



Chicago Public Schools
**Annual
 Comprehensive
 Financial Report**

Office of Finance
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021



Lori E. Lightfoot
 Mayor, City of Chicago

Miguel del Valle
 Board President

Pedro Martinez
 Chief Executive Officer

Miroslava Mejia Krug
 Chief Financial Officer

David Paul, CPA
 Interim Controller



CHICAGO PUBLIC SCHOOLS

Chicago Board of Education
Chicago, Illinois

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the year ended June 30, 2021

*Prepared by the
Office of Finance*

Lori E. Lightfoot, Mayor, City of Chicago
Miguel del Valle, Board President
Pedro Martinez, Chief Executive Officer
Miroslava Mejia Krug, Chief Financial Officer
David Paul, CPA, Interim Controller



Board of Education

City of Chicago

Office of the Board
1 North Dearborn Street, Suite 950, Chicago, Illinois 60602
Telephone (773) 553-1600 Fax (773) 553-3453

Miguel del Valle
PRESIDENT

Sendhil Revuluri
VICE PRESIDENT

MEMBERS

Luisiana Meléndez
Lucino Sotelo
Elizabeth Todd-Breland
Dwayne Truss

Dear Friends and Colleagues,

It is our privilege to present you with the Chicago Public Schools (CPS) fiscal year 2021 (FY21) financial results, which demonstrate the district's continued commitment to financial stability.

Despite unprecedented, ongoing challenges created by the COVID-19 pandemic, disruptions in the labor market, and an unpredictable global supply chain, CPS continues to focus on what matters most—providing an equitable, high-quality education for all students. Despite these challenges, the district's strong financial controls resulted in general operating revenues once again slightly exceeding expenditures.

During FY21, CPS remained committed to our Five-Year Vision, promoting equity and prioritizing resources for schools and students who need them most and investing \$566 million to priority facilities needed at neighborhood schools, full-day pre-k expansions, ADA accessibility, and continued expansion of technology upgrades and modern science labs.

Despite the pandemic's educational disruptions, our schools went above and beyond to support our students, leading to several record-breaking achievements. For example, CPS' one-year dropout rate is the lowest-ever at 3.8% with improvements by all children, and the five-year graduation rate is at an all-time high of 83.8%.

To address the academic and social-emotional impacts of COVID-19 in FY22, the district dedicated federal stimulus funds to launch *Moving Forward Together*, a new multi-year initiative that will invest \$525 million to provide the resources and supports our students and school communities need to accelerate their learning and gain the social emotional skills needed to heal from the pandemic.

Our FY22 operating budget totals \$7.8 billion and invests \$4.4 billion in school-level funding (an increase of more than \$266 million from last year). Our capital budget invests \$706.6 million in projects that will help ensure students across the city have access to modern, safe school buildings for years to come. School budgets for FY2022 will provide CPS schools with a comprehensive set of supports to advance equity, expand access to free pre-k, meet the needs of diverse learners, increase nurse, social worker, and case manager staffing to record-high levels, and address unique student needs arising from the pandemic.

We remain committed to working with the Chicago Board of Education and the Honorable Mayor Lori E. Lightfoot to continue our district's historic progress. Our focus moving forward will be on maintaining the district's financial stability and on improving the equity and transparency that is needed if every child from every community in Chicago is to receive the education they need for success in college, career, and civic life.

Respectfully submitted,

A handwritten signature in blue ink that reads "Miguel del Valle".

Miguel del Valle
President
Chicago Board of Education

A handwritten signature in blue ink that reads "Pedro Martinez".

Pedro Martinez
Chief Executive Officer
Chicago Public Schools

**CHICAGO PUBLIC SCHOOLS
Chicago Board of Education**

2021 ANNUAL COMPREHENSIVE FINANCIAL REPORT

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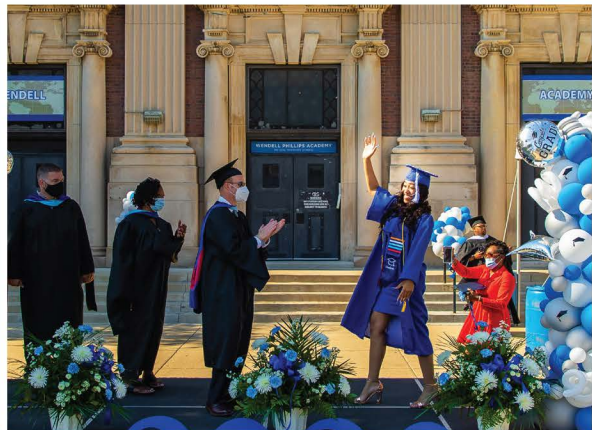
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Dore Elementary School



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

BOARD OFFICIALS AS OF DECEMBER 15, 2021

Chicago Board of Education

Miguel del Valle, President
Sendhil Revuluri, Vice President

Members

Luisiana Meléndez
Lucino Sotelo
Elizabeth Todd-Breland
Dwayne Truss



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**Chicago Public Schools
Illinois**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



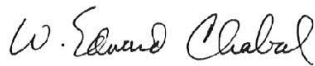
ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Chicago Public Schools

