</u>	<u>1,946,169</u>	<u>700,495</u>	<u>2,484,198</u>
Internal services				
Purchased services	5,500	6,751	(1,251)	4,900
Supplies and materials	600	301	299	5,388
Non-capitalized equipment	-	-	-	5,976
Total	<u>6,100</u>	<u>7,052</u>	<u>(952)</u>	<u>16,264</u>
Total business	<u>3,174,331</u>	<u>2,488,564</u>	<u>685,767</u>	<u>3,024,737</u>

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Central				
Direction of central support services				
Salaries	\$ 432,281	\$ 448,481	\$ (16,200)	\$ 428,021
Employee benefits	150,127	149,095	1,032	148,000
Purchased services	70,800	57,354	13,446	53,773
Supplies and materials	6,150	4,045	2,105	4,513
Other objects	1,000	1,031	(31)	990
Non-capitalized equipment	1,500	5,295	(3,795)	-
Total	<u>661,858</u>	<u>665,301</u>	<u>(3,443)</u>	<u>635,297</u>
Planning, research, development and evaluation services				
Salaries	781,132	787,336	(6,204)	755,427
Employee benefits	223,852	222,463	1,389	201,078
Purchased services	7,050	2,994	4,056	984
Total	<u>1,012,034</u>	<u>1,012,793</u>	<u>(759)</u>	<u>957,489</u>
Information services				
Purchased services	6,500	4,859	1,641	7,178
Supplies and materials	3,500	3,582	(82)	2,138
Total	<u>10,000</u>	<u>8,441</u>	<u>1,559</u>	<u>9,316</u>
Staff services				
Salaries	2,000	-	2,000	1,125
Purchased services	31,000	32,838	(1,838)	17,112
Supplies and materials	7,000	2,725	4,275	2,723
Total	<u>40,000</u>	<u>35,563</u>	<u>4,437</u>	<u>20,960</u>
Data processing services				
Salaries	23,950	22,940	1,010	23,753
Employee benefits	25,390	25,062	328	4,829
Purchased services	16,340	24,340	(8,000)	14,050
Total	<u>65,680</u>	<u>72,342</u>	<u>(6,662)</u>	<u>42,632</u>
Total central	<u>1,789,572</u>	<u>1,794,440</u>	<u>(4,868)</u>	<u>1,665,694</u>
Other supporting services				
Salaries	2,500	-	2,500	1,281
Purchased services	1,200	30	1,170	333
Supplies and materials	76,559	95,165	(18,606)	2,914
Other objects	32,000	31,595	405	32,656
Total	<u>112,259</u>	<u>126,790</u>	<u>(14,531)</u>	<u>37,184</u>
Total support services	<u>22,805,323</u>	<u>21,754,869</u>	<u>1,050,454</u>	<u>21,145,668</u>

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2021 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Community services				
Salaries	\$ 509,474	\$ 344,363	\$ 165,111	\$ 476,156
Employee benefits	80,308	69,490	10,818	88,115
Purchased services	243,218	150,297	92,921	89,024
Supplies and materials	78,240	119,056	(40,816)	48,589
Other objects	-	7,550	(7,550)	-
Non-capitalized equipment	4,299	4,200	99	-
Total community services	915,539	694,956	220,583	701,884
Payments to other districts and governmental units				
Payments for special education programs				
Purchased services	504,915	504,915	-	496,216
Total	504,915	504,915	-	496,216
Payments for CTE programs				
Other objects	20,000	17,600	2,400	7,025
Total	20,000	17,600	2,400	7,025
Other payments to in-state governmental units				
Other objects	-	2,033	(2,033)	-
Total	-	2,033	(2,033)	-
Payments for special education programs - tuition				
Other objects	1,964,254	2,157,231	(192,977)	2,015,235
Total	1,964,254	2,157,231	(192,977)	2,015,235
Total payments to other districts and governmental units	2,489,169	2,681,779	(192,610)	2,518,476
Total expenditures	96,004,777	98,325,092	(2,320,315)	92,374,451
Excess (deficiency) of revenues over expenditures	(1,347,365)	1,370,601	2,717,966	5,188,432

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Other financing sources (uses)				
Principal on bonds sold	\$ -	\$ -	\$ -	\$ 2,047,701
Premium on bonds sold	-	-	-	254,700
Permanent transfer from working cash fund - abatement	-	-	-	(2,302,380)
Transfer for principal on capital leases	-	(13,992)	(13,992)	(26,862)
Transfer for interest on capital leases	-	(857)	(857)	(2,269)
Total other financing sources (uses)	-	(14,849)	(14,849)	(29,110)
Net change in fund balance	<u>\$ (1,347,365)</u>	1,355,752	<u>\$ 2,703,117</u>	5,159,322
Fund balance, beginning of year (as restated)		<u>9,559,044</u>		<u>3,981,804</u>
Fund balance, end of year		<u>\$ 10,914,796</u>		<u>\$ 9,141,126</u>

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

TORT IMMUNITY AND JUDGMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
Tort immunity levy	\$ 1,116,820	\$ 1,121,317	\$ 4,497	\$ 1,806,373
Mobile home privilege tax	2,250	1,547	(703)	4,693
Investment income	2,500	2,017	(483)	17,283
Other	500	-	(500)	4,152
Total local sources	<u>1,122,070</u>	<u>1,124,881</u>	<u>2,811</u>	<u>1,832,501</u>
Total revenues	<u>1,122,070</u>	<u>1,124,881</u>	<u>2,811</u>	<u>1,832,501</u>
Expenditures				
Support Services				
Risk management and claims services payments				
Salaries	76,156	75,809	347	562,013
Employee benefits	28,802	35,787	(6,985)	186,614
Purchased services	1,007,127	1,020,087	(12,960)	890,848
Other objects	5,000	2,156	2,844	293
Total	<u>1,117,085</u>	<u>1,133,839</u>	<u>(16,754)</u>	<u>1,639,768</u>
Total general administration	<u>1,117,085</u>	<u>1,133,839</u>	<u>(16,754)</u>	<u>1,639,768</u>
Total support services	<u>1,117,085</u>	<u>1,133,839</u>	<u>(16,754)</u>	<u>1,639,768</u>
Total expenditures	<u>1,117,085</u>	<u>1,133,839</u>	<u>(16,754)</u>	<u>1,639,768</u>
Net change in fund balance	<u>\$ 4,985</u>	<u>(8,958)</u>	<u>\$ (13,943)</u>	192,733
Fund balance, beginning of year		<u>886,551</u>		<u>693,818</u>
Fund balance, end of year		<u>\$ 877,593</u>		<u>\$ 886,551</u>

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

OPERATIONS AND MAINTENANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 4,577,558	\$ 4,596,012	\$ 18,454	\$ 4,566,190
Mobile home privilege tax	6,000	6,342	342	11,862
Investment income	5,000	11,792	6,792	73,393
Rentals	172,658	175,325	2,667	74,805
Contributions and donations from private sources	10,000	263	(9,737)	5,000
Other	15,000	27,639	12,639	80,801
Total local sources	4,786,216	4,817,373	31,157	4,812,051
Federal sources				
Other restricted revenue from federal sources	269,172	250,560	(18,612)	-
Total federal sources	269,172	250,560	(18,612)	-
Total revenues	5,055,388	5,067,933	12,545	4,812,051
Expenditures				
Support services				
Pupils				
Other support services - pupils				
Salaries	6,318	6,318	-	6,077
Employee benefits	1,157	1,188	(31)	1,149
Purchased services	4,250	2,012	2,238	5,321
Total	11,725	9,518	2,207	12,547
Total pupils	11,725	9,518	2,207	12,547
Business				
Direction of business support services				
Salaries	6,384	6,384	-	6,140
Employee benefits	1,164	1,145	19	1,108
Total	7,548	7,529	19	7,248

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

OPERATIONS AND MAINTENANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Operation and maintenance of plant services				
Salaries	\$ 1,830,239	\$ 1,818,698	\$ 11,541	\$ 1,718,538
Employee benefits	533,807	504,651	29,156	493,271
Purchased services	516,300	434,022	82,278	682,103
Supplies and materials	1,525,012	1,547,535	(22,523)	1,210,325
Capital outlay	62,500	116,796	(54,296)	132,942
Other objects	4,800	921	3,879	1,377
Non-capitalized equipment	<u>105,060</u>	<u>55,042</u>	<u>50,018</u>	<u>15,153</u>
Total	<u>4,577,718</u>	<u>4,477,665</u>	<u>100,053</u>	<u>4,253,709</u>
Pupil transportation services				
Salaries	63,517	-	63,517	-
Employee benefits	<u>14,553</u>	<u>-</u>	<u>14,553</u>	<u>-</u>
Total	<u>78,070</u>	<u>-</u>	<u>78,070</u>	<u>-</u>
Total business	<u>4,663,336</u>	<u>4,485,194</u>	<u>178,142</u>	<u>4,260,957</u>
Other supporting services				
Purchased services	85,000	-	85,000	-
Supplies and materials	1,000	-	1,000	-
Capital outlay	<u>20,000</u>	<u>-</u>	<u>20,000</u>	<u>-</u>
Total	<u>106,000</u>	<u>-</u>	<u>106,000</u>	<u>-</u>
Total support services	<u>4,781,061</u>	<u>4,494,712</u>	<u>286,349</u>	<u>4,273,504</u>
Total expenditures	<u>4,781,061</u>	<u>4,494,712</u>	<u>286,349</u>	<u>4,273,504</u>
Excess (deficiency) of revenues over expenditures	<u>274,327</u>	<u>573,221</u>	<u>298,894</u>	<u>538,547</u>
Other financing sources (uses)				
Permanent transfer from working cash fund - abatement	-	-	-	2,302,380
Sale or compensation for fixed assets	-	-	-	6,000
Transfer to capital projects fund	<u>(50,000)</u>	<u>(87,294)</u>	<u>(37,294)</u>	<u>(2,359,157)</u>
Total other financing sources (uses)	<u>(50,000)</u>	<u>(87,294)</u>	<u>(37,294)</u>	<u>(50,777)</u>
Net change in fund balance	<u>\$ 224,327</u>	485,927	<u>\$ 261,600</u>	487,770
Fund balance, beginning of year		<u>2,985,204</u>		<u>2,497,434</u>
Fund balance, end of year		<u>\$ 3,471,131</u>		<u>\$ 2,985,204</u>

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

TRANSPORTATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 1,862,003	\$ 1,869,501	\$ 7,498	\$ 2,065,160
Mobile home privilege tax	2,500	2,580	80	5,365
Regular transportation fees from other LEAs (in state	15,000	-	(15,000)	-
Regular transportation fees from co-curricular activities	500	-	(500)	23,393
Investment income	5,000	8,507	3,507	41,714
Other	400	4,273	3,873	4,854
Total local sources	<u>1,885,403</u>	<u>1,884,861</u>	<u>(542)</u>	<u>2,140,486</u>
State sources				
Transportation - regular/vocational	2,633,883	2,972,624	338,741	2,718,251
Transportation - special education	<u>601,550</u>	<u>619,615</u>	<u>18,065</u>	<u>597,789</u>
Total state sources	<u>3,235,433</u>	<u>3,592,239</u>	<u>356,806</u>	<u>3,316,040</u>
Federal sources				
Other restricted revenue from federal sources	<u>2,500</u>	<u>74,902</u>	<u>72,402</u>	-
Total federal sources	<u>2,500</u>	<u>74,902</u>	<u>72,402</u>	-
Total revenues	<u>5,123,336</u>	<u>5,552,002</u>	<u>428,666</u>	<u>5,456,526</u>
Expenditures				
Support Services				
Pupils				
Other support services - pupils				
Salaries	6,318	6,318	-	6,077
Employee benefits	<u>1,157</u>	<u>1,188</u>	<u>(31)</u>	<u>1,149</u>
Total	<u>7,475</u>	<u>7,506</u>	<u>(31)</u>	<u>7,226</u>
Total pupils	<u>7,475</u>	<u>7,506</u>	<u>(31)</u>	<u>7,226</u>

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

TRANSPORTATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Business				
Pupil transportation services				
Salaries	\$ 2,297,692	\$ 2,363,670	\$ (65,978)	\$ 2,342,985
Employee benefits	1,249,930	1,222,331	27,599	1,229,048
Purchased services	227,650	232,632	(4,982)	238,556
Supplies and materials	437,131	357,327	79,804	417,530
Capital outlay	791,000	804,787	(13,787)	720,998
Other objects	1,150	1,414	(264)	2,473
Non-capitalized equipment	6,000	52,861	(46,861)	5,919
Total	<u>5,010,553</u>	<u>5,035,022</u>	<u>(24,469)</u>	<u>4,957,509</u>
Total business	<u>5,010,553</u>	<u>5,035,022</u>	<u>(24,469)</u>	<u>4,957,509</u>
Total support services	<u>5,018,028</u>	<u>5,042,528</u>	<u>(24,500)</u>	<u>4,964,735</u>
Debt services				
Payments on long term debt				
Principal payments on long term debt	-	-	-	404
Total	-	-	-	404
Total debt services	-	-	-	404
Total expenditures	<u>5,018,028</u>	<u>5,042,528</u>	<u>(24,500)</u>	<u>4,965,139</u>
Excess (deficiency) of revenues over expenditures	<u>105,308</u>	<u>509,474</u>	<u>404,166</u>	<u>491,387</u>
Other financing sources (uses)				
Sale or compensation for fixed assets	<u>26,000</u>	<u>23,000</u>	<u>(3,000)</u>	<u>41,000</u>
Total other financing sources (uses)	<u>26,000</u>	<u>23,000</u>	<u>(3,000)</u>	<u>41,000</u>
Net change in fund balance	<u>\$ 131,308</u>	<u>532,474</u>	<u>\$ 401,166</u>	<u>532,387</u>
Fund balance, beginning of year		<u>3,191,245</u>		<u>2,658,858</u>
Fund balance, end of year		<u>\$ 3,723,719</u>		<u>\$ 3,191,245</u>

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122**MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2020 ACTUAL
Revenues				
Local sources				
General levy	\$ 2,407,664	\$ 1,176,469	\$ (1,231,195)	\$ 1,169,576
Social security/Medicare only levy	-	1,240,859	1,240,859	1,169,576
Mobile home privilege tax	3,000	3,336	336	6,076
Corporate personal property replacement taxes	290,000	286,081	(3,919)	290,000
Investment income	3,000	5,840	2,840	40,488
Other	-	-	-	5,348
Total local sources	2,703,664	2,712,585	8,921	2,681,064
State sources				
Early childhood - block grant	90,000	83,425	(6,575)	105,126
Total state sources	90,000	83,425	(6,575)	105,126
Federal sources				
Title I - Low income	14,000	8,817	(5,183)	15,840
Title I - Other	-	409	409	-
Federal - special education - IDEA - flow-through	25,000	19,329	(5,671)	21,238
Title III - English language acquisition	-	4,728	4,728	-
Title II - Teacher quality	-	1,585	1,585	-
Other restricted revenue from federal sources	7,012	22,877	15,865	201
Total federal sources	46,012	57,745	11,733	37,279
Total revenues	2,839,676	2,853,755	14,079	2,823,469
Expenditures				
Instruction				
Regular programs	320,892	355,016	(34,124)	323,500
Special education programs	648,439	575,735	72,704	609,423
Remedial and supplemental programs K - 12	14,881	7,292	7,589	9,387
CTE programs	14,361	17,419	(3,058)	18,678
Interscholastic programs	7,266	33,393	(26,127)	38,032
Summer school programs	5,658	27,795	(22,137)	3,646
Gifted programs	2,087	-	2,087	898
Driver's education programs	1,294	1,264	30	1,241
Bilingual programs	19,417	21,629	(2,212)	16,956
Total instruction	1,034,295	1,039,543	(5,248)	1,021,761

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122**MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Support services				
Pupils				
Attendance and social work services	\$ 43,908	\$ 50,331	\$ (6,423)	\$ 47,683
Guidance services	38,680	43,214	(4,534)	38,410
Health services	85,550	93,315	(7,765)	42,851
Psychological services	4,004	4,247	(243)	4,014
Speech pathology and audiology services	16,371	16,218	153	15,780
Other support services - pupils	<u>266,682</u>	<u>240,034</u>	<u>26,648</u>	<u>219,862</u>
Total pupils	<u>455,195</u>	<u>447,359</u>	<u>7,836</u>	<u>368,600</u>
Instructional staff				
Improvement of instructional staff	29,426	24,500	4,926	22,718
Educational media services	12,201	13,231	(1,030)	13,405
Assessment and testing	<u>1,809</u>	<u>2,015</u>	<u>(206)</u>	<u>4,296</u>
Total instructional staff	<u>43,436</u>	<u>39,746</u>	<u>3,690</u>	<u>40,419</u>
General administration				
Board of education services	10,104	10,406	(302)	12,311
Executive administration services	16,992	19,130	(2,138)	15,844
Special area administration services	2,887	3,917	(1,030)	5,316
Risk management and claims services payments	<u>8,873</u>	<u>9,641</u>	<u>(768)</u>	<u>52,950</u>
Total general administration	<u>38,856</u>	<u>43,094</u>	<u>(4,238)</u>	<u>86,421</u>
School administration				
Office of the principal services	<u>172,533</u>	<u>176,617</u>	<u>(4,084)</u>	<u>167,792</u>
Total school administration	<u>172,533</u>	<u>176,617</u>	<u>(4,084)</u>	<u>167,792</u>
Business				
Direction of business support services	22,895	22,974	(79)	20,998
Fiscal services	15,394	15,772	(378)	14,414
Operations and maintenance of plant services	343,636	333,002	10,634	309,844
Pupil transportation services	381,376	435,964	(54,588)	415,732
Food services	178,755	164,337	14,418	167,445
Internal services	<u>10,859</u>	<u>10,272</u>	<u>587</u>	<u>11,255</u>
Total business	<u>952,915</u>	<u>982,321</u>	<u>(29,406)</u>	<u>939,688</u>

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122**MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
Central				
Direction of central support services	\$ 58,268	\$ 60,846	\$ (2,578)	\$ 55,492
Planning, research, development and evaluation services	101,677	103,915	(2,238)	96,696
Staff services	29	-	29	79
Data processing services	<u>3,833</u>	<u>3,977</u>	<u>(144)</u>	<u>4,209</u>
Total central	<u>163,807</u>	<u>168,738</u>	<u>(4,931)</u>	<u>156,476</u>
Other supporting services	<u>392</u>	<u>-</u>	<u>392</u>	<u>98</u>
Total support services	<u>1,827,134</u>	<u>1,857,875</u>	<u>(30,741)</u>	<u>1,759,494</u>
Community services	<u>90,922</u>	<u>62,818</u>	<u>28,104</u>	<u>82,318</u>
Total expenditures	<u>2,952,351</u>	<u>2,960,236</u>	<u>(7,885)</u>	<u>2,863,573</u>
Net change in fund balance	<u>\$ (112,675)</u>	<u>(106,481)</u>	<u>\$ 6,194</u>	<u>(40,104)</u>
Fund balance, beginning of year		<u>1,564,446</u>		<u>1,604,550</u>
Fund balance, end of year		<u>\$ 1,457,965</u>		<u>\$ 1,564,446</u>

See notes to required supplementary information

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Data

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

The District follows these procedures in establishing the budgetary data reflected in the general purpose financial statements:

1. Prior to September 1, Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.
4. The Board of Education authorizes the Superintendent or their designee to make transfers within any fund. Furthermore, the Board of Education may amend the budget in other ways by the same procedures required of its original adoption. There were no budget amendments for the fiscal year ended June 30, 2021.

Formal budgetary integration is at a fund level and is employed as a management control device during the year for the General, Special Revenue, Debt Service, and Capital Project Funds.

Excess of Expenditures over Budget

For the year ended June 30, 2021, expenditures exceeded budget in the General Fund, Transportation Fund, Municipal Retirement/Social Security Fund, and Tort Immunity and Judgment Fund, by \$2,320,315, \$24,500, and \$16,754, respectively, and were funded by available financial resources. The excess of expenditures in the General Fund was attributable to variance related to District's budget for on-behalf payments to TRS from the State of Illinois.

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 5,737,724	\$ 5,760,877	\$ 23,153	\$ 6,051,770
Mobile home privilege tax	9,000	7,950	(1,050)	15,721
Investment income	2,500	5,664	3,164	43,289
Other	-	-	-	13,834
Total local sources	<u>5,749,224</u>	<u>5,774,491</u>	<u>25,267</u>	<u>6,124,614</u>
Total revenues	<u>5,749,224</u>	<u>5,774,491</u>	<u>25,267</u>	<u>6,124,614</u>
Expenditures				
Debt services				
Payments on long term debt				
Interest on long term debt	5,777,438	497,665	5,279,773	590,569
Principal payments on long term debt	-	<u>5,293,992</u>	<u>(5,293,992)</u>	<u>5,516,862</u>
Total	<u>5,777,438</u>	<u>5,791,657</u>	<u>(14,219)</u>	<u>6,107,431</u>
Other debt service				
Purchased services	<u>3,000</u>	<u>3,900</u>	<u>(900)</u>	<u>70,029</u>
Total	<u>3,000</u>	<u>3,900</u>	<u>(900)</u>	<u>70,029</u>
Total debt services	<u>5,780,438</u>	<u>5,795,557</u>	<u>(15,119)</u>	<u>6,177,460</u>
Total expenditures	<u>5,780,438</u>	<u>5,795,557</u>	<u>(15,119)</u>	<u>6,177,460</u>
Excess (deficiency) of revenues over expenditures	<u>(31,214)</u>	<u>(21,066)</u>	<u>10,148</u>	<u>(52,846)</u>
Other financing sources (uses)				
Principal on bonds sold	-	-	-	67,299
Transfer for principal on capital leases	-	13,992	13,992	26,862
Transfer for interest on capital leases	-	<u>857</u>	<u>857</u>	<u>2,269</u>
Total other financing sources (uses)	<u>-</u>	<u>14,849</u>	<u>14,849</u>	<u>96,430</u>
Net change in fund balance	<u>\$ (31,214)</u>	<u>(6,217)</u>	<u>\$ 24,997</u>	<u>43,584</u>
Fund balance, beginning of year		<u>441,663</u>		<u>398,079</u>
Fund balance, end of year		<u>\$ 435,446</u>		<u>\$ 441,663</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
Investment income	\$ 2,500	\$ 2,442	\$ (58)	\$ 351
Total local sources	2,500	2,442	(58)	351
Total revenues	2,500	2,442	(58)	351
Expenditures				
Support services				
Business				
Facilities acquisition and construction service				
Capital outlay	1,619,811	1,191,383	428,428	641,413
Total	1,619,811	1,191,383	428,428	641,413
Total business	1,619,811	1,191,383	428,428	641,413
Total support services	1,619,811	1,191,383	428,428	641,413
Total expenditures	1,619,811	1,191,383	428,428	641,413
Excess (deficiency) of revenues over expenditures	(1,617,311)	(1,188,941)	428,370	(641,062)
Other financing sources (uses)				
Transfer to capital projects fund	50,000	87,294	37,294	2,359,157
Total other financing sources (uses)	50,000	87,294	37,294	2,359,157
Net change in fund balance	\$ (1,567,311)	(1,101,647)	\$ 465,664	1,718,095
Fund balance, beginning of year		1,718,095		-
Fund balance, end of year		\$ 616,448		\$ 1,718,095

HARLEM CONSOLIDATED SCHOOL DISTRICT 122**FIRE PREVENTION AND LIFE SAFETY FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 124,304	\$ 124,789	\$ 485	\$ 124,209
Mobile home privilege tax	200	172	(28)	323
Investment income	1,000	1,947	947	13,749
Other	-	-	-	284
Total local sources	<u>125,504</u>	<u>126,908</u>	<u>1,404</u>	<u>138,565</u>
Total revenues	<u>125,504</u>	<u>126,908</u>	<u>1,404</u>	<u>138,565</u>
Expenditures				
Support services				
Business				
Facilities acquisition and construction service				
Capital outlay	<u>50,000</u>	<u>26,528</u>	<u>23,472</u>	<u>447,928</u>
Total	<u>50,000</u>	<u>26,528</u>	<u>23,472</u>	<u>447,928</u>
Total business	<u>50,000</u>	<u>26,528</u>	<u>23,472</u>	<u>447,928</u>
Total support services	<u>50,000</u>	<u>26,528</u>	<u>23,472</u>	<u>447,928</u>
Total expenditures	<u>50,000</u>	<u>26,528</u>	<u>23,472</u>	<u>447,928</u>
Net change in fund balance	<u>\$ 75,504</u>	100,380	<u>\$ 24,876</u>	(309,363)
Fund balance, beginning of year		<u>740,686</u>		<u>1,050,049</u>
Fund balance, end of year		<u>\$ 841,066</u>		<u>\$ 740,686</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GENERAL FUND

COMBINING BALANCE SHEET

AS OF JUNE 30, 2021

	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
Assets			
Cash and investments	\$ 32,471,882	\$ 662,389	\$ 33,134,271
Student activity cash	421,355	-	421,355
Receivables (net allowance for uncollectibles):			
Property taxes	14,000,427	2,157	14,002,584
Replacement taxes	822,260	-	822,260
Intergovernmental	3,205,007	-	3,205,007
Other	107,939	-	107,939
Inventory	136,376	-	136,376
Prepaid items	<u>273,756</u>	<u>-</u>	<u>273,756</u>
Total assets	<u>\$ 51,439,002</u>	<u>\$ 664,546</u>	<u>\$ 52,103,548</u>
Liabilities, deferred inflows of resources, and fund balance			
Liabilities			
Accounts payable	\$ 345,147	\$ -	\$ 345,147
Salaries and wages payable	1,748,137	-	1,748,137
Contracts payable	6,374,078	-	6,374,078
Unearned other	50,350	-	50,350
Health claims payable	<u>1,181,247</u>	<u>-</u>	<u>1,181,247</u>
Total liabilities	<u>9,698,959</u>	<u>-</u>	<u>9,698,959</u>
Deferred inflows of resources			
Property taxes levied for a future period	30,739,388	4,739	30,744,127
Unavailable state and federal aid receivable	<u>745,666</u>	<u>-</u>	<u>745,666</u>
Total deferred inflows of resources	<u>31,485,054</u>	<u>4,739</u>	<u>31,489,793</u>
Fund balance			
Nonspendable	410,132	-	410,132
Assigned	421,355	-	421,355
Unassigned	<u>9,423,502</u>	<u>659,807</u>	<u>10,083,309</u>
Total fund balance	<u>10,254,989</u>	<u>659,807</u>	<u>10,914,796</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 51,439,002</u>	<u>\$ 664,546</u>	<u>\$ 52,103,548</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

GENERAL FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2021

	EDUCATIONAL ACCOUNTS	WORKING CASH ACCOUNTS	TOTAL
Revenues			
Property taxes	\$ 29,848,803	\$ 5,123	\$ 29,853,926
Corporate personal property replacement taxes	4,109,038	-	4,109,038
State aid	55,330,174	-	55,330,174
Federal aid	8,772,503	-	8,772,503
Investment income	58,867	1,495	60,362
Student activities	292,623	-	292,623
Other	<u>1,277,060</u>	<u>7</u>	<u>1,277,067</u>
Total revenues	<u>99,689,068</u>	<u>6,625</u>	<u>99,695,693</u>
Expenditures			
Current:			
Instruction:			
Regular programs	32,554,303	-	32,554,303
Special programs	14,493,909	-	14,493,909
Other instructional programs	4,430,348	-	4,430,348
Student activities	289,186	-	289,186
State retirement contributions	21,379,139	-	21,379,139
Support Services:			
Pupils	9,371,104	-	9,371,104
Instructional staff	2,565,529	-	2,565,529
General administration	1,174,672	-	1,174,672
School administration	4,233,770	-	4,233,770
Business	2,426,014	-	2,426,014
Operations and maintenance	62,550	-	62,550
Central	1,794,440	-	1,794,440
Other supporting services	126,790	-	126,790
Community services	694,956	-	694,956
Payments to other districts and gov't units	2,681,779	-	2,681,779
Capital outlay	<u>46,603</u>	<u>-</u>	<u>46,603</u>
Total expenditures	<u>98,325,092</u>	<u>-</u>	<u>98,325,092</u>
Excess (deficiency) of revenues over expenditures	<u>1,363,976</u>	<u>6,625</u>	<u>1,370,601</u>
Other financing sources (uses)			
Transfers (out)	<u>(14,849)</u>	<u>-</u>	<u>(14,849)</u>
Total other financing sources (uses)	<u>(14,849)</u>	<u>-</u>	<u>(14,849)</u>
Net change in fund balance	1,349,127	6,625	1,355,752
Fund balance, beginning of year (as restated)	<u>8,905,862</u>	<u>653,182</u>	<u>9,559,044</u>
Fund balance, end of year	<u>\$ 10,254,989</u>	<u>\$ 659,807</u>	<u>\$ 10,914,796</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL

FOR THE YEAR ENDED JUNE 30, 2021

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 27,740,540	\$ 27,849,390	\$ 108,850	\$ 30,414,457
Leasing levy	5,100	5,123	23	4,887
Special education levy	1,986,307	1,994,290	7,983	1,990,861
Other tax levies	518,815	-	(518,815)	-
Mobile home privilege tax	41,000	41,190	190	84,195
Corporate personal property replacement taxes	2,328,195	4,109,038	1,780,843	2,864,478
Regular tuition from pupils or parents (in state)	1,200	850	(350)	1,225
Summer school tuition from pupils or parents (in state)	-	150	150	655
Special education tuition from other LEA's (in state)	90,000	-	(90,000)	135,177
Investment income	100,000	58,867	(41,133)	305,553
Sales to pupils - lunch	-	45,873	45,873	272,555
Sales to pupils - breakfast	-	-	-	25,011
Sales to pupils - a la carte	320,076	67,349	(252,727)	445,373
Sales to pupils - other	-	-	-	6,794
Other food service	8,000	21,092	13,092	24,660
Admissions - athletic	-	25,398	25,398	49,139
Admissions - other	-	639	639	10,033
Fees	24,014	40,887	16,873	74,009
Student activities	852,629	292,623	(560,006)	-
Rentals	86,369	86,364	(5)	83,853
Contributions and donations from private sources	1,000	6,943	5,943	750
Payments of surplus monies from TIF districts	-	518,816	518,816	568,641
Other local fees	-	389,599	389,599	402,409
Other	444,159	31,910	(412,249)	133,346
Total local sources	34,547,404	35,586,391	1,038,987	37,898,061
State sources				
Evidence based funding	30,741,892	31,242,281	500,389	31,241,892
Special education - private facility tuition	645,000	735,939	90,939	629,319
Special education - orphanage - individual	200,000	332,764	132,764	213,651
Special education - orphanage - summer	20,000	22,840	2,840	21,760
CTE - Technical education - tech prep	15,000	-	(15,000)	1,205
State free lunch & breakfast	12,000	7,877	(4,123)	17,935
Driver education	17,000	61,137	44,137	50,830
Early childhood - block grant	1,503,646	1,541,560	37,914	1,267,228
Other restricted revenue from state sources	24,071	6,637	(17,434)	4,285
On behalf payment to TRS from the state	19,000,000	21,379,139	2,379,139	20,218,912
Total state sources	52,178,609	55,330,174	3,151,565	53,667,017