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

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



W. Edward Chabal
President

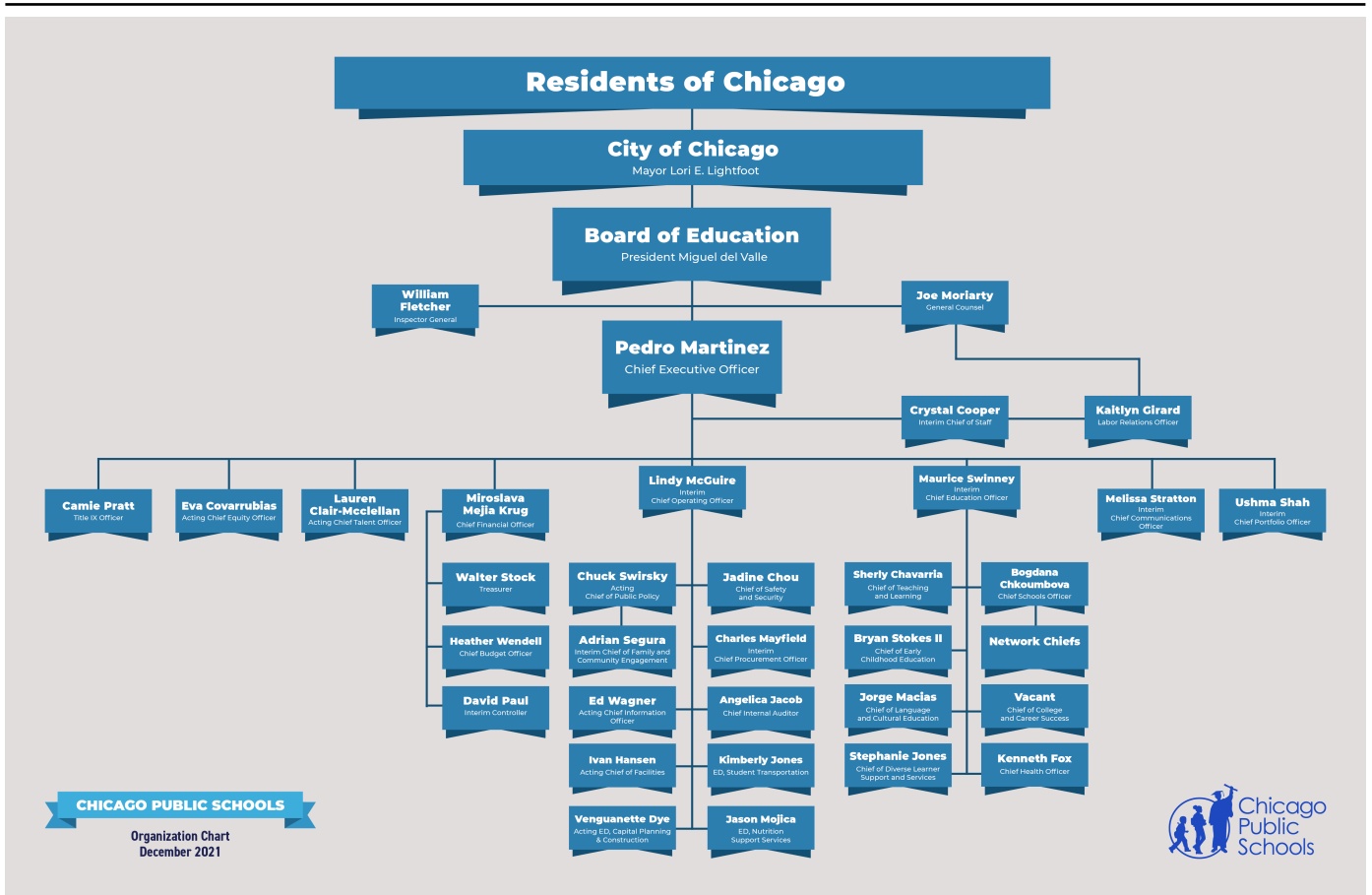


David J. Lewis
Executive Director

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

Organizational Chart



CHICAGO PUBLIC SCHOOLS **Chicago Board of Education**

Board Member Profiles

Miguel del Valle

Miguel del Valle was appointed President of the Chicago Board of Education by Mayor Lori Lightfoot and began serving on June 26, 2019.

Mr. del Valle is a retired elected official who has served on an extensive list of several committees, boards, and commissions, including:

- Illinois Student Assistance Commission (ISAC) | Vice Chairman
- Advance Illinois | Founding Board member
- Illinois Federation for Community Schools | Board member
- Illinois Pathways Advisory Council | Council Member
- Illinois Complete Count Commission
- Judicial Candidate Screening Committee
- Illinois P-20 Council

In 2006, Mr. del Valle was appointed by Mayor Richard M. Daley as City Clerk of Chicago, and subsequently won a citywide election to the post in 2007, becoming the first Latino elected to the office of City Clerk.

In 1986, Mr. del Valle was elected the first Latino Senator in the Illinois General Assembly where he served for 20 years. He became an Assistant Majority Leader, and served as Chairman of the Senate Education Committee, Consumer Affairs Committee, and Senate Select Committee on Education Funding Reform. He served as Vice Chairman of the Higher Education Committee, and member of the Revenue, Appropriations, Labor, and Executive Committees. He also was the co-founder of the Illinois Legislative Latino Caucus and a member of the Illinois Legislative Black Caucus.

Before running for public office, del Valle worked with several community-based agencies, organizing and providing direct services and institution building. He was Unit Director for the Union League Foundation for Boys and Girls Clubs, and Executive Director of Association House, a human services agency in Chicago. He also did work for the Pilsen Little Village Community Mental Health Center and the Center for Neighborhood Technology.

Mr. del Valle is a graduate of Chicago Public Schools and holds a M.A. in Guidance and Counseling from Northeastern Illinois University. He is married to Lupe del Valle, and has four children and four grandchildren. Three of his children attended Jose de Diego Community Academy, and one graduated from Lane Tech. All four of his grandchildren have or are currently attending Chicago Public Schools.

Sendhil Revuluri

Sendhil Revuluri was appointed Vice President of the Chicago Board of Education by Mayor Lori Lightfoot and began serving on June 26, 2019.

Mr. Revuluri was a founding teacher at the Bronx Academy of Letters, a public secondary school in the South Bronx, where he was recognized as a Math for America Master Teacher. He subsequently worked in the CPS Office of High School Teaching and Learning and at the University of Illinois at Chicago as Associate Director of the Suburban Cook County Mathematics Initiative, a project for collaborative improvement in teaching and learning benefiting over 40,000 K–12 students in 40 public school districts.

Mr. Revuluri has served on a Local School Council, and on the board of the Illinois Council of Teachers of Mathematics, which recognized him with the Lee Yunker Mathematics Leadership Award. He currently serves on the boards of the Bright Promises Foundation and Math Circles of Chicago. He is a 2016 Fellow of Leadership Greater Chicago.

Mr. Revuluri is Managing Director of Strategic Development at PEAK6 Capital Management, an entrepreneurial investment firm that leverages technology to efficiently manage risk in the options market. He launched its internal Hackathon, leads other innovation projects, and supports the development of business strategy, as well as leading efforts for effective professional learning. Mr. Revuluri was previously an Executive Director of Equity Trading at UBS Warburg LLC in Chicago and Stamford, Connecticut, where he created instruments to manage risk and enable investment opportunities, developed and led new businesses, and collaborated to improve enterprise-level risk systems.

Mr. Revuluri was born in Chicago and attended the Illinois Mathematics and Science Academy, from which he received the Alumni Titan Award. He studied physics and mathematics at the University of Chicago and secondary mathematics teaching at Pace University.

Mr. Revuluri lives in Pilsen with his wife, Venu Gupta, and their two children, who are currently attending Chicago Public Schools.

Luisiana Meléndez

Luisiana Meléndez was appointed to the Chicago Board of Education by Mayor Lori Lightfoot and began serving on June 26, 2019.

Dr. Meléndez is a Clinical Professor at Erikson Institute and director of the Institute's Bilingual/ESL Program. She received her B.A. in Psychology in her native Dominican Republic and a master's in early childhood education and doctorate in child development from Loyola University Chicago/Erikson Institute. Before joining the faculty at Erikson, Dr. Meléndez worked for close to two decades as an early childhood and elementary teacher in the Dominican Republic and in the U.S.