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Federal sources				
Breakfast start-up	\$ 345,000	\$ -	\$ (345,000)	\$ -
National school lunch program	1,650,000	-	(1,650,000)	1,020,286
School breakfast program	-	-	-	183,000
Summer food service admin/program	-	1,813,861	1,813,861	523,480
Fresh fruits & vegetables	-	70,305	70,305	86,923
Food service - other	-	52,247	52,247	106,076
Title I - Low income	1,611,201	1,680,403	69,202	1,147,433
Title I - Other	68,694	103,674	34,980	58,061
Title IV - Safe & drug free schools - formula	86,959	157,357	70,398	86,715
Federal - special education - preschool flow-through	38,407	60,968	22,561	41,425
Federal - special education - IDEA - flow-through	1,508,982	1,626,235	117,253	1,723,356
Emergency immigrant assistance	27,370	-	(27,370)	2,189
Title III - English language acquisition	-	20,710	20,710	25,069
McKinney education for homeless children	10,350	10,350	-	10,353
Title II - Teacher quality	260,000	237,765	(22,235)	197,770
Medicaid matching funds - administrative outreach	250,000	125,773	(124,227)	204,019
Medicaid matching funds - fee-for-service program	1,000,000	1,633,800	633,800	502,102
Other restricted revenue from federal sources	<u>1,068,079</u>	<u>1,179,055</u>	<u>110,976</u>	<u>62,115</u>
Total federal sources	<u>7,925,042</u>	<u>8,772,503</u>	<u>847,461</u>	<u>5,980,372</u>
Total revenues	<u>94,651,055</u>	<u>99,689,068</u>	<u>5,038,013</u>	<u>97,545,450</u>
Expenditures				
Instruction				
Regular programs				
Salaries	20,698,092	22,108,683	(1,410,591)	20,057,730
Employee benefits	6,842,028	7,069,639	(227,611)	6,572,352
On-behalf payments to TRS from the state	19,000,000	21,379,139	(2,379,139)	20,218,912
Purchased services	1,180,508	1,476,167	(295,659)	947,146
Supplies and materials	1,377,286	1,565,996	(188,710)	957,954
Capital outlay	-	46,603	(46,603)	74,799
Other objects	3,650	119,482	(115,832)	47,337
Non-capitalized equipment	<u>113,950</u>	<u>214,336</u>	<u>(100,386)</u>	<u>226,989</u>
Total	<u>49,215,514</u>	<u>53,980,045</u>	<u>(4,764,531)</u>	<u>49,103,219</u>
Special education programs				
Salaries	10,497,009	9,761,543	735,466	10,091,878
Employee benefits	3,637,859	3,402,416	235,443	3,429,044
Purchased services	120,600	190,717	(70,117)	102,022
Supplies and materials	37,224	58,705	(21,481)	45,965
Non-capitalized equipment	<u>32,502</u>	<u>32,505</u>	<u>(3)</u>	<u>30,370</u>
Total	<u>14,325,194</u>	<u>13,445,886</u>	<u>879,308</u>	<u>13,699,279</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Remedial and supplemental programs K - 12				
Salaries	\$ 920,591	\$ 453,213	\$ 467,378	\$ 614,822
Employee benefits	255,356	167,334	88,022	213,833
Purchased services	38,980	81,731	(42,751)	54,734
Supplies and materials	60,220	293,413	(233,193)	105,184
Non-capitalized equipment	-	52,332	(52,332)	815
Total	<u>1,275,147</u>	<u>1,048,023</u>	<u>227,124</u>	<u>989,388</u>
CTE programs				
Salaries	901,297	992,689	(91,392)	1,214,034
Employee benefits	342,216	318,330	23,886	375,777
Purchased services	1,500	-	1,500	1,612
Supplies and materials	400	424	(24)	233
Total	<u>1,245,413</u>	<u>1,311,443</u>	<u>(66,030)</u>	<u>1,591,656</u>
Interscholastic programs				
Salaries	614,643	571,490	43,153	607,271
Employee benefits	39,074	53,792	(14,718)	62,258
Purchased services	101,250	76,634	24,616	73,173
Supplies and materials	33,500	43,156	(9,656)	51,300
Capital outlay	-	-	-	10,046
Other objects	42,000	18,334	23,666	41,514
Non-capitalized equipment	5,000	3,156	1,844	4,661
Total	<u>835,467</u>	<u>766,562</u>	<u>68,905</u>	<u>850,223</u>
Summer school programs				
Salaries	55,000	558,380	(503,380)	135,580
Employee benefits	3,163	72,202	(69,039)	19,300
Purchased services	-	-	-	178
Supplies and materials	-	37,839	(37,839)	45
Total	<u>58,163</u>	<u>668,421</u>	<u>(610,258)</u>	<u>155,103</u>
Gifted programs				
Salaries	130,972	-	130,972	59,921
Employee benefits	52,307	-	52,307	27,152
Total	<u>183,279</u>	<u>-</u>	<u>183,279</u>	<u>87,073</u>
Driver's education programs				
Salaries	81,222	81,222	-	79,680
Employee benefits	28,113	23,397	4,716	22,968
Purchased services	105,000	103,010	1,990	66,880
Total	<u>214,335</u>	<u>207,629</u>	<u>6,706</u>	<u>169,528</u>
Bilingual programs				
Salaries	1,115,253	1,071,410	43,843	945,707
Employee benefits	431,717	382,146	49,571	378,873
Purchased services	7,200	6,960	240	7,287
Supplies and materials	6,500	6,293	207	6,895
Total	<u>1,560,670</u>	<u>1,466,809</u>	<u>93,861</u>	<u>1,338,762</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Truant's alternative and optional programs				
Purchased services	\$ 25,000	\$ 9,484	\$ 15,516	\$ 24,192
Total	25,000	9,484	15,516	24,192
Student activities				
Other objects	856,564	289,186	567,378	-
Total	856,564	289,186	567,378	-
Total instruction	69,794,746	73,193,488	(3,398,742)	68,008,423
Support services				
Pupils				
Attendance and social work services				
Salaries	1,861,542	1,921,871	(60,329)	1,832,448
Employee benefits	664,611	626,369	38,242	601,584
Purchased services	100	-	100	46
Supplies and materials	6,500	5,724	776	6,273
Total	2,532,753	2,553,964	(21,211)	2,440,351
Guidance services				
Salaries	1,014,789	1,120,413	(105,624)	1,066,026
Employee benefits	330,062	350,306	(20,244)	329,107
Purchased services	100	-	100	144
Supplies and materials	1,500	1,440	60	1,734
Total	1,346,451	1,472,159	(125,708)	1,397,011
Health services				
Salaries	595,992	596,964	(972)	318,429
Employee benefits	203,164	153,689	49,475	91,278
Purchased services	30,000	9,532	20,468	10,940
Supplies and materials	17,390	43,914	(26,524)	23,875
Total	846,546	804,099	42,447	444,522
Psychological services				
Salaries	253,810	268,393	(14,583)	257,465
Employee benefits	105,001	71,386	33,615	73,449
Purchased services	64,685	237,004	(172,319)	236,304
Supplies and materials	5,000	8,238	(3,238)	4,465
Total	428,496	585,021	(156,525)	571,683

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Speech pathology and audiology services				
Salaries	\$ 1,028,063	\$ 1,053,607	\$ (25,544)	\$ 1,029,832
Employee benefits	340,356	308,423	31,933	327,228
Purchased services	64,685	163,133	(98,448)	62,715
Supplies and materials	15,000	13,267	1,733	12,409
Capital outlay	-	-	-	2,925
Other objects	3,825	3,544	281	-
Total	1,451,929	1,541,974	(90,045)	1,435,109
Other support services - pupils				
Salaries	2,391,659	1,927,326	464,333	2,140,390
Employee benefits	629,863	454,914	174,949	587,963
Supplies and materials	15,000	31,647	(16,647)	12,244
Total	3,036,522	2,413,887	622,635	2,740,597
Total pupils	9,642,697	9,371,104	271,593	9,029,273
Instructional staff				
Improvement of instructional services				
Salaries	610,914	563,751	47,163	524,132
Employee benefits	127,542	151,724	(24,182)	127,408
Purchased services	182,501	91,748	90,753	150,907
Supplies and materials	28,038	35,269	(7,231)	34,062
Other objects	4,000	3,392	608	3,195
Non-capitalized equipment	-	8,864	(8,864)	1,046
Total	952,995	854,748	98,247	840,750
Educational media services				
Salaries	839,194	868,105	(28,911)	877,078
Employee benefits	300,533	291,184	9,349	291,855
Purchased services	2,000	7,603	(5,603)	1,139
Supplies and materials	156,221	359,963	(203,742)	62,365
Non-capitalized equipment	48,000	2,719	45,281	-
Total	1,345,948	1,529,574	(183,626)	1,232,437
Assessment and testing				
Salaries	124,774	90,298	34,476	281,249
Employee benefits	68,967	34,028	34,939	116,339
Purchased services	64,643	24,168	40,475	44,442
Supplies and materials	15,350	32,713	(17,363)	5,327
Total	273,734	181,207	92,527	447,357
Total instructional staff	2,572,677	2,565,529	7,148	2,520,544

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
General administration				
Board of education services				
Salaries	\$ 77,703	\$ 57,717	\$ 19,986	\$ 83,695
Employee benefits	22,267	34,044	(11,777)	21,382
Purchased services	231,500	188,787	42,713	175,871
Supplies and materials	16,200	11,221	4,979	22,406
Capital outlay	-	-	-	12,004
Other objects	20,000	15,853	4,147	17,667
Total	367,670	307,622	60,048	333,025
Executive administration services				
Salaries	299,289	393,194	(93,905)	261,461
Employee benefits	68,403	128,432	(60,029)	62,893
Purchased services	29,150	4,895	24,255	14,238
Supplies and materials	4,300	6,313	(2,013)	10,268
Other objects	4,100	2,231	1,869	2,312
Non-capitalized equipment	1,500	5,191	(3,691)	-
Total	406,742	540,256	(133,514)	351,172
Special area administration services				
Salaries	208,793	206,759	2,034	300,212
Employee benefits	68,630	76,838	(8,208)	92,327
Purchased services	2,300	601	1,699	896
Supplies and materials	1,500	2,442	(942)	1,532
Other objects	500	-	500	-
Total	281,723	286,640	(4,917)	394,967
Tort immunity services				
Purchased services	115,000	40,154	74,846	13,107
Total	115,000	40,154	74,846	13,107
Total general administration	1,171,135	1,174,672	(3,537)	1,092,271
School administration				
Office of the principal services				
Salaries	3,187,596	3,158,613	28,983	2,770,310
Employee benefits	1,016,120	969,792	46,328	889,447
Purchased services	122,768	96,758	26,010	111,230
Supplies and materials	13,618	7,582	6,036	4,510
Other objects	2,050	1,025	1,025	468
Non-capitalized equipment	500	-	500	-
Total	4,342,652	4,233,770	108,882	3,775,965
Total school administration	4,342,652	4,233,770	108,882	3,775,965

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Business				
Direction of business support services				
Salaries	\$ 207,594	\$ 208,696	\$ (1,102)	\$ 200,336
Employee benefits	60,641	59,652	989	59,907
Purchased services	88,085	95,757	(7,672)	82,404
Supplies and materials	4,850	2,926	1,924	5,677
Other objects	2,000	2,149	(149)	1,610
Non-capitalized equipment	500	2,534	(2,034)	300
Total	<u>363,670</u>	<u>371,714</u>	<u>(8,044)</u>	<u>350,234</u>
Fiscal services				
Salaries	83,582	85,580	(1,998)	80,850
Employee benefits	19,281	15,499	3,782	15,126
Total	<u>102,863</u>	<u>101,079</u>	<u>1,784</u>	<u>95,976</u>
Operation and maintenance of plant services				
Salaries	55,034	46,445	8,589	50,065
Purchased services	-	319	(319)	10,350
Supplies and materials	-	1,308	(1,308)	8,700
Capital outlay	-	-	-	8,950
Non-capitalized equipment	-	14,478	(14,478)	-
Total	<u>55,034</u>	<u>62,550</u>	<u>(7,516)</u>	<u>78,065</u>
Food services				
Salaries	1,026,311	898,528	127,783	953,341
Employee benefits	142,311	117,060	25,251	148,348
Purchased services	34,000	30,827	3,173	30,540
Supplies and materials	1,361,042	855,211	505,831	1,261,375
Capital outlay	20,000	-	20,000	44,136
Other objects	43,000	8,379	34,621	37,413
Non-capitalized equipment	20,000	36,164	(16,164)	9,045
Total	<u>2,646,664</u>	<u>1,946,169</u>	<u>700,495</u>	<u>2,484,198</u>
Internal services				
Purchased services	5,500	6,751	(1,251)	4,900
Supplies and materials	600	301	299	5,388
Non-capitalized equipment	-	-	-	5,976
Total	<u>6,100</u>	<u>7,052</u>	<u>(952)</u>	<u>16,264</u>
Total business	<u>3,174,331</u>	<u>2,488,564</u>	<u>685,767</u>	<u>3,024,737</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Central				
Direction of central support services				
Salaries	\$ 432,281	\$ 448,481	\$ (16,200)	\$ 428,021
Employee benefits	150,127	149,095	1,032	148,000
Purchased services	70,800	57,354	13,446	53,773
Supplies and materials	6,150	4,045	2,105	4,513
Other objects	1,000	1,031	(31)	990
Non-capitalized equipment	1,500	5,295	(3,795)	-
Total	<u>661,858</u>	<u>665,301</u>	<u>(3,443)</u>	<u>635,297</u>
Planning, research, development and evaluation services				
Salaries	781,132	787,336	(6,204)	755,427
Employee benefits	223,852	222,463	1,389	201,078
Purchased services	7,050	2,994	4,056	984
Total	<u>1,012,034</u>	<u>1,012,793</u>	<u>(759)</u>	<u>957,489</u>
Information services				
Purchased services	6,500	4,859	1,641	7,178
Supplies and materials	3,500	3,582	(82)	2,138
Total	<u>10,000</u>	<u>8,441</u>	<u>1,559</u>	<u>9,316</u>
Staff services				
Salaries	2,000	-	2,000	1,125
Purchased services	31,000	32,838	(1,838)	17,112
Supplies and materials	7,000	2,725	4,275	2,723
Total	<u>40,000</u>	<u>35,563</u>	<u>4,437</u>	<u>20,960</u>
Data processing services				
Salaries	23,950	22,940	1,010	23,753
Employee benefits	25,390	25,062	328	4,829
Purchased services	16,340	24,340	(8,000)	14,050
Total	<u>65,680</u>	<u>72,342</u>	<u>(6,662)</u>	<u>42,632</u>
Total central	<u>1,789,572</u>	<u>1,794,440</u>	<u>(4,868)</u>	<u>1,665,694</u>
Other supporting services				
Salaries	2,500	-	2,500	1,281
Purchased services	1,200	30	1,170	333
Supplies and materials	76,559	95,165	(18,606)	2,914
Other objects	32,000	31,595	405	32,656
Total	<u>112,259</u>	<u>126,790</u>	<u>(14,531)</u>	<u>37,184</u>
Total support services	<u>22,805,323</u>	<u>21,754,869</u>	<u>1,050,454</u>	<u>21,145,668</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

EDUCATIONAL ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Community services				
Salaries	\$ 509,474	\$ 344,363	\$ 165,111	\$ 476,156
Employee benefits	80,308	69,490	10,818	88,115
Purchased services	243,218	150,297	92,921	89,024
Supplies and materials	78,240	119,056	(40,816)	48,589
Other objects	-	7,550	(7,550)	-
Non-capitalized equipment	4,299	4,200	99	-
Total community services	915,539	694,956	220,583	701,884
Payments to other districts and governmental units				
Payments for special education programs				
Purchased services	504,915	504,915	-	496,216
Total	504,915	504,915	-	496,216
Payments for CTE programs				
Other objects	20,000	17,600	2,400	7,025
Total	20,000	17,600	2,400	7,025
Other payments to in-state governmental units				
Other objects	-	2,033	(2,033)	-
Total	-	2,033	(2,033)	-
Payments for special education programs - tuition				
Other objects	1,964,254	2,157,231	(192,977)	2,015,235
Total	1,964,254	2,157,231	(192,977)	2,015,235
Total payments to other districts and governmental units	2,489,169	2,681,779	(192,610)	2,518,476
Total expenditures	96,004,777	98,325,092	(2,320,315)	92,374,451
Excess (deficiency) of revenues over expenditures	(1,353,722)	1,363,976	2,717,698	5,170,999
Other financing sources (uses)				
Transfer for principal on capital leases	-	(13,992)	(13,992)	(26,862)
Transfer for interest on capital leases	-	(857)	(857)	(2,269)
Total other financing sources (uses)	-	(14,849)	(14,849)	(29,131)
Net change in fund balance	\$ (1,353,722)	1,349,127	\$ 2,702,849	5,141,868
Fund balance, beginning of year (as restated)		8,905,862		3,346,076
Fund balance, end of year		\$ 10,254,989		\$ 8,487,944