At Erikson, Dr. Meléndez teaches courses and participates in initiatives to prepare early childhood practitioners to meet the developmental and learning needs of the increasingly diverse children and families in U.S. educational settings. In the last years she has also collaborated with Gateways for Opportunity, the statewide professional development support system for individuals and programs serving children, youth, and families around issues of early bilingual and multilingual language development.

Dr. Meléndez frequently presents in national as well as local conferences and has several publications on her areas of professional interest. In addition to her work in early childhood teacher education and professional development, Dr. Meléndez has served on the Early Childhood Committee of the Illinois State Board of Education since 2012. She was a member of the Board of Directors of El Valor for several years. Dr. Meléndez regularly participates in workgroups and advisory boards convened around issues of bilingual and multilingual development and acted as co-chair of the Chicago Consortium for School Research Steering Committee.

She is a Chicago resident since 1996 and feels privileged by the opportunity to serve on the Chicago Board of Education, where she aspires to bring together her professional interests on bilingual and multilingual young children and her personal commitment to equity and social justice.

Lucino Sotelo

Lucino Sotelo was appointed to the Chicago Board of Education by Mayor Lori Lightfoot and began serving on June 26, 2019.

Mr. Sotelo currently serves as the Chief Digital Officer, Wealth Management at Northern Trust Corporation. He is an award-winning digital and marketing executive, consistently delivering transformational results. He has led teams at W.W. Grainger, BMO Harris, HSBC, Grant Thornton, Diamond Technology Partners and CSC Index.

Mr. Sotelo has committed himself to community and investing in organizations that help others achieve higher levels of success, with a passionate focus on educational equality in all communities:

- City Year Chicago | Executive Board Member & Committee Chair
- Association of Latino Professionals For America | Senior Leadership Council

Introductory Section

- Leadership of Greater Chicago Fellow | Former Executive Board Member
- Chicago Planning Commission | Former Commissioner
- Peace and Education Coalition, Executive Service Corps Chicago, YMCA – Former Board Member

Mr. Sotelo has an MBA from Northwestern University's Kellogg School of Management and a Bachelor's of Science degree from DePaul University in Accounting. He is a proud CPS alum of Wells Community Academy and proud parent of two current CPS students. Mr. Sotelo was recognized as one of the country's 2018 Top Latino Leaders by the National Diversity Council, 2015 Top Ten Lideres by Hispanic Executive Magazine, Chicago United Business Leader of Color, Diversity MBA's Top 100 Executives, Who's Who In Hispanic Chicago and Instituto Del Progreso Latino Spirit Award.

Mr. Sotelo lives in Chicago with his wife Maria, enjoys coaching his son's baseball team and playing golf with his daughter.

Elizabeth Todd-Breland

Elizabeth Todd-Breland was appointed to the Chicago Board of Education by Mayor Lori Lightfoot and began serving on June 26, 2019.

Professor Todd-Breland is an Associated Professor of History at the University of Illinois at Chicago. Her research and teaching focus on U.S. urban history, African American history, and the history of education. Her work also explores interdisciplinary issues related to racial and economic inequality, urban public policy, neighborhood transformation, education policy, and civic engagement. Her book, *A Political Education: Black Politics and Education Reform in Chicago since the 1960s*, analyzes transformations in Black politics, shifts in modes of education organizing, and the racial politics of education reform from the 1960s to the present. Professor Todd-Breland's writing has appeared in scholarly journals and edited volumes. She has also contributed to popular outlets, including NPR, ESPN, the Washington Post, and local radio, television, print, and online media.

Professor Todd-Breland coordinates professional development workshops, curricula, and courses for teachers and gives public talks on African American history, urban education, and racial equity. Todd-Breland is a CPS parent, served as a community member on a Local School Council, and worked with Chicago high school students as a social studies instructor and college counselor.

Professor Todd-Breland's research has been supported by grants and fellowships from the National Academy of Education, Spencer Foundation, Andrew W. Mellon Foundation, American Council of Learned Societies, Social Science Research Council, Ford Foundation, and UIC Institute for Research on Race and Public Policy. She earned her PhD in History from the University of Chicago.

Dwayne Truss

Dwayne Truss was appointed to the Chicago Board of Education by Mayor Lori Lightfoot and began serving on June 26, 2019.

Mr. Truss is a life-long resident of the City of Chicago. Mr. Truss was born and raised in West Garfield Park and is a proud graduate of Chicago Public Schools. After graduating from Westinghouse Area Career Vocational High School in 1981, he joined the United States Marine Corps Reserve. After a short tenure with the USMCR, he transferred to the Army National Guard. Mr. Truss was honorably discharged in 1986.

Mr. Truss graduated with a Bachelor of Science in Accounting from Northeastern Illinois University in 1985.

Mr. Truss met his wife Cata while a student at Northeastern and they were married in 1986. Together they raised five sons; four are college graduates.

Mr. Truss has served his community in the following capacities: Executive Director/Coach of Austin Youth League/Austin Mandela Little League from 1990 to 2007, local school council member at Byford (now Brunson), Hitch and Ella Flagg Young schools, current member of the Columbus Park Advisory Council, former board member of Raise Your Hand for Illinois Public Education, former co-chair of the Austin Community Action Council, member of

Introductory Section

the Westside Parks Executive Advisory Council and the Westside Branch of the NAACP. Mr. Truss is also an occasional contributor to both the Austin Weekly News and AustinTalks.org community newspapers.

Mr. Truss's major accomplishments include being the catalyst for the construction and current academic focus of the new Westinghouse High School, the renovation of Austin High School, the renovation of the new ball fields at Columbus Park, the renovation of Rockne Stadium, the reconsolidation of Austin High School as the neighborhood high school and the recent Chicago Park District investment of \$3 million in capital improvements for Austin Parks. He is currently employed by the State of Illinois.

Mr. Truss currently resides in the Austin community. He is a proud grandfather of nine grandchildren. In addition to his children, he and his wife helped raise two nieces, and two nephews.

The members of the Board have been appointed to serve terms ending as follows:

Member	Term Expires
Miguel del Valle, President	June 30, 2023
Sendhil Revuluri, Vice President	June 30, 2023
Luisiana Meléndez	June 30, 2022
Vacancy	June 30, 2023
Lucino Sotelo	June 30, 2022
Elizabeth Todd-Breland	June 30, 2023
Dwayne Truss	June 30, 2022

At the expiration of the term of each member, the Mayor shall appoint a successor for a four-year term from July 1 of the year in which the term commences. Any vacancy shall be filled by appointment of the Mayor for the unexpired term.

The Board elects annually from its members a president and vice president in such a manner as the Board determines.





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December 15, 2021

Miguel del Valle, President,
Members of the Chicago Board of Education,
And Citizens of the City of Chicago:

The Annual Comprehensive Financial Report (ACFR) of Chicago Public Schools (CPS) for the fiscal year ended June 30, 2021, is hereby submitted. It has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applicable to governmental entities. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position as well as the financial condition of CPS. Responsibility for the accuracy of the data presented as well as completeness and fairness of presentation of this report rests with CPS management.

Illinois School Code requires CPS to submit an annual report of the financial records and transactions of the school system audited by independent certified public accountants. This document is submitted in fulfillment of this requirement. A single audit was also conducted to meet the requirements of the Single Audit Act and Subpart F of Title 2 U.S. Code of Federal Regulations Part 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). For the fiscal year ended June 30, 2021, the independent auditors have issued an unmodified opinion on CPS' basic financial statements and other required supplementary information, etc. (See Independent Auditors' Report in the Financial Section of the document). Information related to this single audit, including a schedule of federal financial assistance and the independent auditor's reports on the internal control structure and on compliance with applicable laws and regulations, is included under separate cover.

CPS ended fiscal year 2021 with a positive fund balance of \$804 million in the General Operating Fund. This is the fourth year in a row that the District has reported positive fund balance. This improvement in financial sustainability is due in part to increased replacement tax revenue and federal relief funding. And CPS has continued to streamline operational costs to improve financial position.

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 MD&A can be found immediately following the report of the independent auditors.

PROFILE OF CHICAGO PUBLIC SCHOOLS

CPS is a body politic and corporate, and a school district of the State of Illinois having boundaries coterminous with the City of Chicago. The Chicago Board of Education is established under and governed by the Illinois School Code. The Chicago Board of Education is not a home-rule unit of government and operates a system of schools primarily for grades pre-kindergarten through twelve. CPS has no component units that are legally separate organizations for which CPS is financially accountable.

CPS is governed by a seven-member Board of Education appointed by the Mayor of the City of Chicago. Board members elect one member to serve as President of the Board. In addition, pursuant to amendments to the Illinois School Code initially enacted in 1988, elected Local School Councils, composed of parents, teachers, principals and community representatives, exercise certain powers relating to the operation of individual schools, most notably the selection of principals. Refer to the CPS website for more information on Local School Councils.

As a large urban school district, CPS schools and students reflect the broad diversity of our city. In fiscal year 2021, CPS had 638 schools, including district-run traditional and "options" schools, as well as charter and contract schools. Charter schools are public schools managed by independent operators, and approved and certified under the State charter law. They can offer a general K-12 educational program or may be approved to offer a program specifically targeting students who have dropped out or are at risk of dropping out. In fiscal year 2021, CPS authorized 114 charter schools, serving nearly 52,000 students.

Student enrollment as of September 2020 was 340,658, a decrease of 14,498 from September 2019 (355,156). Approximately 63.8% of our students come from low-income families and 18.6% are English Language Learners. CPS employs 38,433 workers, including 25,943 teaching positions. Based on data available as of September 2021, student enrollment for fiscal year 2022 is 330,411 which is a decrease in enrollment of 10,247.

LOCAL ECONOMIC OUTLOOK

The Chicago economy continues to recover from the COVID-19 pandemic. However, it is important to note that the majority of CPS revenues are not economically sensitive. Property tax increases are capped at the rate of inflation; and Federal and State aid are allocated based on formulas and limited by federal and state appropriations. Therefore, our revenues are not directly affected by changes in the local economy. While the impacts of the COVID-19 pandemic and the attempts to counter those impacts are far ranging, the effects on the Board have so far been either financially limited or, where they are not, the Board has made adjustments to mitigate the effects.

For more information regarding Chicago's local economy, refer to the City of Chicago budget book at http://www.cityofchicago.org/city/en/depts/obm/supp_info/annual-budget-recommendations---documents.html.

Local revenues included \$3.157 billion in property taxes and \$282.1 million in personal property replacement taxes in fiscal year 2021. Property taxes support the General Operating Fund, Capital Projects Fund and Debt Service Fund. Personal property replacement taxes support the General Operating Fund and Debt Service Fund. In fiscal year 2021, there was \$60.2 million in tax revenue for Capital Improvement Tax, a levy dedicated to capital improvement expenditures. Property tax revenue can be reduced by certain tax abatement agreements entered into by Cook County of Illinois. In fiscal year 2021, the estimated impact of these abatements was a reduction in property tax revenue of \$44.5 million.

CURRENT CONDITION

The fiscal year 2021 budget for General Operating Fund expenditures was \$6.916 billion, \$597 million above the fiscal year 2020 budget of \$6.319 billion. The 2021 Chicago Public Schools budget built on the commitments of academic progress, financial stability, and integrity established by the CPS Five-Year Vision and invested over \$4 billion in school-level funding. School budgets for FY2021 provided CPS schools with a comprehensive set of supports to advance equity; enhance college and career readiness supports; expand access to free Pre-K; meet the needs of diverse learners; and increase nurse, social worker, and case manager staffing levels to an all-time high in the district.

Total governmental funds revenues for fiscal year 2021 were \$7.454 billion, which is \$521 million more than the \$6.933 billion reported as fiscal year 2020 revenue. Total expenditures for fiscal year 2021 were \$7.735 billion, which is approximately \$0.334 billion greater than the prior year of \$7.401 billion. The increase in year over year expenditures is due in part to areas related to remote learning and school reopening, including technology, facility maintenance and cleaning supplies, and additional school supervisory support. CPS ended fiscal year 2021 with

a combined fund balance of \$1.826 billion in all governmental funds, a increase of \$0.283 billion from fiscal year 2020 ending fund balance of \$1.543 billion, as restated.

Fiscal year 2021 revenues included a \$83.4 million increase in property tax revenues and a \$79.6 million increase in Personal Property Replacement Taxes (PPRT) revenues. These are driven by a steady increase of new property in Chicago, stronger than expected growth in property assessments and overperformance of state corporate income tax receipts.

In fiscal year 2021, CPS received total \$1.658 billion state Evidence Based Funding (EBF) unrestricted revenue, which is \$8 million lower than that amount in fiscal year 2020; and CPS received other restricted state revenue \$364.0 million. Additionally, CPS received \$266.9 million in pension support from the state — which is nearly an \$9.6 million increase from fiscal year 2020 and represents a improvement in teacher pension equity in Illinois.

In response to the COVID-19 pandemic the federal government has passed multiple financial relief packages that provide funding relief to CPS. CPS received \$515.2 million in total revenues from these packages in fiscal year 2021, compared to \$84.9 million in fiscal year 2020. CPS anticipates using the remaining unspent funds through fiscal year 2024.