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

WORKING CASH ACCOUNTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 5,100	\$ 5,123	\$ 23	\$ 4,887
Mobile home privilege tax	7	7	-	13
Investment income	1,250	1,495	245	12,522
	<u>-</u>	<u>-</u>	<u>-</u>	<u>11</u>
Total local sources	<u>6,357</u>	<u>6,625</u>	<u>268</u>	<u>17,433</u>
Total revenues	<u>6,357</u>	<u>6,625</u>	<u>268</u>	<u>17,433</u>
Expenditures				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>6,357</u>	<u>6,625</u>	<u>268</u>	<u>17,433</u>
Other financing sources (uses)				
Principal on bonds sold	-	-	-	2,047,701
Premium on bonds sold	-	-	-	254,700
Permanent transfer from working cash fund - abatement	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,302,380)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>21</u>
Net change in fund balance	<u>\$ 6,357</u>	6,625	<u>\$ 268</u>	17,454
Fund balance, beginning of year		<u>653,182</u>		<u>635,728</u>
Fund balance, end of year		<u>\$ 659,807</u>		<u>\$ 653,182</u>

HARLEM CONSOLIDATED SCHOOL DISTRICT 122

FIVE YEAR SUMMARY OF ASSESSED VALUATIONS, TAX RATES, EXTENSIONS AND COLLECTIONS AS OF AND FOR THE YEAR ENDED JUNE 30, 2021

	2020	2019	2018	2017	2016
Assessed valuation	<u>\$ 677,019,388</u>	<u>\$ 641,947,719</u>	<u>\$ 611,703,544</u>	<u>\$ 591,392,828</u>	<u>\$ 578,761,284</u>
Tax rates					
Educational	4.2443	4.3513	4.9956	5.0588	3.9766
Tort immunity	0.1772	0.1752	0.2967	0.3044	0.3024
Special education	0.2954	0.3116	0.3270	0.3382	0.8000
Operations and maintenance	0.6942	0.7181	0.7500	0.7499	0.7499
Leasing	0.0007	0.0008	0.0008	0.0008	0.0993
Bond and interest	0.3725	0.9001	0.9940	1.0274	1.1188
Transportation	0.2991	0.2921	0.3392	0.3483	0.7711
Municipal Retirement	0.1772	0.1830	0.1921	0.1818	0.1901
Social Security	0.2048	0.1947	0.1921	0.1818	0.1901
Working Cash	0.0007	0.0008	0.0008	0.0008	0.0492
Fire prevention and life safety	<u>0.0185</u>	<u>0.0195</u>	<u>0.0204</u>	<u>0.0042</u>	<u>0.0173</u>
Total	<u>6.4846</u>	<u>7.1472</u>	<u>8.1087</u>	<u>8.1964</u>	<u>8.2648</u>
Tax extensions					
Educational	\$ 28,734,734	\$ 27,933,071	\$ 30,558,262	\$ 29,917,380	\$ 23,015,021
Tort immunity	1,199,678	1,124,692	1,814,924	1,800,200	1,750,174
Special education	1,999,915	2,000,309	2,000,271	2,000,091	4,630,090
Operations and maintenance	4,699,869	4,609,827	4,587,777	4,434,855	4,340,131
Leasing	4,739	5,136	4,894	4,731	574,710
Bond and interest	2,521,897	5,778,171	6,080,333	6,075,971	6,475,181
Transportation	2,024,965	1,875,129	2,074,898	2,059,821	4,462,828
Municipal Retirement	1,199,678	1,174,764	1,175,083	1,075,152	1,100,225
Social Security	1,386,536	1,249,872	1,175,083	1,075,152	1,100,225
Working Cash	4,739	5,136	4,894	4,731	284,751
Fire prevention and life safety	<u>125,249</u>	<u>125,180</u>	<u>124,788</u>	<u>24,839</u>	<u>100,126</u>
Total	<u>\$ 43,901,999</u>	<u>\$ 45,881,287</u>	<u>\$ 49,601,207</u>	<u>\$ 48,472,923</u>	<u>\$ 47,833,462</u>
Total Collections	<u>\$ 23,907,277</u>	<u>\$ 45,734,751</u>	<u>\$ 49,367,947</u>	<u>\$ 48,168,401</u>	<u>\$ 47,265,071</u>
Percentage collected	54.46 %	99.68 %	99.53 %	99.37 %	98.81 %

Statistical Section

The part of the District'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</u>
Financial Trends	88 - 98
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	99 - 105
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	
Debt Capacity	106 - 111
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.	
Demographic and Economic Information	112 - 114
These schedules offer demographic and economic indicators to help the reader understand the environment within the District's financial activities take place.	
Operating Information	115 - 116
These schedules contain information about the District's service and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

SCHEDULE OF NET POSITION BY COMPONENT Last Ten Fiscal Years

<i>Fiscal Year</i>	<i>Invested in Capital assets, net of related debt</i>	<i>Restricted</i>	<i>Unrestricted</i>	<i>Total Net Position</i>
2021	\$48,391,483	\$12,584,856	(\$55,262,504)	\$5,713,835
2020	42,694,681	9,762,875	(55,829,837)	(3,372,281)
2019	41,133,026	6,506,311	(60,716,981)	(13,077,644)
2018	35,474,021	7,349,488	(60,961,955) **	(18,138,446)
2017	30,883,344	7,879,856	(11,499,868) **	27,263,332
2016	39,414,149	10,803,802	(25,719,457)	24,498,494
2015	37,183,854	10,457,179	(24,489,506) *	23,151,527
2014	34,383,989	8,839,666	(11,173,506)	32,050,149
2013	25,868,647	8,854,106	(11,240,416)	23,482,337
2012	26,777,991	3,105,556	(7,337,628)	22,545,919

Source: District's Government-Wide Financial Statements.

*The increase in the unrestricted deficit in 2015 is from implementing GASB S-68 and recording net pension liabilities.

**Fiscal Year 2017 information has not been updated for the GASB75 implementation. The increase in the unrestricted deficit in 2018 is from implementing GASB S-75 and recording net pension liabilities.

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

SCHEDULE OF CHANGES IN NET POSITION
Last Ten Fiscal Years
(Year Ended June 30)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses:										
Instruction:										
Regular programs	\$34,672,600	\$28,443,748	\$29,232,798	\$26,424,523	\$28,972,795	\$52,158,955	\$48,293,657	\$40,998,350	\$41,741,961	\$41,638,438
Special education programs	16,683,896	18,336,787	17,229,335	15,360,370	15,617,599	13,800,891	13,526,785	12,616,213	12,589,425	13,085,233
Other instructional programs	4,168,385	4,261,343	4,246,476	4,476,112	3,748,531	4,262,331	4,862,790	4,764,416	4,272,719	4,063,407
Student Activities	289,186									
State Retirement contributions	39,278,243	36,268,270	32,131,224	30,011,705	31,991,336					
Support services:										
Pupils	8,845,941	9,579,662	8,506,235	11,274,894	8,695,247	7,742,249	6,832,446	6,436,074	5,824,629	6,249,785
Instructional staff	2,445,276	2,975,783	3,054,541	2,450,912	2,357,278	2,100,688	2,153,712	1,768,966	1,960,521	2,205,485
General administration	2,002,818	2,987,136	2,992,609	2,743,484	2,930,317	2,219,109	2,421,855	2,320,906	2,387,922	2,471,167
School administration	4,704,360	3,675,642	4,145,176	4,596,418	4,274,689	4,112,935	3,849,915	3,769,683	3,628,329	3,568,477
Business	2,519,869	3,147,149	3,254,734	3,515,756	3,533,937	11,482,057	11,088,074	10,623,979	10,520,458	10,631,694
Transportation	4,986,361	5,314,052	5,294,893	5,438,088	5,185,740	4,240,254	4,242,090	4,222,898	4,406,483	4,610,177
Operations and maintenance	6,392,920	6,362,852	6,792,933	6,987,756	6,761,529					
Central	1,846,573	1,889,742	1,732,355	1,794,329	1,654,580	1,694,207	1,456,720	1,393,453	1,421,844	1,552,875
Other	126,790	37,282	42,467	43,576	64,078	50,520	46,945	145,955	80,811	63,611
Community services	723,163	779,927	661,705	399,272	392,740	740,074	798,461	325,323	370,142	293,003
Payments to other governments	19,633	7,025	11,892	35,467	36,165	1,402,611	695,354	931,624	950,828	735,336
Interest on debt	465,096	830,205	900,667	1,150,090	1,374,121	1,447,474	1,642,706	1,861,631	2,058,681	2,298,816
Total expenses	130,171,110	124,896,605	120,230,040	116,702,752	117,590,682	107,454,355	101,911,510	92,179,471	92,214,753	93,467,504
Program revenues:										
Charges for services:										
Instruction	1,073,813	2,082,057	2,080,886	2,084,193	3,562,428	3,751,207	1,509,267	1,716,380	1,634,564	1,754,854
Operating grants and contributions	55,426,234	47,818,862	44,683,799	40,522,111	42,183,871	33,466,390	33,090,086	26,625,520	25,664,207	23,893,112
Capital grants and contributions	0	0	0	0	0	15,350	46,151	663,809	62,391	134,482
Total program revenues	56,500,047	49,900,919	46,764,685	42,606,304	45,746,299	37,232,947	34,645,504	29,005,709	27,361,162	25,782,448
Net expense before general revenues	(73,671,063)	(74,995,686)	(73,465,355)	(74,096,448)	(71,844,383)	(70,221,408)	(67,266,006)	(63,173,762)	(64,853,591)	(67,685,056)
General revenues:										
Taxes:										
Property taxes levied for general purposes	29,906,804	32,533,566	31,717,062	27,386,138	27,244,719	39,953,972	39,600,586	39,164,851	37,779,740	37,132,103
Real estate taxes, levied for specific purposes	10,139,193	10,910,858	10,413,575	13,550,188	13,587,566					
Property taxes levied for debt service	5,760,877	6,051,770	6,037,764	6,398,226	6,718,474	6,767,568	6,827,589	6,633,850	6,301,913	6,189,285
Replacement taxes	4,395,119	3,154,478	2,917,336	2,621,621	3,551,477	2,516,681	3,149,626	2,928,627	2,894,986	2,833,378
State aid-formula grants and grants and contributions not restricted to specific programs	31,242,281	31,241,892	26,111,020	25,311,459	22,272,549	21,262,254	19,417,527	19,123,325	18,066,761	18,575,653
Investment earnings	98,571	548,342	765,283	487,669	301,573	128,183	78,758	138,746	144,753	192,023
Other general revenues	492,834	563,725	564,117	527,190	932,863	939,717	2,591,943	673,211	950,738	792,319
Total general revenues	82,035,679	85,004,631	78,526,157	76,282,491	74,609,221	71,568,375	71,666,029	68,662,610	66,138,891	65,714,761
Change in net position	\$8,364,616	\$10,008,945	\$5,060,802	\$2,186,043	\$2,764,838	\$1,346,967	\$4,400,023	\$5,488,848	\$1,285,300	(\$1,970,295)

SOURCE: District's Government-Wide Financial Statements.

HARLEM CONSOLIDATED SCHOOL DISTRICT #122

SCHEDULE OF FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Year Ended June 30)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund:										
Nonspendable	\$ 410,132	\$ 405,469	\$ 436,901	\$ 388,828	\$ 594,682	\$ 430,581	\$ 413,379	\$ 315,979	\$ 383,190	\$ 581,270
Restricted										
Operations and Maintenance	-	-	-	-	-	3,035,667	2,746,146	3,619,524	3,891,786	3,458,162
Tort immunity	-	-	-	-	-	-	-	-	-	-
Reserved	-	-	-	-	-	-	-	-	-	-
Assigned	421,355	653,182	635,728	615,962	621,080	680,441	679,041	599,805	-	-
Unassigned	10,083,309	8,082,475	2,909,175	1,428,769	(624,143)	-	-	99,306	(25,990)	2,946,119
Unreserved	-	-	-	-	-	(1,892,959)	34,659	-	-	-
Total General Fund	10,914,796	9,141,126	3,981,804	2,433,559	591,619	2,253,730	3,873,225	4,634,614	4,248,986	6,985,551
All Other Governmental Funds:										
Nonspendable -										
Prepaid items	-	-	-	-	-	229,853	437,837	-	219,540	-
Operations and Maintenance	11,803	11,039	2,601	8,350	300	-	-	-	-	-
Transportation	7,850	-	2,601	10,281	207,984	-	-	-	-	-
Tort	10,626	-	7,836	-	7,013	-	-	-	-	-
Debt Service	161,560	240,513	294,150	361,167	315,502	-	-	-	-	-
Working cash	-	-	-	-	-	-	-	-	717,014	986,958
Restricted:										
Retirement	1,457,965	1,564,446	1,604,550	1,780,360	1,977,565	1,814,716	1,765,801	1,405,648	1,183,850	1,355,978
Tort immunity	866,967	886,551	685,982	695,377	739,690	684,681	799,327	1,002,298	1,034,694	1,035,488
Transportation	3,715,869	3,191,245	2,656,257	1,628,208	1,287,804	1,075,012	1,354,215	1,761,460	1,126,017	-
Debt Service	273,886	201,150	103,929	26,954	105,433	428,359	530,143	560,655	551,844	559,519
Operations and Maintenance	3,459,328	2,974,165	2,494,833	2,367,584	2,605,771	-	-	-	-	-
Capital Projects /Fire Prevention Life Safety	1,457,514	2,458,781	1,050,049	2,262,435	2,270,438	2,925,503	2,078,507	490,081	348,901	154,571
Permanent Fund	-	-	-	-	-	-	-	-	6,344	-
Assigned -										
Debt Service Fund	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	161,007
Unreserved	-	-	-	-	-	-	-	-	-	-
Reserved	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 11,423,368	\$ 11,527,890	\$ 8,902,788	\$ 9,140,716	\$ 9,517,500	\$ 7,158,124	\$ 6,965,830	\$ 5,220,142	\$ 5,188,204	\$ 4,253,521

Source: District's fund financial statements.

Note: GASB Statement No. 54 was implemented in 2011.

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

SCHEDULE OF CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Year Ended June 30)

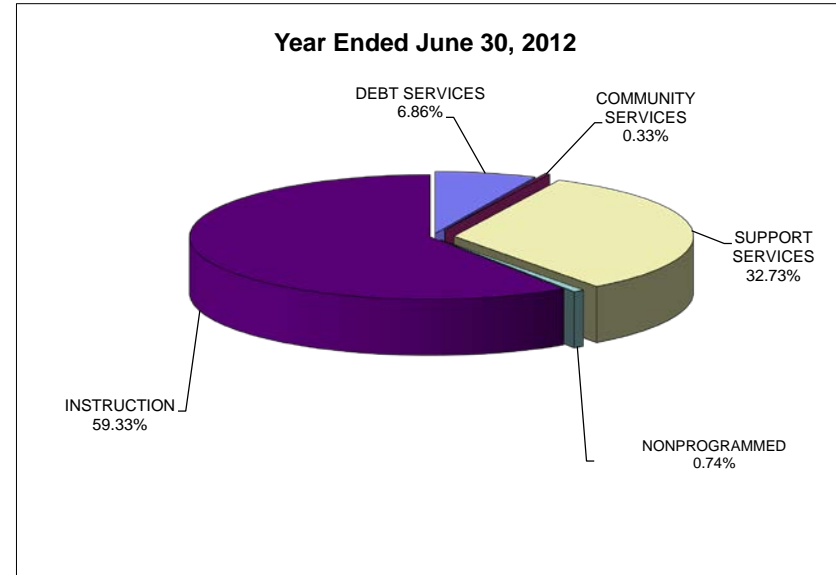
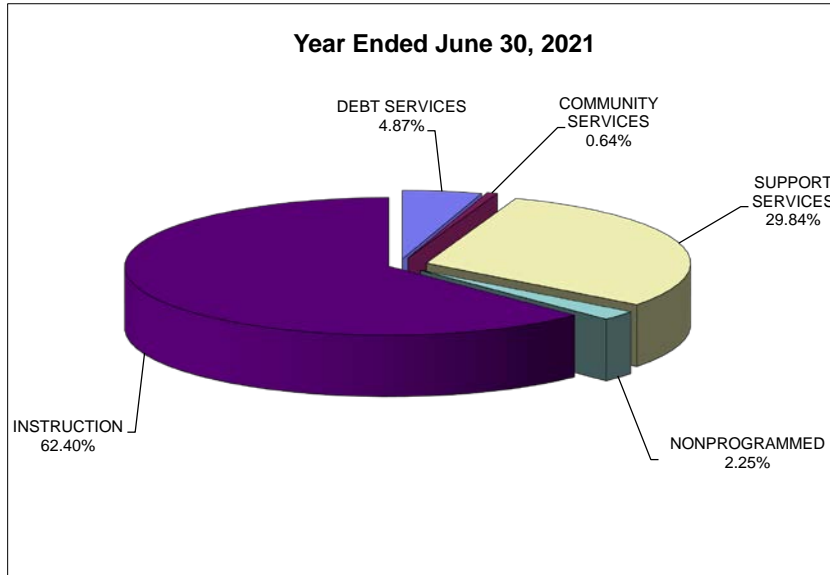
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:										
Real estate and replacement taxes	\$50,138,869	\$52,522,424	\$51,085,737	\$49,886,695	\$51,034,880	\$49,238,221	\$49,577,801	\$48,727,328	\$46,976,639	\$46,154,766
State aid	59,005,838	57,088,183	51,180,994	60,204,651	60,296,256	23,193,501	22,039,808	21,986,292	21,687,637	21,701,282
Other state revenue	-	-	-	-	-	23,924,807	23,456,864	17,415,712	15,975,544	14,517,398
Federal aid	9,155,710	6,017,651	6,957,558	6,250,676	6,413,092	6,279,880	7,378,184	6,516,602	6,130,178	6,384,567
Interest	98,571	548,342	765,283	487,669	214,379	128,183	78,758	138,746	144,753	192,023
Tuition	-	-	-	-	-	666,871	281,284	271,057	168,267	252,171
Student and community services	-	-	-	-	-	1,312,850	1,227,983	1,445,324	1,466,297	1,502,683
Student Activities	292,623	-	-	-	-	-	-	-	-	-
Other	1,506,494	2,574,360	2,614,177	2,664,109	4,550,233	2,794,120	2,763,207	938,812	950,738	792,319
Total revenues	120,198,105	118,750,960	112,603,749	119,493,800	122,508,840	107,538,433	106,803,889	97,439,873	93,500,053	91,497,209
Expenditures:										
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$48,266,296
Employee benefits	-	-	-	-	-	-	-	-	-	29,384,165
Purchased services	-	-	-	-	-	-	-	-	-	4,699,146
Supplies and materials	-	-	-	-	-	-	-	-	-	4,817,797
Tuition	-	-	-	-	-	-	-	-	-	801,544
Other	-	-	-	-	-	-	-	-	-	620,010
Non-capitalized equipment	-	-	-	-	-	-	-	-	-	422,524
Instruction										
Regular programs	32,909,319	29,133,008	28,613,038	27,125,022	29,484,370	51,777,722	48,234,748	40,779,113	41,539,975	-
Special Education programs	15,076,936	15,299,317	14,736,513	13,825,309	13,948,981	13,703,685	13,561,025	12,616,213	12,589,425	-
Other Instructional programs	4,531,848	4,285,942	4,158,584	4,045,122	3,750,257	4,227,822	4,872,094	4,761,650	4,266,489	-
Student Activities	289,186	-	-	-	-	-	-	-	-	-
State retirements contributions	21,379,139	20,218,912	18,522,509	30,011,705	31,991,336	-	-	-	-	-
Support Services										
Pupils	9,835,487	9,414,721	9,007,719	9,146,545	8,544,032	7,372,047	6,802,658	6,439,246	5,817,589	-
Instructional Staff	2,605,275	2,569,123	2,981,185	2,244,130	2,359,126	2,006,702	2,144,975	1,769,742	1,958,266	-
General Administration	2,351,605	2,806,456	2,932,630	2,690,706	2,899,429	2,153,834	2,415,779	2,321,555	2,386,526	-
School Administration	4,410,387	3,943,757	4,097,335	4,309,268	4,143,310	3,928,361	3,834,270	3,771,449	3,624,276	-
Business	2,646,898	3,123,896	3,247,575	3,420,860	3,444,874	8,966,162	9,393,608	9,060,239	8,996,129	-
Transportation	4,666,199	4,652,243	4,570,873	4,545,914	4,156,275	3,546,286	3,608,787	3,623,334	3,873,425	-
Operations and maintenance	4,756,421	4,499,726	4,873,117	4,983,624	4,794,324	-	-	-	-	-
Central	1,963,178	1,822,170	1,701,001	1,647,975	1,551,451	1,623,307	1,454,027	1,394,066	1,420,343	-
Other	126,790	37,282	42,467	43,576	41,973	33,385	31,242	133,640	68,842	-
Community Services	757,774	784,202	686,638	414,989	352,710	729,760	797,828	325,472	369,770	-
Payments to other governments	2,681,779	2,518,476	2,228,104	1,752,801	1,725,423	1,402,611	695,354	931,624	950,828	-
Capital Outlay	2,186,097	2,096,141	2,810,203	3,171,750	4,141,128	3,886,868	3,006,825	2,431,750	1,798,499	3,466,730
Debt service:										
Principal	5,293,992	5,517,266	5,397,501	6,073,613	6,671,751	7,076,887	7,085,367	6,979,428	6,412,889	5,789,262
Interest and other charges	501,565	660,598	744,440	737,374	706,420	581,195	629,273	682,811	729,966	1,016,747
Bond Issuance cost										
Total expenditures	118,969,875	113,383,236	111,351,432	120,190,283	124,707,170	113,016,634	108,567,860	98,021,332	96,803,237	99,284,221
Excess (deficiency) of revenues over (under) expenditures	1,228,230	5,367,724	1,252,317	(696,483)	(2,198,330)	(5,478,201)	(1,763,971)	(581,459)	(3,303,184)	(7,787,012)
Other financing sources (uses):										
Issuance of bonds	\$ -	\$ 2,115,000	\$ -	\$ 2,055,000	\$ 2,635,000	\$ 4,000,000	\$ 2,500,000	\$ -	\$ -	\$ -
Refunding bond proceeds	-	-	-	-	-	-	-	-	-	-
Bond premium	-	254,700	-	106,639	207,595	-	-	-	-	-
Payment to refunding bond agent	-	-	-	-	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	-	-	999,025	1,501,302	1,263,091
Proceeds from capital lease obligation	-	-	-	-	-	-	207,070	-	-	-
Proceeds from sale of asset	23,000	47,000	58,000	-	53,000	51,000	41,200	-	-	-
Transfer in	102,143	4,690,668	1,422,355	3,221,087	2,903,907	2,007,482	1,913,499	1,731,031	1,217,890	2,021,607
Transfer out	(102,143)	(4,690,668)	(1,422,355)	(3,221,087)	(2,903,907)	(2,007,482)	(1,913,499)	(1,731,031)	(1,217,890)	(2,021,607)
Total other financing sources (uses)	23,000	2,416,700	58,000	2,161,639	2,895,595	4,051,000	2,748,270	999,025	1,501,302	1,263,091
Change in fund balance	\$1,251,230	\$7,784,424	\$1,310,317	\$1,465,156	\$697,265	(\$1,427,201)	\$984,299	\$417,566	(\$1,801,882)	(\$6,523,921)
Debt service as a percentage of noncapital expenditures	4.96%	5.55%	5.66%	5.82%	6.12%	7.02%	7.31%	8.02%	7.52%	7.10%

Source: District's fund financial statements.

Beginning in 2013, expenditures were reported by function. In prior years, expenditures were reported by object.

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

GENERAL DISTRICT EXPENDITURES BY FUNCTION
Graphic Presentation



Harlem Consolidated School District No. 122

GENERAL DISTRICT EXPENDITURES BY FUNCTION
Last Ten Fiscal Years*
(Year Ended June 30)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
INSTRUCTION:										
Regular Programs	\$56,041,876	\$50,977,398	\$48,636,463	\$58,573,384	\$62,725,150	\$53,133,758	\$49,603,415	\$41,781,293	\$42,245,937	\$42,272,565
Special Programs	15,076,936	15,299,317	14,736,513	13,825,309	13,948,981	14,309,107	15,044,527	14,021,295	13,854,731	14,220,957
Vocational Programs	1,328,862	1,610,334	1,509,357	1,551,013	1,445,914	1,334,020	1,322,112	1,489,261	1,478,439	1,617,558
Interscholastic Programs	799,955	888,255	954,503	822,103	826,081	770,304	766,121	761,776	741,689	708,816
Summer Programs	696,216	246,720	243,345	243,163	236,631	185,996	158,051	100,115	88,622	90,361
Student Activities	289,186	-	-	-	-	-	-	-	-	-
TOTAL INSTRUCTION	\$74,233,031	\$69,022,024	\$66,080,181	\$75,014,972	\$79,182,757	\$69,733,185	\$66,894,226	\$58,153,740	\$58,409,418	\$58,910,257
SUPPORT SERVICES:										
Pupils	\$9,835,487	\$9,417,646	\$9,007,719	\$9,150,378	\$8,544,032	\$7,372,048	\$6,802,657	\$6,439,244	\$5,817,586	\$6,209,913
Instructional Staff	2,605,275	2,569,123	2,981,185	2,244,130	2,359,126	1,963,912	2,100,132	1,729,542	1,916,432	2,049,198
General Administration	2,351,605	2,818,460	2,932,630	2,690,706	2,899,429	2,955,714	3,118,678	2,989,948	3,041,455	3,129,064
School Administration	4,410,387	3,943,757	4,097,335	4,309,268	4,143,310	3,667,308	3,569,530	3,521,629	3,336,261	3,311,705
Business Services**	14,209,012	14,272,232	15,452,231	16,110,501	16,528,788	15,870,759	15,336,756	14,704,205	14,301,434	16,196,517
Central Support Services	1,963,178	1,822,170	1,701,001	1,647,975	1,551,451	1,541,069	1,406,338	1,352,580	1,348,595	1,323,368
Other	126,790	37,282	42,467	43,576	41,973	77,715	97,142	206,266	163,897	280,495
TOTAL SUPPORT SERVICES	\$35,501,734	\$34,880,670	\$36,214,568	\$36,196,534	\$36,068,109	\$33,448,525	\$32,431,233	\$30,943,414	\$29,925,660	\$32,500,260
COMMUNITY SERVICES	\$757,774	\$784,202	\$686,638	\$414,989	\$352,710	\$241,982	\$328,698	\$327,459	\$371,621	\$332,359
NONPROGRAMMED	\$2,681,779	\$2,518,476	\$2,228,104	\$1,752,801	\$1,725,423	\$1,890,390	\$1,166,683	\$931,624	\$950,827	\$735,336
DEBT SERVICES***	\$5,795,557	\$6,177,864	\$6,141,941	\$6,810,987	\$7,378,171	\$7,702,552	\$7,747,020	\$7,665,095	\$7,145,711	\$6,806,009
TOTAL	\$118,969,875	\$113,383,236	\$111,351,432	\$120,190,283	\$124,707,170	\$113,016,634	\$108,567,860	\$98,021,332	\$96,803,237	\$99,284,221

* Includes expenditures of all governmental fund type funds.

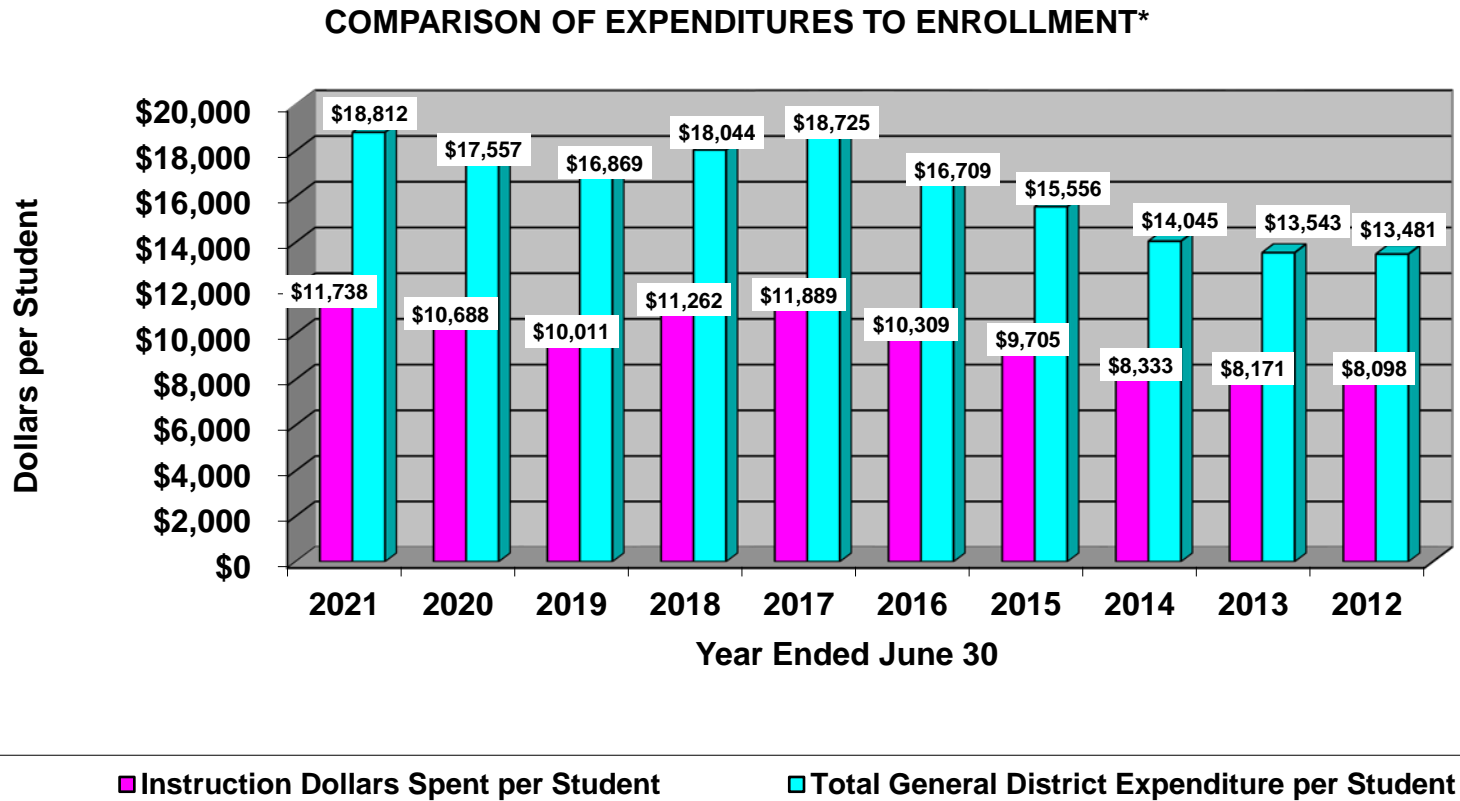
** Includes operation and maintenance of plant, pupil transportation, food service, TRS pension expense/on behalf due to GASB 68 payments (2001-2005) and general business services.

*** Includes expenditures incurred with calling and refunding bonds.

NOTE: Capital outlay is reflected within the functional areas.

SOURCE: Annual Financial Report to State Board of Education.

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122
GENERAL DISTRICT EXPENDITURES COMPARED TO ENROLLMENT
 Graphic Presentation
 (Last Ten Fiscal Years)



*Students enrolled is based on the Fall Housing Report .