Cash Management: CPS' cash flow goes through peaks and valleys throughout the year, depending on when revenues and expenditures are received and paid. Further, revenues are generally received later in the fiscal year while expenditures, mostly payroll, are level across the fiscal year (with the exception of debt services and pensions). The timing of these two large payments (debt services and pensions) occur just before major revenue receipts. These trends in revenues and expenditures put cash flow pressure on CPS.

Over the past four years, CPS has reduced its short-term borrowing by approximately \$600 million. Despite the unprecedented circumstances related to COVID-19, CPS continued to make progress on improving its cash flow by decreasing its Tax Anticipation Notes outstanding at the end of the FY2021 by \$256 million, from \$500 million in FY2020 to \$244 million in FY2021. By relying less on short-term borrowing, the district saved \$6 million in short-term interest costs in FY2021 and created structural budgetary relief for future fiscal years.

Pension Funding: Employees of CPS participate in either the Public School Teachers' Pension and Retirement Fund of Chicago (Pension Fund), or the Municipal Employees Annuity and Benefit Fund of Chicago (Annuity Fund). As of June 30, 2020, the Pension Fund reported \$11.240 billion in actuarial assets and \$24.073 billion in actuarial liabilities, for a funded ratio of 46.7%. CPS has recorded a net pension liability of \$15.441 billion in the accompanying financial statements, 100% of which is recognized by CPS. (For the reasons discussed in Note 12 CPS does not recognize any proportionate share of the net pension liability for the Annuity Fund).

CPS has two main sources of revenue for contributions to the Pension Fund. First, the state provides funding for the district's normal cost—the cost of annual increases to the district's total liability—for teacher pensions. In fiscal year 2021, the state contributed \$266.9 million for these costs. The second major funding source is a dedicated property tax levy, which provided \$489.3 million in pension contributions in fiscal year 2021. These two funding sources have reduced the budgetary risk of the district's pension obligations and put CPS on a path to pension funding stability.

Debt Ratings: Investors who purchase municipal bonds use debt ratings as an indicator of the safety and security of the debt sold by that organization. CPS currently has general obligation bonds outstanding with credit ratings from Fitch Ratings, Kroll Bond Rating Agency, Moody's Investor Service and Standard & Poor's, and capital improvement tax bonds outstanding with credit ratings from Fitch Ratings and Kroll Bond Rating Agency. During fiscal years 2018 through 2020, CPS' general obligation bond ratings began to recover from earlier downgrades, with the ratings companies citing improved revenues and fund balance. CPS maintained its general obligation ratings during the COVID-19 crisis and received two upgrades in fiscal year 2021.

LONG-TERM FINANCIAL PLANNING

As a result of CPS' improved revenue structure, due primarily to new funding from the state and dedicated revenue sources for teacher pensions, the district's reliance on one-time budget balancing measures has declined. Performance in fiscal year 2021 indicates a structural balance that the district will seek to maintain going

forward. CPS will, however, continue to face challenges in maintaining fiscal balance, with caps on local property taxes, legacy debt service costs, pension costs and increased federal funding set to expire in fiscal year 2024.

The structural budget deficit that persisted through fiscal year 2017 was due primarily to inequitable state education funding. The new state funding formula both guarantees a minimum funding level for CPS and sets a path to equitable funding. Full equity in funding, however, will not be achieved until the state is able to fully fund its Evidence-Based Funding formula, and, despite the state's coverage of teacher pension normal cost, CPS remains the only school district in the state that funds the vast majority of its teacher pension costs.

Before the passage of the new state-wide Evidence-Based funding model (EBF) in 2017, CPS experienced steady state revenue declines which brought years of fiscal uncertainty; as result, CPS relied heavily on property tax revenues to help fully fund its schools. Since 2007, the property tax revenues' percentage of the total budget has continuously increased from 36.7% in fiscal year 2007 to 41.5% in 2017. In fiscal year 2021, with inflation at 2.3%, the base property tax levy increased by \$130.2 million, putting the total budget's percentage of property tax revenue at 46.5%. Though CPS is able to take advantage of new property that is added to the base property values, the annual increase in non-pension dedicated revenues remains modest.

RELEVANT FINANCIAL POLICIES

Fund Accounting: CPS reports its financial activities through the use of fund accounting. This is a system wherein transactions are reported in self-balancing sets of accounts to reflect the results of activities. (See Notes 1 and 2 of the Notes to the Basic Financial Statements for a summary of significant accounting policies and a description of fund types and account groups).

Internal Control Structure: CPS financial management officials are responsible for implementing and enforcing a system of internal controls to protect the assets of CPS from loss, theft, or misuse and to ensure that reliable accounting data is available for the timely preparation of financial statements in accordance with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control: Annual budgets are prepared on a basis consistent with GAAP for the General Operating, Capital Projects and Debt Service Funds. The fiscal year begins on July 1 and ends June 30. Individual school units submit budgets based on the school improvement plans and approved by the Local School Councils. Administrative units submit budget requests to the Office of Budget and Grants Management, which analyzes all requests and prepares a comprehensive budget, balancing revenues and appropriations of each fund. The budget is submitted to the Board of Education for appropriation.

The appropriated budget is prepared by fund, unit, and account. The legal level of budgetary control is at the account level, except for school-based discretionary programs. CPS maintains budgetary controls to ensure that legal provisions of the annual budget are in compliance and expenditures cannot legally exceed the appropriated amount. Board approval is required for all funding transfers except school-based discretionary program expenditures, which are governed by specific program policies and procedures. In addition, an amended budget is required for increases in total appropriation.

Budgetary control is also maintained by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Capital Projects Funds are budgeted on a project-by-project basis and represent the entire project budget for projects expected to begin in that fiscal year.

MAJOR INITIATIVES

At Chicago Public Schools, our mission is to provide a high-quality public education for every child in every neighborhood that prepares them for success in college, career, and civic life. With our district's improved financial position and students making remarkable academic progress, CPS is focused on improving equity in our schools. To narrow the opportunity gap for students of color, English learners, diverse learners, and students living

in the South and West sides, we have implemented strategic initiatives in the areas of education, finance, community, and the environment to build on our commitments to academic progress, financial stability, and integrity.

Educational Initiatives

Thanks to our students, families, educators, partners, and city leaders who have given their all to lift CPS to new heights. Despite the unprecedented circumstances of the last year, we have so much to be proud of as a district. Our graduation rates are at an all-time high, and a record high number of CPS students are earning college and career credentials before they even finish high school.

CPS continues to implement the five-year vision founded on three core commitments that remain at the heart of who we are: academic progress, financial stability, and integrity. Driving academic progress continues to be the primary focus of our work, and is rooted in long-term fiscal stability and a culture and climate that respects and values the contributions of all stakeholders. The CPS Five-Year Vision establishes equity as a moral imperative and acknowledges the fact that not all CPS students are given the same opportunities to succeed. Our Equity Office continues to work hand-in-hand with all CPS departments to make sure every decision we make, from capital investments to staffing to curriculum design, has equity at its core.