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

GENERAL DISTRICT REVENUES BY SOURCE Last Ten Fiscal Years* (Year Ended June 30)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
LOCAL SOURCES:										
Property Tax	\$ 45,743,750	\$ 49,367,946	\$ 48,168,401	\$ 47,265,074	\$ 47,416,047	\$ 46,657,356	\$ 46,366,971	\$ 45,674,197	\$ 44,081,653	\$ 43,259,165
C.P.P.R. Tax	4,395,119	3,154,478	2,917,336	2,621,621	3,551,477	2,516,681	3,149,626	2,928,627	2,894,986	2,833,378
Earnings/Investment	98,571	548,342	765,283	487,669	214,379	128,183	78,758	138,746	144,753	192,023
Mobile Home Tax	63,124	128,248	0	69,478	67,356	64,184	61,204	124,504	-	62,223
Other Local Revenue	1,735,993	2,446,112	2,614,177	2,594,631	4,550,233	4,773,841	4,272,474	2,655,193	2,585,302	2,547,173
TOTAL LOCAL SOURCES	\$ 52,036,557	\$ 55,645,126	\$ 54,465,197	\$ 53,038,473	\$ 55,799,492	\$ 54,140,245	\$ 53,929,033	\$ 51,521,267	\$ 49,706,694	\$ 48,893,962
FLOW THRU SOURCES:										
State Sources	0	0	0	0	0	0	0	0	0	0
Federal Sources	0	0	0	0	0	0	0	0	0	0
TOTAL FLOW THRU:	0	0	0	0	0	0	0	0	0	0
STATE SOURCES:										
Unrestricted	\$31,242,281	\$31,241,892	\$26,111,020	\$25,311,459	\$ 22,272,549	\$ 21,262,254	\$ 19,417,527	\$ 19,123,325	\$ 18,066,761	\$ 18,638,135
Restricted	6,384,418	5,627,379	6,547,465	4,881,487	2,618,447	1,931,247	2,622,281	2,862,967	3,620,876	3,063,147
Other**	21,379,139	20,218,912	18,522,509	30,011,705	35,405,260	23,924,807	23,456,864	17,415,712	15,975,544	14,517,398
TOTAL STATE SOURCES:	\$59,005,838	\$57,088,183	\$51,180,994	\$60,204,651	\$ 60,296,256	\$ 47,118,308	\$ 45,496,672	\$ 39,402,004	\$ 37,663,181	\$ 36,218,680
FEDERAL SOURCES:										
Restricted	\$9,155,710	\$6,017,651	\$6,957,558	\$6,250,676	\$ 6,413,092	\$ 6,279,880	\$ 7,378,184	\$ 6,516,602	\$ 6,130,178	\$ 6,384,567
TOTAL	\$ 120,198,105	\$ 118,750,960	\$ 112,603,749	\$ 119,493,800	\$ 122,508,840	\$ 107,538,433	\$ 106,803,889	\$ 97,439,873	\$ 93,500,053	\$ 91,497,209
PERCENTAGES:										
Local Sources	43.29%	46.86%	48.37%	44.39%	45.55%	50.35%	50.49%	52.87%	53.16%	53.44%
Flow Thru Sources	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State Sources	49.09%	48.07%	45.45%	50.38%	49.22%	43.82%	42.60%	40.44%	40.28%	39.58%
Federal Sources	7.62%	5.07%	6.18%	5.23%	5.23%	5.84%	6.91%	6.69%	6.56%	6.98%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

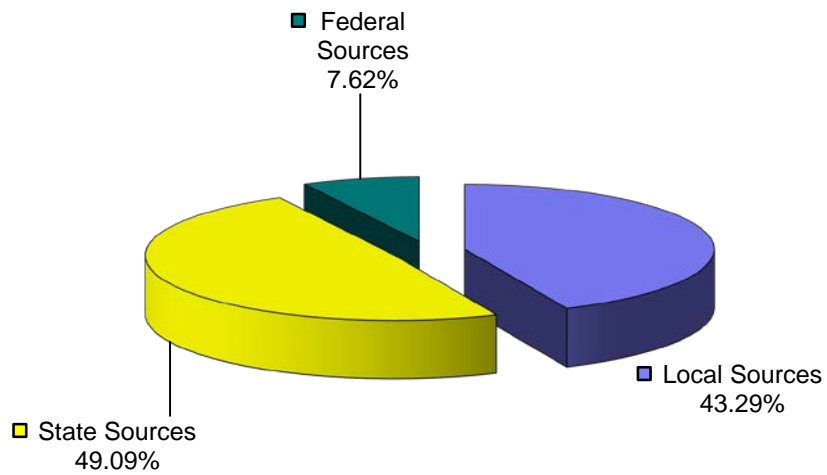
* Includes revenues from all governmental fund types.

** Intergovernmental transfers/TRS pension expense/on behalf due to the implementation of GASB 68
SOURCE: Annual Financial Report to State Board of Education.

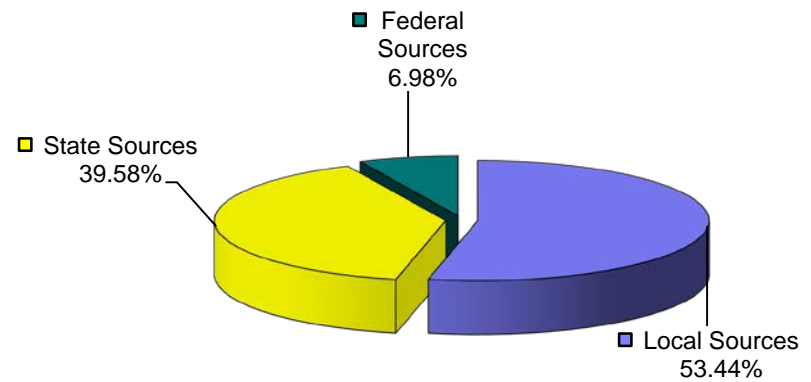
HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

GENERAL DISTRICT REVENUES BY SOURCE Graphic Presentation

Year Ended June 30, 2021



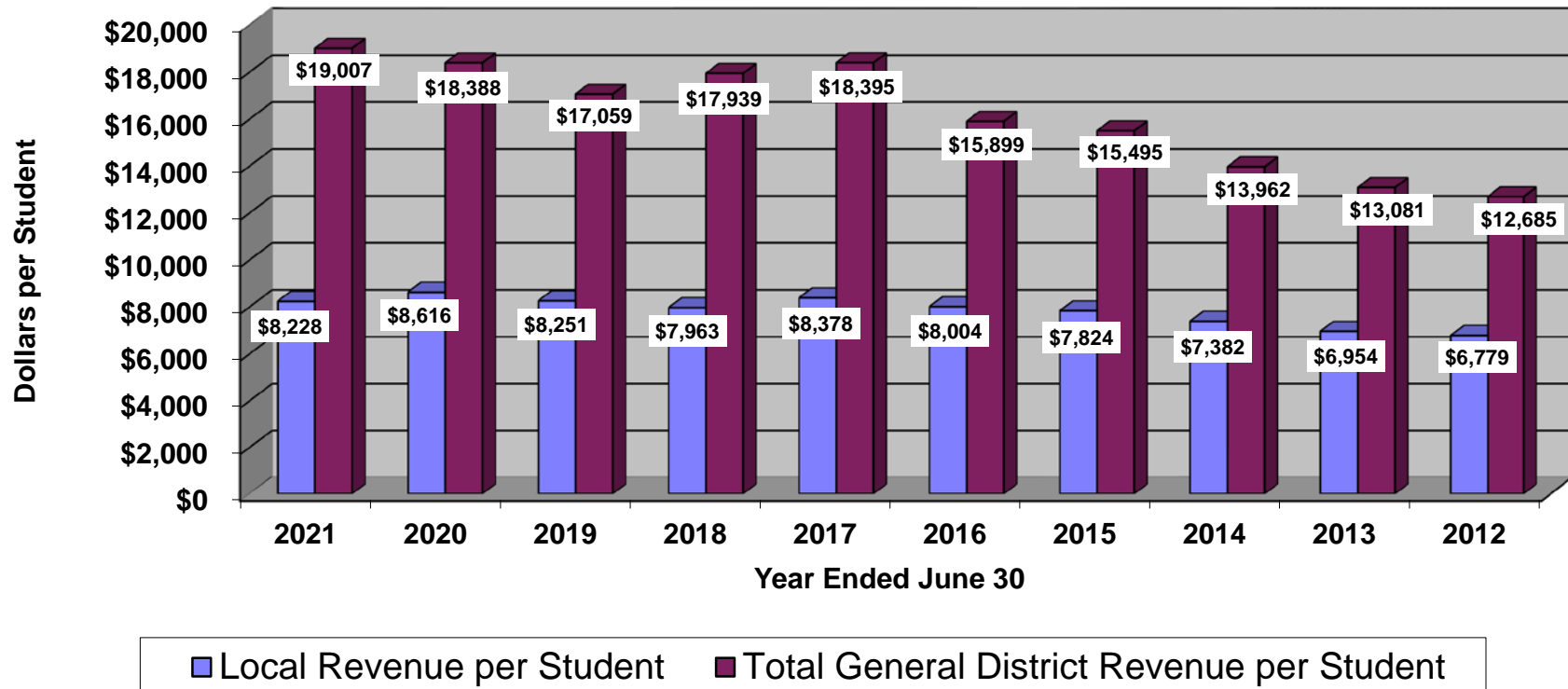
Year Ended June 30, 2012



HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

GENERAL DISTRICT REVENUES COMPARED TO ENROLLMENT Graphic Presentation (Last Ten Fiscal Years)

COMPARISON OF REVENUE COMPARED TO ENROLLMENT*

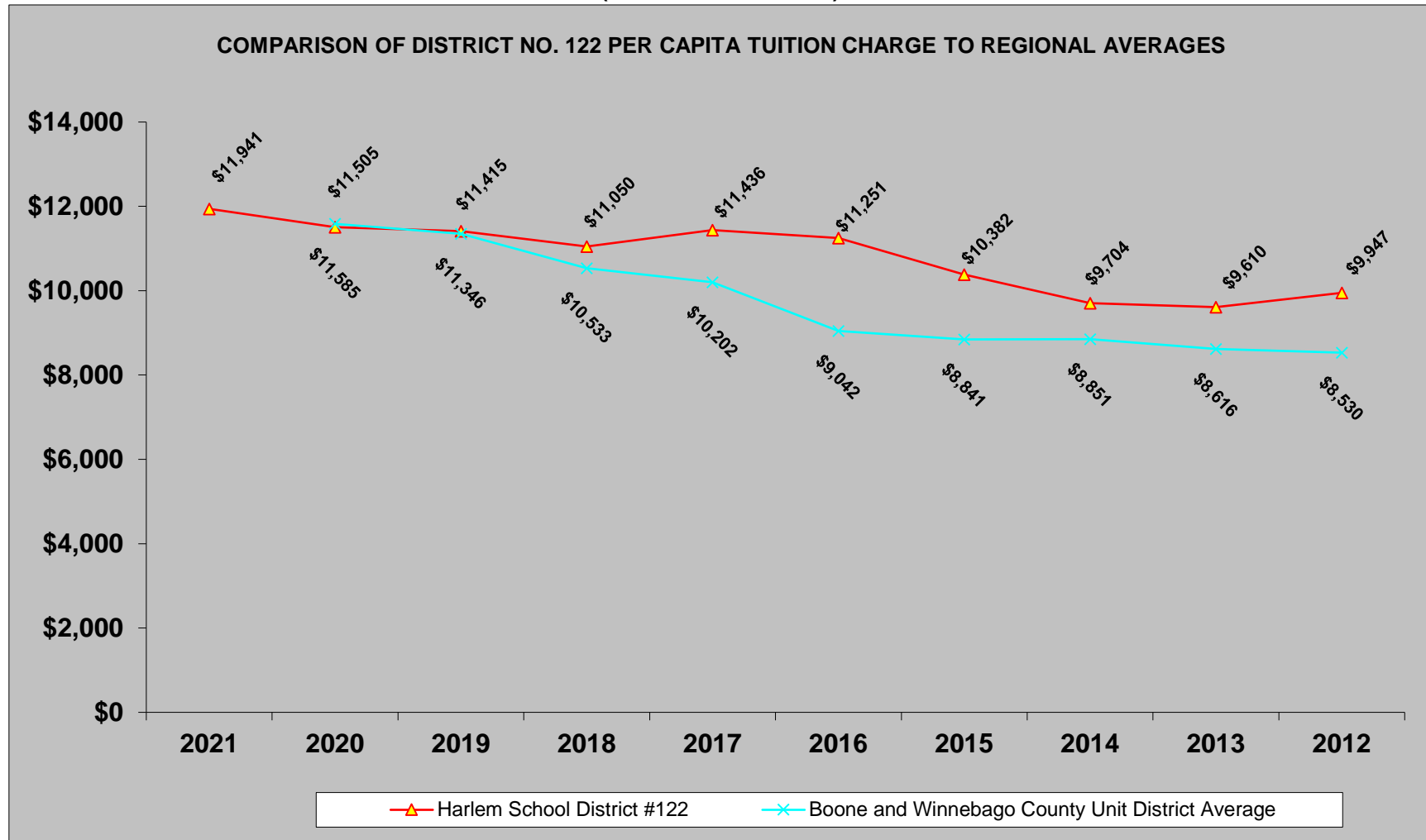


*Students enrolled is based on the Fall Housing Report .

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

PER CAPITA TUITION CHARGE COMPARED TO REGIONAL AVERAGES

Graphic Presentation
(Last Ten Fiscal Years)



SOURCE: Regional Office of Education

HARLAM CONSOLIDATED SCHOOL DISTRICT NO. 122

SCHEDULE OF EQUALIZED ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Years

Tax Levy Year	Residential	Farm	Commercial	Industrial	Railroad	Total Equalized Assessed Valuation	Estimated Actual Taxable Value	Total Direct Rate
2020	\$ 490,419,087	\$ 506,595	\$ 120,472,645	\$ 64,990,981	\$ 630,080	\$ 677,019,388	\$ 2,031,058,164	6.4846
2019	462,877,972	439,318	115,782,542	62,243,555	604,332	641,947,719	1,925,843,157	7.1472
2018	441,834,361	532,502	109,407,789	59,375,375	553,517	611,703,544	1,835,110,632	8.1087
2017	427,695,484	507,513	105,588,340	57,086,398	515,093	591,392,828	1,774,178,484	8.1964
2016	417,708,549	489,241	103,047,975	57,010,660	504,859	578,761,284	1,736,283,852	8.2648
2015	410,461,562	400,090	102,993,446	54,594,788	496,170	568,946,056	1,706,838,168	8.3864
2014	414,895,252	392,591	98,008,589	53,321,994	413,139	567,031,565	1,701,094,695	8.3197
2013	438,163,097	415,602	101,112,629	54,675,968	396,184	594,763,480	1,784,290,440	7.8140
2012	473,280,412	408,937	106,545,293	59,166,048	320,601	639,721,291	1,919,163,873	7.1627
2011	507,816,477	496,649	114,776,308	61,293,222	284,412	684,667,068	2,054,001,204	6.4578

SOURCE: Winnebago County Clerk's Office

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

SCHEDULE OF PROPERTY TAX RATES (Direct and Overlapping Governments)* Last Ten Years

TAX LEVY YEAR	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Harlem Consolidated School District No. 122	\$ 6.4846	\$ 7.1472	\$ 8.1087	\$ 8.1964	\$ 8.2648	\$ 8.3864	\$ 8.3197	\$ 7.8140	\$ 7.1627	\$ 6.4578
Winnebago County	0.9436	0.9661	1.0173	1.0587	1.0826	1.0984	1.0845	1.0329	0.9423	0.8676
Winnebago Country Forest Preserve District	0.1073	0.1107	0.1147	0.1182	0.1207	0.1203	0.1199	0.1165	0.1072	0.0956
Rockford Township	0.1233	0.1298	0.1385	0.1446	0.1455	0.1452	0.1394	0.1288	0.1200	0.1119
North Suburban Library District	0.2844	0.2909	0.2996	0.3023	0.3002	0.3032	0.3027	0.2906	0.2682	0.2426
Greater Rockford Airport Authority	0.0987	0.1011	0.1073	0.1102	0.1103	0.1073	0.1063	0.1043	0.1024	0.0937
Community College 511	0.4615	0.4703	0.4987	0.5053	0.4927	0.4893	0.4823	0.4630	0.4477	0.4541
Rockford Park District	1.0042	1.0334	1.0963	1.1371	1.1544	1.1629	1.1286	1.0577	0.9522	0.8432
Rockford TWSP Road	0.126	0.1327	0.1416	0.1478	0.1487	0.1484	0.1419	0.1299	0.1149	0.1049
Rock River Reclamation District	0.1795	0.1848	0.1964	0.204	0.2082	0.2075	0.2008	0.1856	0.1665	0.1469
TOTAL RATE	\$ 9.8131	\$ 10.5670	\$ 11.7191	\$ 11.9246	\$ 12.0281	\$ 12.1689	\$ 12.0261	\$ 11.3233	\$ 10.3841	\$ 9.4183

* Tax rates are expressed in dollars per \$100 of equalized assessed valuation.

Note: the City of Loves Park and Village of Machesney Park do not assess a property tax.