Curriculum Equity

In fiscal year 2021, CPS invested \$47.7 million in Skyline, a first-of-its-kind digital PK-12 standards-aligned and culturally-responsive curriculum. Skyline provides teachers with a fully-articulated curriculum across six content areas: English language arts, math, science, social science, and two world languages (Spanish and French).

The fully-articulated Skyline courses were released this past summer in order to address a growing need for comprehensive and quality curricular resources district-wide. In 2019, over 500 educators participated in a survey to determine the quality of curricular resources in their classrooms. Over 46% reported that their school does not have a curriculum available for the subject they teach, and over 85% agreed or strongly agreed that it is very important that CPS provide unit plans, lesson plans, and resources for teachers. The implications of COVID-19 over the past two academic years have further heightened the need for grade-level appropriate resources, and Skyline will serve as an important district resource to address achievement gaps.

This year, over 350 schools have committed to formally adopting Skyline in at least one content area.

Academic Program Expansion

Through the Academic Focus request for proposal CPS invests in schools by providing school-based academic programs in a variety of content areas. For the Office of Teaching and Learning, these include Fine and Performing Arts, STEM, STEAM, Personalized Learning, IB, and Gifted programs. For the Office of Language and Cultural Education, these include Dual Language and World Language programs. Schools receive investments tailored to their program focus, including additional FTEs, capital improvements, discretionary incubation funds, and professional learning support. In fiscal year 2021, the district invested \$1.2 million to incubate the following new programs: 1 IB school, 2 Fine & Performing Arts schools, 1 STEM school, 2 STEAM schools, and 1 Dual Language school.

Dual & World Language

In fiscal year 2021, CPS grew the number of dual language programs to 43. Dual Language Programs offer core instruction in both English and Spanish with the goal of developing proficiency in both languages. Programs begin at the preschool and kindergarten levels and provide a route for students to earn the CPS Pathways to the Seal of Biliteracy recognition at the elementary and middle school level or the State Seal of Biliteracy upon graduation from high school. CPS allocates approximately \$2.1 million in Title III funding to support dual language programming with coordinator positions at the schools.

CPS also currently offers World Language Programs for 12 world languages in 233 schools serving 113,733 students. World Language Programs provide exposure to foreign languages by developing the listening, speaking, reading, and writing skills in the target languages. The Critical Language Initiative (CLI) is a component of CPS' World Language programs which emphasizes instruction in languages that are considered critical to U.S. national security interests. Focus languages include, but are not limited to, Arabic, Chinese, Hindi, Korean, and Russian. Approximately \$3 million is invested annually to fund Arabic and Chinese world language teachers.

Universal Pre-K

CPS continues to expand the number of high-quality, publicly funded, full-day preschool classrooms towards our goal of providing access to every Chicago four-year-old in every community. Currently, CPS has reached Universal Pre-K capacity in 58 community areas, with 18 in progress towards a fall 2022 completion goal. New classrooms have been opened in existing schools, in school annexes and branch locations and through the creation of new standalone early childhood centers.

At the beginning of fiscal year 2021, CPS successfully opened an additional 43 full-day preschool classrooms in communities across the city. While these classrooms initially launched remotely, due to the pandemic, Pre-K classrooms were among the first to return to in-person learning when the district reopened schools in spring 2021. CPS is now in our final phase of expansion and added 53 new full-day preschool classrooms at the beginning of fiscal year 2022, bringing the total number of full-day preschool classrooms district-wide to 793. This leaves 116 remaining towards our Universal Pre-K goal, which will serve a projected 18,180 students.

Advanced Placement

The Advanced Placement (AP) program continues to expand in alignment to the CPS Vision of an increase of 10% AP students by 2024 via two specific initiatives: AP Capstone and EOS.

AP Capstone is a diploma program based on two-year-long AP courses--AP Seminar and AP Research--in addition to four additional AP courses of the student's choosing. The AP Capstone program has experienced significant growth over the past three years: 29 AP Capstone campuses in 2021 versus 9 in 2018 and 852 AP Capstone students in 2021 versus 601 in 2018. A total of \$24,000 was provided to train up to 30 AP Seminar and AP Research teachers each year in addition to covering the cost of the AP Capstone exams (\$142/exam).

The Equal Opportunity Schools (EOS) mission is to identify underrepresented students on existing AP and IB campuses to increase access and equity to both programs. In 2021, this initiative served a total of 18 schools with an investment of \$305,500. A total of 18,243 high school students were engaged on the 18 campuses. In 2021, CPS expanded the EOS initiative to 57 additional district managed campuses with existing AP programs for a potential total of 75 campuses that can be served with a three-year investment not to exceed \$3.7 million.

Chicago Roadmap

Launched during 2020, the Chicago Roadmap is a comprehensive partnership between CPS and the City Colleges of Chicago (CCC) and the City of Chicago, to increase college enrollment, college persistence and degree attainment, and career success among CPS-CCC students. The Chicago Roadmap centers cross-institutional improvements in five key areas: Academic Readiness and Success; Access to High-Quality Programs; Student Advising and Supports; Career Exploration, Experience, and Preparedness; and Transparency, Alignment, and Collaboration. Aligned efforts in these areas aim to create new pathways for all of our students, particularly Black and Latinx students from underserved communities and diverse learners. Together with leading civic, philanthropic, and academic partners the Roadmap has raised over \$16.0 million. The Roadmap aims to meet its funding goal of \$37.5 million over the next five years to support high-quality, equitable education for all.

Comprehensive Social and Emotional Needs

Through a commitment to social emotional learning (SEL), CPS is creating supportive school environments that keep more of our students in school and engaged. With an over \$10.0 million investment in social and emotional learning supports, including over \$5.0 million for restorative practices and direct student services from community partners, CPS is dedicated to providing students with the SEL skills necessary for college, career and life success. Based on research-based school climate practices, teaming structures, and targeted behavior interventions, we are realizing our five-year vision by equipping our students with the skills they need to succeed in school and in life, such as goal-setting, cooperation, and conflict resolution. In addition, teacher training is provided to understand trauma and mental health, integrate SEL into instructional practices, develop their own SEL skills, and engage in restorative practices in the classrooms.

Community Schools Initiative

CPS manages one of the largest community schools systems in the nation, known as the Community Schools Initiative (CSI). Since 2003, CSI has launched more than 200 schools, in partnership with nearly 50 lead non-profit organizations. Community Schools serve as hubs of their communities to meet students' and families' academic and non-academic needs to develop educated citizens and strengthen local neighborhoods.