SOURCE: Winnebago County Clerk's Office

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

TEN PRINCIPAL TAXPAYERS IN THE DISTRICT CURRENT YEAR AND NINE YEARS PRIOR

TAXPAYER	TYPE OF BUSINESS	2020 Equalized Assessed Valuation	Percentage of Total District Equalized Assessed Valuation	2011 Equalized Assessed Valuation	Percentage of Total District Equalized Assessed Valuation
Woodward Inc and Woodward Governor Co	Industrial land, vacant and improved and commercial business improved property	\$12,467,260	1.84%		
Meijer Stores Limited Partnership	Commercial business with vacant commercial land	4,734,847	0.70%		
OSF Saint Francis Inc.	Aero-medical life-line ambulance services Commercial office and vacant commercial land	3,522,911	0.52%	3,455,616	0.50%
Machesney Crossings Inc.	Commercial business with vacant commercial land	3,451,369	0.51%	3,206,824	0.47%
Walmart Real Estate Business Trust	Discount department store	3,291,434	0.49%	3,057,410	0.45%
Menard Inc.	Home Center - lumber, hardware and garden supplies	3,256,311	0.48%	6,574,248	0.96%
Ballard Properties Group LLC	Industrial land, vacant and improved	3,165,897	0.47%		
Sentinel Grocery II LLC	Commercial Business	2,827,727	0.42%	2,879,072	0.42%
Curtis Metal Finishing Co.	Industrial land, vacant and improved	2,487,044	0.37%		
Lowes Home Center	Commercial Business, building supplies	2,470,722	0.36%	2,510,014	0.37%
Forest Hills Village LLC	Apartment buildings and vacant properties			3,975,863	0.58%
Rubloff C & G, LLC & Rubloff CB Machesney LLC	Shopping Center & commercial business, office and vacant land			3,864,732	0.56%
Target Corp.	Discount Department store			3,144,941	0.46%
Cadbury Adams USA LLC	Gum, mints, candies, hardware, and garden supplies			2,853,857	0.42%
Total		\$41,675,522	6.16%	\$35,522,577	5.19%

SOURCE: Winnebago County Clerk's and Assessor's Offices and the Harlem Township Assessor's Office

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

AVERAGE DAILY ATTENDANCE, OPERATING EXPENDITURE PER PUPIL ENROLLMENT Last Ten Fiscal Years

Year Ended June 30	Expenditures	Less Non Operating Expenditures	*Operating Expenditures	Average Daily Attendance	Operating Expenditures Per Pupil	**Per Capita Tuition Charge
2021	\$ 118,981,943	\$ 31,016,459	\$ 87,965,484	6,417	\$13,708	\$11,941
2020	113,383,236	29,847,554	83,535,682	6,192	13,491	11,505
2019	111,351,432	28,370,325	82,981,107	5,971	13,899	11,416
2018	120,190,283	40,486,807	79,703,476	6,118	13,027	11,050
2017	124,707,170	44,082,416	80,624,754	6,061	13,301	11,436
2016	113,016,634	33,861,068	79,155,566	6,140	12,892	11,252
2015	108,567,860	30,738,387	77,829,473	6,212	12,530	10,382
2014	98,021,332	24,184,033	73,837,299	6,314	11,694	9,704
2013	96,803,237	20,467,444	76,335,793	6,475	11,789	9,610
2012	99,284,221	20,550,290	78,733,931	6,577	11,971	9,947

* Operating expenditures include all governmental fund type expenditures, other than capital outlay, tuition payments, principal payments and TRS pension expense/on behalf due to the implementation of GASB 68

** Per Capita Tuition Charge represents expenditures from local taxes and common school fund moneys and is generated per fund financial statements by deducting revenues for various state categorical programs, local user fees, and federal receipts from operating expenses and dividing by average daily attendance.

SOURCE: Annual Financial Reports to State Board of Education

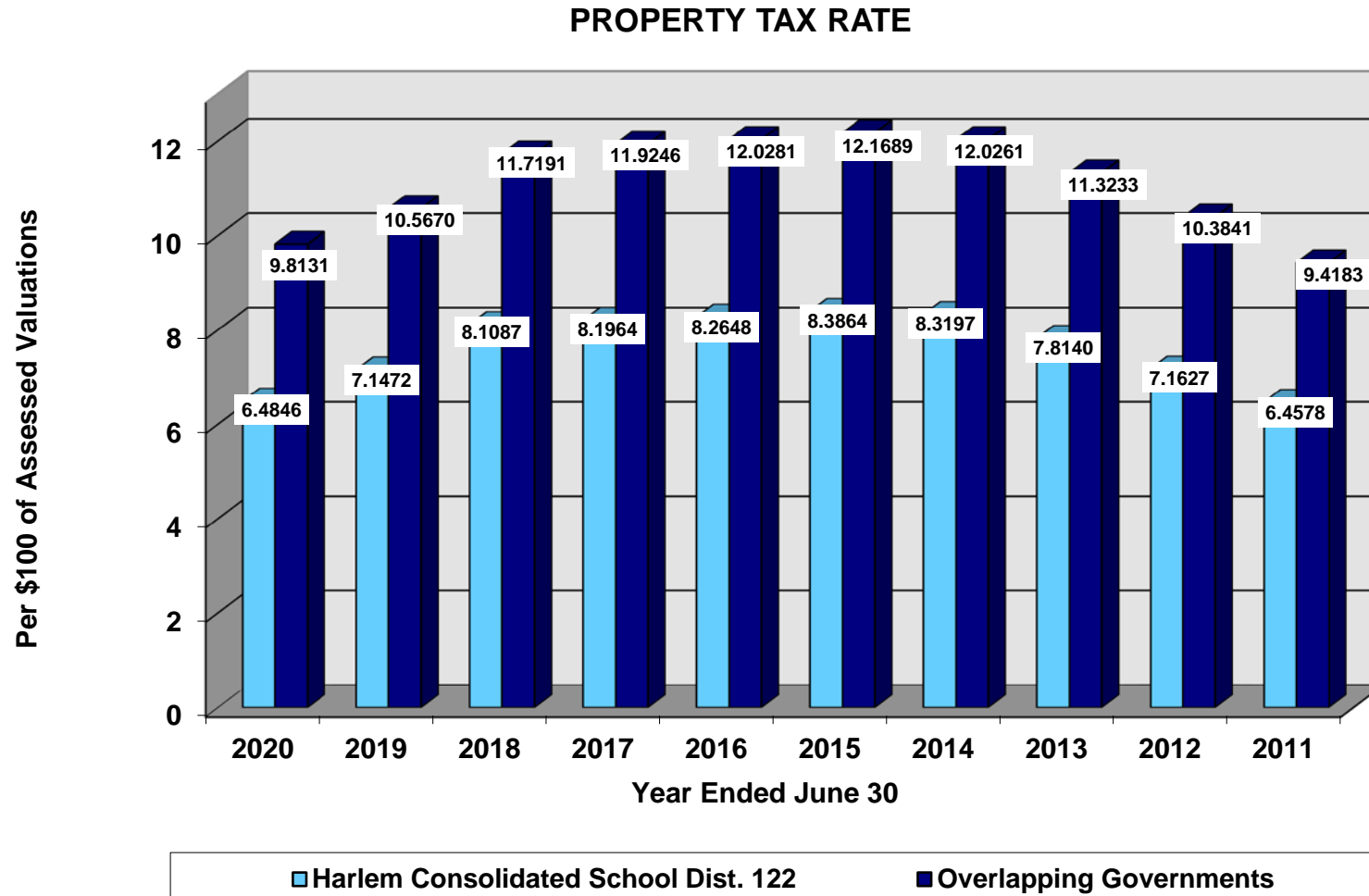
HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

TAX LEVIES AND COLLECTIONS -- LAST TEN YEARS

Tax Levy Year	Taxes Levied for the Fiscal Year		Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	Total Percentage of Levy
			Amount	Percentage of Levy			
2020	\$	43,901,999	\$ 23,907,277	54.46%	\$ -	\$ 23,907,277	54.46%
2019		45,881,287	20,333,047	44.32%	25,528,675	45,861,722	99.96%
2018		49,601,205	7,868,324	15.86%	41,459,291	49,327,614	99.45%
2017		48,472,922	25,741,320	53.10%	22,427,081	48,168,401	99.37%
2016		47,833,462	25,329,710	52.95%	21,935,361	47,265,071	98.81%
2015		47,714,090	25,355,649	53.14%	22,127,754	47,483,403	99.52%
2014		47,175,324	24,822,273	52.62%	21,899,266	46,721,539	99.04%
2013		46,474,818	24,213,710	52.10%	22,214,465	46,428,175	99.90%
2012		45,821,317	23,918,453	52.20%	21,880,248	45,798,701	99.95%
2011		44,214,429	22,977,015	51.97%	21,118,094	44,095,109	99.73%

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

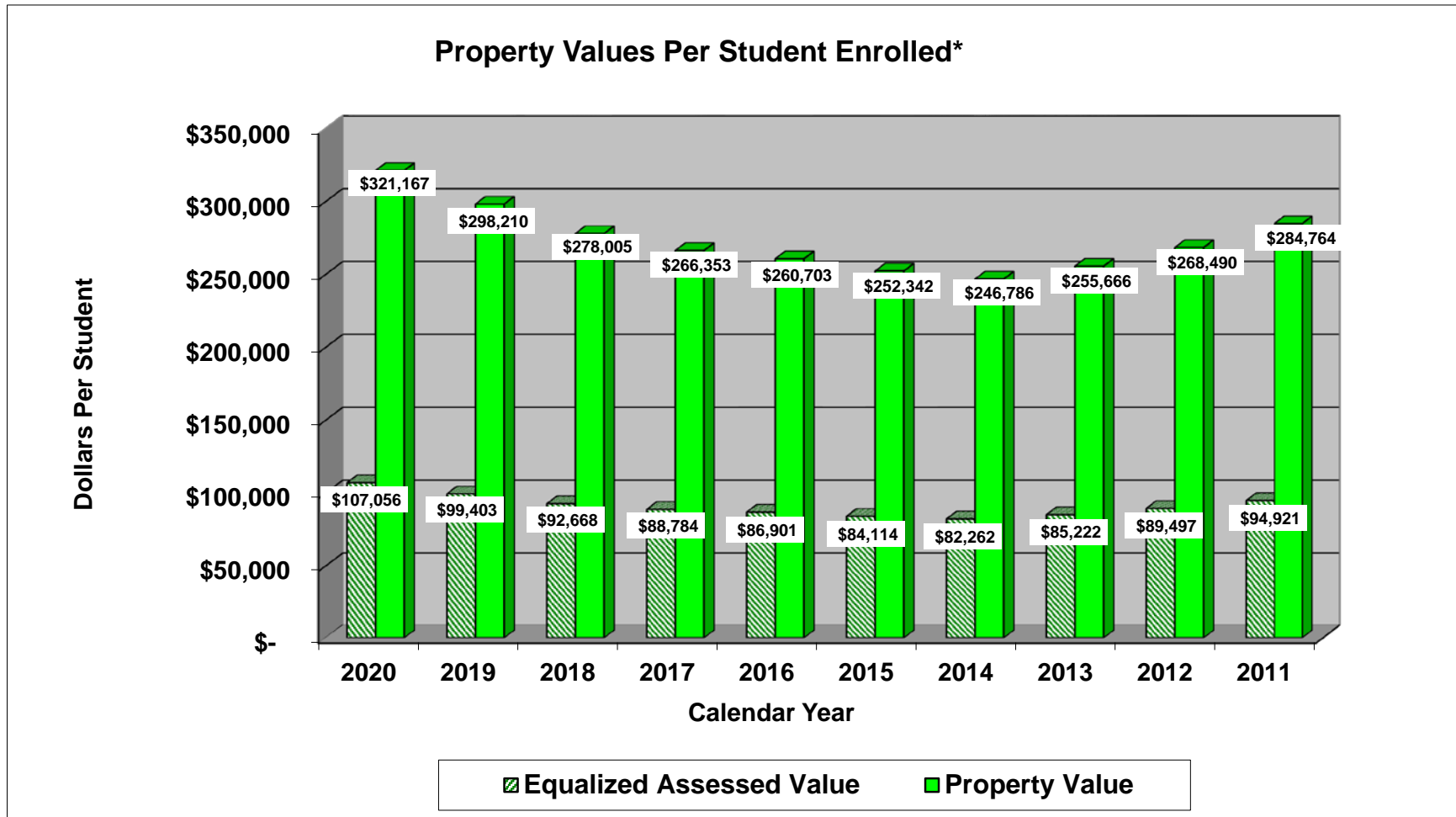
PROPERTY TAX RATES - OVERLAPPING GOVERNMENTS Graphic Presentation (Last Ten Years)



HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

LOCAL PROPERTY VALUES PER STUDENT ENROLLED

Graphic Presentation
(Last Ten Years)



*Students enrolled is based on the Fall Housing Report.

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

Ratios of Outstanding Debt Last Ten Years

Fiscal Year Ended June 30	Outstanding General Obligation/ Capital Appreciation Bonds	Amount in Debt Service Fund	Net General Bonded Debt As Percentage Of Equalized Assesd Valuation	Net Bonded Debt Per Capita	Net Bonded Debt Per Student	Capital Leases	Net Total Debt*	Debt As Percentage of Taxable Value
2021	\$8,830,000	\$435,446	1.30%	\$210	\$1,396	\$2,304	8,396,858	1.24%
2020	14,110,000	441,663	2.20%	335	2,185	16,235	13,684,572	2.13%
2019	17,485,000	398,079	2.86%	409	2,649	43,501	17,130,422	2.80%
2018	22,825,000	388,121	3.86%	530	3,427	305,611	22,742,490	3.85%
2017	23,639,216	420,935	4.08%	546	3,549	359,615	23,577,896	4.07%
2016	24,011,443	428,359	4.22%	542	3,550	802,454	24,385,538	4.29%
2015	23,593,748	530,143	4.16%	524	3,423	1,582,749	24,646,354	4.35%
2014	24,867,066	560,655	4.18%	569	3,563	2,206,582	26,512,993	4.46%
2013	28,596,704	551,844	4.47%	651	4,001	2,166,985	30,211,845	4.72%
2012	32,231,450	559,519	4.71%	731	4,469	1,423,572	33,095,503	4.83%

*Net total debt is calculated by adding outstanding bonds, less amount in debt service, plus capital leases, compensated absences, arbitrage rebate, and early retirement benefits.

Note: Personal income information is only available from census data which is currently out dated.

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

RATIOS OF GENERAL BONDED DEBT TO EQUALIZED ASSESSED VALUATION (EAV) AND GENERAL BONDED DEBT PER CAPITA Last Ten Years

Fiscal Year Ended June 30	Tax Levy Year	General Bonded Debt	Equalized Assessed Valuation	Percentage of General Bonded Debt To EAV	Estimated Population	General Bonded Debt Per Capita	General Bonded Debt Per Capita To Personal Income
2021	2020	\$ 8,830,000	\$ 677,019,388	1.30%	41,974 (5f)	210	\$ 0.01
2020	2019	14,110,000	641,947,719	2.20%	42,063 (5e)	335	0.01
2019	2018	17,485,000	611,703,544	2.86%	42,768 (5d)	409	0.02
2018	2017	22,825,000	591,392,828	3.86%	43,030 (5c)	530	0.02
2017	2016	23,239,216	578,761,284	4.02%	43,262 (5b)	537	0.02
2016	2015	24,011,443	568,946,056	4.22%	44,262 (5a)	542	0.02
2015	2014	23,593,746	567,031,565	4.16%	44,998 (5)	524	0.02
2014	2013	24,867,066	594,763,480	4.18%	43,721 (4)	569	0.02
2013	2012	28,596,704	639,721,291	4.47%	43,897 (3)	651	0.03
2012	2011	32,231,450	684,667,068	4.71%	44,095 (2)	731	0.03

(2) US Census Bureau estimated the 2011 population at a 0.4% decrease for the communities in which the District is located.

(3) US Census Bureau has estimated the 2012 population at approximately 0.85% decrease since the 2010 Census for the communities in which the District is located.

(4) US Census Bureau has estimated the 2013 population at approximately 0.4% decrease of their 2012 estimate for the communities in which the District is located.

(5) US Census Bureau's American Community Survey 2009-2013 5 year average estimate of the District's population is 44,998.

(5a) US Census Bureau's American Community Survey 2010-2014 5 year average estimate of the District's population is 44,262.

(5b) US Census Bureau's American Community Survey 2011-2015 5 year average estimate of the District's population is 43,262.

(5c) US Census Bureau's American Community Survey 2012-2016 5 year average estimate of the District's population is 43,030.

(5d) US Census Bureau's American Community Survey 2013-2017 5 year average estimate of the District's population is 42,768.

(5e) US Census Bureau's American Community Survey 2014-2018 5 year average estimate of the District's population is 42,063.

(5f) US Census Bureau's American Community Survey 2015-2019 5 year average estimate of the District's population is 41,974.

SOURCES: Winnebago County Clerk's Office, U.S. Census Bureau

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

SCHEDULE OF DIRECT AND OVERLAPPING DEBT (As of June 30, 2021)

OVERLAPPING AGENCIES	2020 EQUALIZED ASSESSED VALUATION	OUTSTANDING DEBT		APPLICABLE TO DISTRICT	
				PERCENT	AMOUNT
Winnebago County	\$4,276,133,414	-	(1)(2)	15.818%	-
Winnebago County Forest Preserve District	4,276,133,414	1,725,163	(3)	15.818%	272,886
Greater Rockford Airport Authority	3,122,476,525	-	(1)	21.662%	-
Rock River Water Reclamation	2,916,871,444	-	(1)	19.662%	-
City of Loves Park	425,247,410	145,559	(1)	65.271%	95,008
City of Rockford	1,699,181,139	-	(1)	1.075%	-
Village of Roscoe	237,000,304	-	(1)	23.825%	-
Rockford Park District	2,480,473,123	11,851,000	(1)(2)	12.389%	1,468,220
Community College District # 511	6,373,335,564	64,650,000	(2)	10.613%	6,861,305
TOTAL OVERLAPPING AGENCIES					\$8,697,419
<u>DIRECT DEBT</u>					
Harlem Consolidated School District No. 122	677,019,388	8,830,000		100.00%	8,830,000
TOTAL OVERLAPPING AND DIRECT DEBT					\$17,527,419

(1) Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation.

(2) Excludes principal amounts of outstanding self-supporting bonds which are payable from non-property tax sources. Also excludes outstanding debt certificates, leases and/or installment contracts.

(3) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.

Source: Winnebago County Clerk's Office

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

SCHEDULE OF LEGAL BONDED DEBT MARGIN (As of June 30, 2021)

Year Ended June 30	Equalized Assessed Valuation	Statutory Debt Limit 13.8%	General Bonded Debt	Legal Debt Margin	Percentage of Debt to Debt Limit
2021	\$ 677,019,388	\$ 93,428,676	\$ 8,830,000	\$ 84,598,676	9.5%
2020	641,947,719	88,588,785	14,110,000	74,478,785	15.9%
2019	611,703,544	84,415,089	17,485,000	66,930,089	20.7%
2018	591,392,828	81,612,210	22,825,000	58,787,210	28.0%
2017	578,761,284	79,869,057	23,639,216	56,229,841	29.6%
2016	568,946,056	78,514,556	24,011,443	54,503,113	30.6%
2015	567,031,565	78,250,356	23,593,748	54,656,608	30.2%
2014	594,763,480	82,077,360	24,867,066	57,210,294	30.3%
2013	639,721,291	88,281,538	28,596,704	59,684,834	32.4%
2012	684,667,068	94,484,055	32,231,450	62,252,605	34.1%

SOURCE: Equalized Assessed Valuation of taxable property from Winnebago County Clerk's Office.

SOURCE: Debt limitation is established by the Illinois General Assembly and promulgated by the Illinois Revised Statutes.

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

PERCENTAGE OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES Last Ten Years

YEAR ENDED JUNE 30	PRINCIPAL	INTEREST & OTHER CHARGES	* TOTAL DEBT SERVICE EXPENDITURES	** TOTAL GENERAL EXPENDITURES	PERCENTAGE OF ANNUAL DEBT SERVICE TO TOTAL GENERAL EXPENDITURES
2021	\$ 5,293,992	\$ 501,565	\$ 5,795,557	\$ 118,981,943	4.87%
2020	5,516,862	660,598	6,177,460	113,383,326	5.45%
2019	5,396,704	744,267	6,140,971	111,351,432	5.51%
2018	5,869,004	733,028	6,602,032	120,190,283	5.49%
2017	6,256,346	600,829	6,857,175	124,707,170	5.50%
2016	6,295,000	537,277	6,832,277	113,016,634	6.05%
2015	6,270,000	563,550	6,833,550	108,567,860	6.29%
2014	6,020,000	615,350	6,635,350	98,021,332	6.77%
2013	5,655,000	664,950	6,319,950	96,803,237	6.53%
2012	5,360,000	982,544	6,342,544	99,284,221	6.39%

* Debt service expenditures represent payment of principal and interest on general obligation/ capital appreciation bonds, excluding other financing uses.

** Includes expenditures of all governmental funds

SOURCE: Per Fund Statements

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

PRINCIPAL EMPLOYERS Current year and nine years prior

<i>Employer</i>	2021		2012	
	Approximate # of Employees	Percent of Total Employed*	Approximate # of Employees	Percent of Total Employed
Woodward Governor Co.	1,200	6.79%	1200	6.77%
Harlem Consolidated School District #122	1,186	6.71%	1,182	6.67%
Ecolab, Inc	350	1.98%		
JC Milling Co., Inc.	330	1.87%		
Pierce Distribution	325	1.84%		
Gleason Cutting Tools Corp.	320	1.81%	250	1.41%
Mondelez Int'l Kraft Foods (Cadbury Adams)	300	1.70%	750	4.23%
American Aluminum Extrusion Co., Inc.	285	1.61%		
Hennig, Inc.	270	1.53%		
Bridgeway	250	1.41%		
Power Train Rockford inc.	240	1.36%		
Zenith Cutter	220	1.24%		
Costco Wholesale	200	1.13%		
Danfoss Inc. also called Electronic Drives Div.	193	1.09%	350	1.97%
TH Foods, Inc.	180	1.02%		
GE Aviation Systems, LLC	168	0.95%		
Schneider Electric, Inc (TAC LLC)			550	3.10%
William Charles Construction			450	2.54%
Modern Metal Products Co.			310	1.75%
Illinois Growth Enterprises Inc.			250	1.41%
GKN Rockford	250	1.41%	200	1.13%
Total	6,267	35.45%	5,492	30.98%

This list may include full and part-time and/or seasonal employees unless noted otherwise

*Calculating applicable percentages to the Illinois Department of Employment Security Reports the estimated number of persons employed in the District in 2020 is 17,679

Data Sources:

- (1) Village Records
- (2) Official Website of Employer
- (3) A to Z Database - Business Edition

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

MISCELLANEOUS DEMOGRAPHIC STATISTICS

	2020		2010	
	LOVES PARK	MACHESNEY PARK	LOVES PARK	MACHESNEY PARK
Median Family Income	\$59,059	\$63,662	\$49,503	\$52,346
Per Capita Income	31,406	29,896	23,945	24,541
Total Households	9,738	8,969	9,902	8,893
Population	23,397	22,950	23,996	23,499
Unemployment Rate	16.50%		12.90%	

SOURCE: Latest data from U.S. Bureau of the Census in 2020 and 2010.

MISCELLANEOUS STUDENT/TEACHER/ADMINISTRATOR STATISTICS

2020-2021 School Year

School District No. 122 Characteristics:

- Average Teaching Experience	14	
- Bachelor's Degree	37.00%	
- Master's Degree	62.30%	
- Pupil/Teacher Ratio (Elementary)	20:1	
- Pupil/Teacher Ratio (Secondary)	12:1	
- Pupil/Administrator Ratio	173:1	
- Average Teacher Salary	\$63,842	
- Average Administrator Salary	\$104,880	
- Racial/Ethnic Background	<u>Students</u>	<u>Teachers</u>
White	68.90%	95.30%
African American	6.50%	1.60%
Hispanic	14.40%	1.20%
Other	10.20%	1.90%
- Student Attendance Rate	90.90%	
- Low Income Students	50.30%	

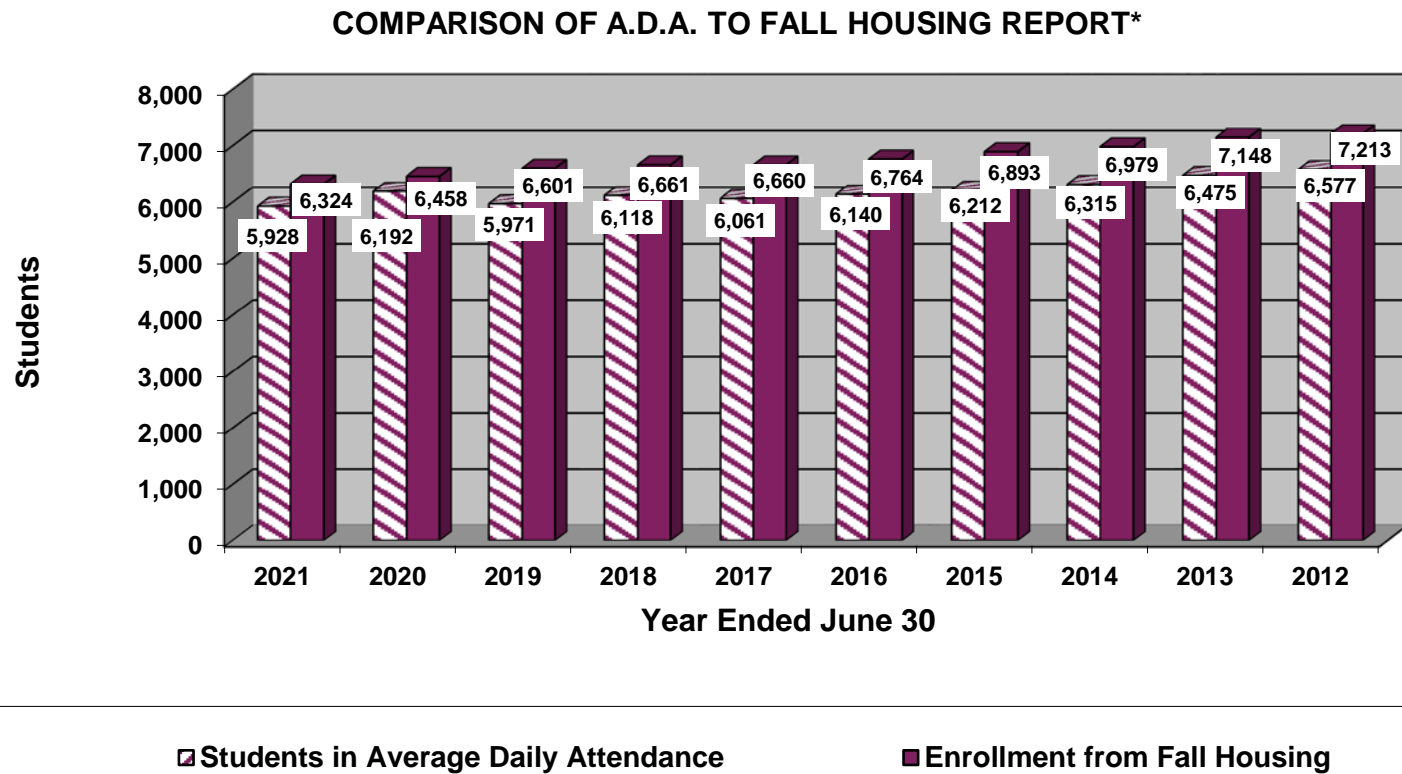
NOTE: Low Income students are pupils receiving public aid or are eligible for free or reduced price lunches.

SOURCE: 2021 School District Report Card

N/A - Due to change in the School District Report Card not all data was available for this year.

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

AVERAGE DAILY ATTENDANCE COMPARED TO FALL HOUSING Graphic Presentation (Last Ten Fiscal Years)



*Students enrolled is based on the Fall Housing Report.

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

DISTRICT EMPLOYMENT STATISTICS Last Ten Fiscal Years Ending June 30

<i>Employee Type</i>	<i>Status</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2017</i>	<i>2016</i>	<i>2015</i>	<i>2014</i>	<i>2013</i>	<i>2012</i>
Central Office Adm.	Full-Time	5	4	4	4	4	7	7	7	7	7
Building Principals	Full-Time	11	11	13	12	12	12	12	12	12	12
Asst. Principals	Full-Time	14	14	13	13	13	11	11	9	9	9
Other Administrators*	Full-Time	14	13	13	12	12	8	8	10	12	12
Teachers	Full-Time	544	552	563	549	549	552	548	527	542	572
Teachers	Part-Time	2	6	8	7	7	9	11	15	16	18
Instructional Aides	Full-Time	151	149	158	138	132	130	130	111	106	110
Instructional Aides	Part-Time	0	0	0	0	0	0	0	0	0	0
Secretarial/Clerical	Full-Time	52	52	55	55	55	56	59	57	55	55
Secretarial/Clerical	Part-Time	1	1	1	1	1	2	3	2	2	2
Bookkeeper	Full-Time	1	1	1	1	1	1	1	1	1	1
Custodial	Full-Time	45	42	44	45	45	45	44	44	43	48
Custodial	Part-Time	2	1	1	1	2	1	0	0	0	0
Food Service Director	Full-Time	1	1	1	1	1	1	1	1	1	1
Food Service Workers	Full-Time	10	10	12	12	11	12	12	12	11	12
Food Service Workers	Part-Time	43	52	57	61	60	65	67	66	65	66
Maintenance	Full-Time	5	5	5	5	4	4	5	5	5	5
Bus Drivers	Full-Time	89	89	93	92	85	79	84	85	85	85
Bus Drivers	Part-Time	0	0	0	0	0	0	0	0	0	0
Security	Full-Time	2	2	2	2	2	2	2	2	2	2
Others**	Full-Time	63	53	68	70	70	76	54	66	47	49
Others**	Part-Time	124	124	125	129	128	111	117	102	112	116
TOTAL		1,179	1,182	1,237	1,210	1,194	1,184	1,176	1,134	1,133	1,182

* Includes Program Directors, Athletic Director, Special Education Director and those not included in any of the above categories.

** Includes crossing guards, supervisory aides, and those not included in any of the above categories.

SOURCE: Fall Housing Reports, Teacher Service Record Reports, Annual Publication Reports, District Directories

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

SCHOOL BUILDING INFORMATION (Year Ended June 30)

	Total Square Feet	2020-2021 Enrollment	Student Capacity
<u>ELEMENTARY SCHOOLS</u>			
Loves Park Elementary	51,949	348	620
Machesney Elementary	55,689	255	620
Maple Elementary	35,031	401	550
Marquette Elementary	33,374	319	540
Olson Park Elementary	39,895	394	640
Parker Early Ed. Center	43,315	536	591
Rock Cut Elementary	32,798	322	550
Ralston Elementary	34,246	349	570
Windsor Elementary	33,321	383	580
<u>MIDDLE SCHOOLS</u>			
Harlem Middle School	141,290	1,013	1,350
<u>HIGH SCHOOL</u>			
Harlem High School	380,000	2,004	2,600
Hoffman Center	63,683	0	650
<u>SUPPORT FACILITIES</u>			
Administration Center	12,000	N/A	N/A
Operations Building	17,500	N/A	N/A
Bus Garage	21,120	N/A	N/A
Auto Shop	9,000	N/A	N/A
Totals	1,004,211	6,324	9,861

Note: Building data not derived from District Financial Statements.

HARLEM CONSOLIDATED SCHOOL DISTRICT NO. 122

DISTRICT ENROLLMENTS* Last Ten Years

GRADE	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
Pre-K/Kdg.	683	689	703	625	605	600	624	601	607	601
1st	377	430	445	443	442	474	474	509	534	491
2nd	421	447	451	454	476	472	502	535	469	530
3rd	443	453	434	479	473	485	528	452	535	469
4th	454	444	476	475	494	515	457	532	469	525
5th	438	475	482	503	509	468	546	463	534	532
6th	491	489	506	503	476	543	497	530	548	578
7th	497	516	508	486	512	482	525	556	579	545
8th	516	513	482	528	500	530	567	581	537	580
9th	608	569	579	571	580	636	658	628	659	645
10th	459	531	532	559	620	610	569	591	603	635
11th	505	455	502	560	516	488	478	513	573	566
12th	432	447	501	475	457	461	468	488	501	516
TOTAL	6,324	6,458	6,601	6,661	6,660	6,764	6,893	6,979	7,148	7,213

*Students enrolled is based on the Fall Housing Report.