Community Schools bring together the academic and social supports needed to ensure that all students succeed by offering programs before, during and after the school day for students and their families. The programs are designed to support the school's academic program and expand the services offered within the community. Programs and services offered at each community school vary, but most community schools offer some combination of academic enrichment activities for students, adult education and English as a Second Language classes, student and adult technology training, art activities, recreation and health services. In 2022, just over \$25 million, including state grants, was invested in the Community Schools Initiative.

Capital Improvement Program

The CPS facility portfolio includes 522 campuses and 798 buildings. Our average building age is 63 years old. The fiscal year 2021 budget for CPS included a capital budget totaling \$758 million of investments that focused on priority facilities needs at neighborhood schools; full-day Pre-K expansions; ADA accessibility for all campuses; and continued expansion of technology upgrades, modern science labs, and other academic priorities. To support schools throughout the city, the FY2021 capital plan provided funding in six main areas: critical facility needs, interior improvements, programmatic investments, overcrowding relief, site improvements, and IT and security upgrades. The projects were primarily funded by bond proceeds, state capital funds, City of Chicago tax increment financing, and federal E-rate funding.

AWARDS AND ACKNOWLEDGMENTS

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Board of Education of the City of Chicago for its ACFR for the fiscal year ended June 30, 2020. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. CPS has received this award every year since 1996.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are again submitting it to GFOA.

CPS also received the Certificate of Excellence for Financial Reporting from the Association of School Business Officials International for the 20th consecutive year. We have included this award in the recognition of the

importance of fiscal policies on our ability to educate our students and undertake the new initiatives outlined above.

Acknowledgments: This report could not have been prepared without the commitment and dedication of the entire staff of the Office of Finance, the Chief Education Office and the Office of the Board. We wish to express our gratitude and appreciation to them for their dedicated efforts and professionalism.

Respectfully submitted,

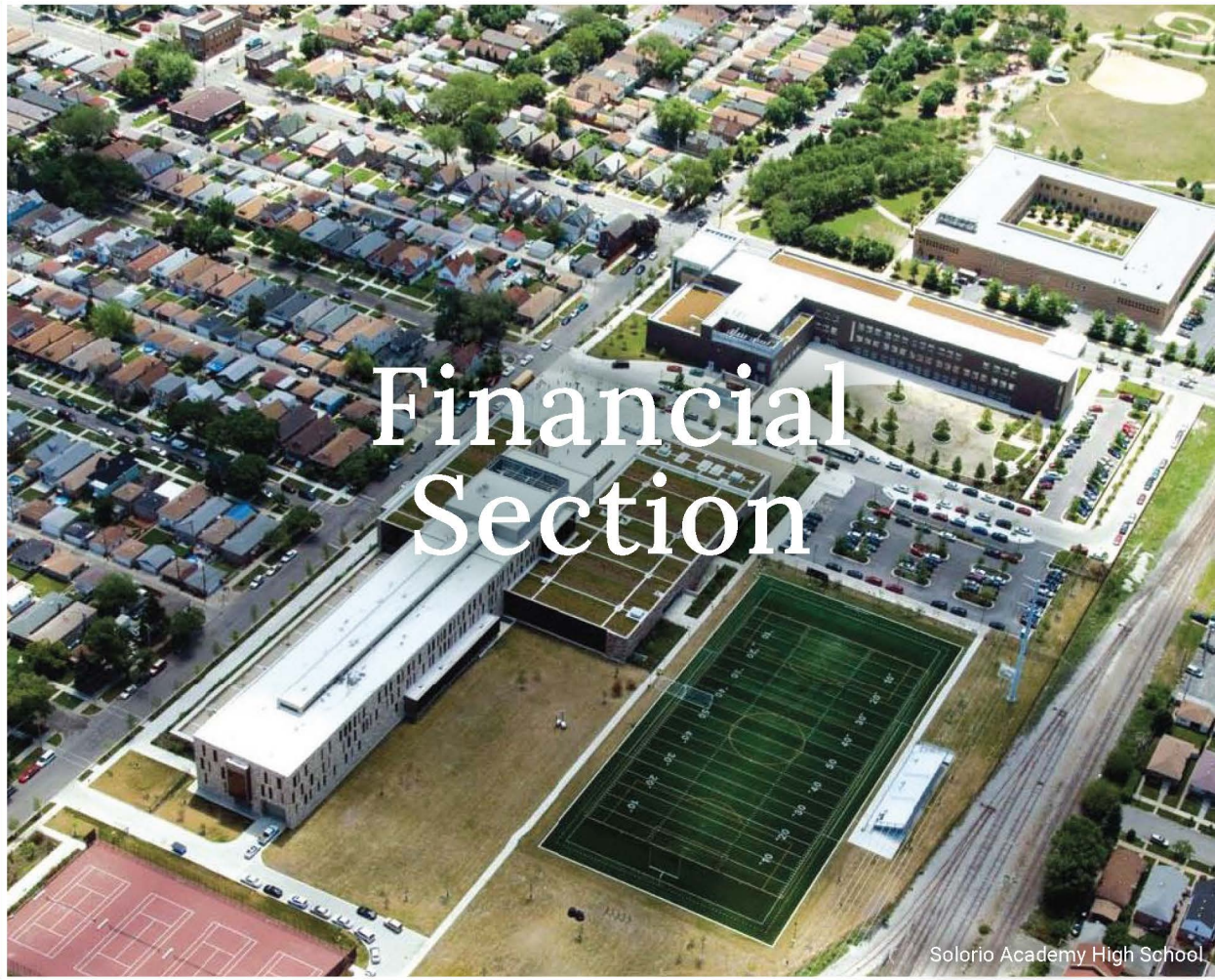


Miroslava Mejia Krug
Chief Finance Officer



David Paul, CPA
Interim Controller





Financial Section

Solorio Academy High School





Independent Auditors' Report

To the Board of Education of the City of Chicago
Chicago Public Schools

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Chicago Public Schools (the Board of Education of the City of Chicago, a body politic and corporate of the State of Illinois) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Chicago Public Schools' 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 Chicago Public Schools' 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 Chicago Public Schools' 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 Chicago Public Schools, 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.

Baker Tilly US, LLP, trading as Baker Tilly, is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

Emphasis of Matter

As discussed in Note 1, Chicago Public Schools 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 management's discussion and analysis and 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 Chicago Public Schools' basic financial statements. The individual fund schedules for the year ended June 30, 2021 as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 individual fund schedules are 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 Chicago Public Schools as of and for the year ended June 30, 2020 (not presented herein), and have issued our report thereon dated December 18, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities and each major fund. The individual fund schedules 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 individual fund schedules 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 Chicago Public Schools' basic financial statements. The introductory section and statistical section 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 Chicago Public Schools' 2020 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities and each major fund in our report dated December 18, 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 December 15, 2021 on our consideration of Chicago Public Schools' 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 Chicago Public Schools' 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 Chicago Public Schools' internal control over financial reporting and compliance.



Chicago, Illinois
December 15, 2021



CHICAGO PUBLIC SCHOOLS**Management's Discussion and Analysis (Unaudited)
June 30, 2021**

Our discussion and analysis of the financial performance of Chicago Public Schools (CPS) provides an overview of financial activities for the fiscal year ended June 30, 2021. Because the intent of this management discussion and analysis is to look at financial performance as a whole, readers should also review the transmittal letter, financial statements and notes to the basic financial statements to further enhance their understanding of CPS' financial performance.

During fiscal year 2021, CPS implemented the Governmental Accounting Standards Board Pronouncement No. 84 (GASB 84). For the purposes of this Management Discussion and Analysis, the effect of this implementation was shown by increasing 2021 beginning net position and General Operating Fund balance by \$50.0 million. Fiscal year 2020 balances are presented as previously reported. See Note 1 for further information on GASB 84 and the beginning balance restatement.

FINANCIAL HIGHLIGHTS

The government-wide financial statements and Statement of Net Position shows liabilities and deferred inflows totaling \$30.0 billion, an increase of \$2.2 billion from fiscal year 2020, while assets and deferred outflows equaled \$12.7 billion, with an increase of \$721.9 million. The overall increase in total liabilities and deferred inflows is primarily driven by increases in CPS' pension and other postemployment benefit liabilities of \$1.7 billion. The overall increase in total assets and deferred outflows is mostly derived from higher deferred outflows of resources of \$515 million from fiscal year 2020. CPS ended fiscal year 2021 with a deficit in net position of \$17.378 billion, an increase in the deficit of \$1.501 billion or 9.5% from the prior year. The Statement of Activities presents an increase in total expenses from fiscal year 2020 in governmental activities of \$1.0 billion, an increase of property tax revenues of \$81 million, an increase of replacement taxes of \$80 million, a net increase of \$448 million in grants and contributions and a decrease in other general revenues of \$24 million.

CPS ended fiscal year 2021 with a combined fund balance for its governmental funds of \$1.826 billion, an increase of \$283.4 million or 19.0%, from fiscal year 2020. The fund balance increased by \$236.7 million in the General Operating Fund, increased by \$6.7 million in the Capital Project Fund, and increased by \$40.1 million in the Debt Service Fund. Total revenues in the General Fund for fiscal year 2021 were \$6.745 billion, which were \$547 million or 8.8% higher than the prior year amount of \$6.198 billion. Total expenses in the General Operating Fund for fiscal year 2021 were \$6.508 billion, which increased by \$344.0 million or 5.6% from the fiscal year 2020 amount of \$6.164 billion. The General Operating Fund ended fiscal year 2021 with a positive fund balance of \$803.8 million.

In fiscal year 2021, the Board issued fixed rate \$450.0 million Unlimited Tax General Obligation Bonds (Dedicated Alternative Revenue), Series 2021A with an original issue premium \$113.0 million. The Board also issued fixed-rate \$107.5 million Unlimited Tax General Obligation Refunding Bonds (Dedicated Alternate Revenue), Series 2021B with an original issue premium of \$26.1 million. As of June 30, 2021, CPS had \$9.2 billion in total debt, including accreted interest outstanding versus \$8.8 billion last year, an increase of 4.1%.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Annual Comprehensive Financial Report (ACFR) consists of Management's Discussion and Analysis and a series of financial statements and accompanying notes, both primarily focusing on the school district as a whole.

The government-wide financial statements including the Statement of Net Position and the Statement of Activities provide both short-term and long-term information about CPS' financial status. The fund financial statements provide a greater level of detail of how services are financed in the short-term as well as the remaining available resources for future spending. The accompanying notes provide essential information that is not disclosed on the face of the financial statements, and as such, are an integral part of the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the School District's finances in a manner similar to a private sector business. The Statement of Net Position and the Statement of Activities provide information about the activities of the school district as a whole, presenting both an aggregate and long-term view of the finances. These statements include all assets and liabilities using the accrual basis of accounting. This basis of accounting includes all of the current year's revenues and expenses regardless of when cash is received or paid.

The **Statement of Net Position** presents information on all of CPS' assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, for the resulting net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The **Statement of Activities** presents information showing the details of change in net position during the fiscal year. All changes in the net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of CPS that are principally supported by taxes and inter-governmental revenues (governmental activities).

All of CPS' services are reported in the government-wide financial statements, including instruction, pupil support services, administrative support services, facility support services, instructional support services, food services and community services. Property taxes, replacement taxes, state aid, and interest and investment earnings finance most of these activities. Additionally, capital assets and debt-financing activities are reported here.

Condensed Statement of Net Position
 (Millions of Dollars)

	Governmental Activities			
	2021	2020	Difference	% Change
Current Assets	\$ 3,058	\$ 3,068	\$ (10)	-0.3%
Capital Assets, net	6,509	6,344	165	2.6%
Non-current Assets	244	193	51	26.4%
Total Assets	<u>\$ 9,811</u>	<u>\$ 9,605</u>	<u>\$ 206</u>	2.1%
Total deferred outflows of resources	<u>\$ 2,860</u>	<u>\$ 2,345</u>	<u>\$ 515</u>	22.0%
Current Liabilities	\$ 1,586	\$ 1,895	\$ (309)	-16.3%
Long-term liabilities	27,670	25,642	2,028	7.9%
Total Liabilities	<u>\$ 29,256</u>	<u>\$ 27,537</u>	<u>\$ 1,719</u>	6.2%
Total deferred inflows of resources	<u>\$ 793</u>	<u>\$ 290</u>	<u>\$ 503</u>	173.4%
Net Position (deficit):				
Net investment in capital assets	\$ (1,757)	\$ (1,561)	\$ (196)	-12.6%
Restricted for:				
Capital projects	48	62	(14)	-22.6%
Debt service	718	707	11	1.6%
Grants and donations	12	14	(2)	-14.3%
Teacher’s pension contributions	4	14	(10)	-71.4%
School Internal Accounts	48	—	48	100.0%
Unrestricted	<u>(16,451)</u>	<u>(15,113)</u>	<u>(1,338)</u>	-8.9%
Total net position (deficit)	<u><u>\$ (17,378)</u></u>	<u><u>\$ (15,877)</u></u>	<u><u>\$ (1,501)</u></u>	-9.5%

Current assets decreased by \$10 million, mainly due to current cash and investments decreasing by \$79.0 million, current cash and investments in escrow increasing by \$0.7 million and Federal, State and other receivables increasing by \$20.3 million from fiscal year 2020. Receivables for property taxes and replacement taxes were higher by \$38.6 million and \$23.9 million, respectively. Refer to Note 3 to the basic financial statements for more detailed information on property taxes and state aid.

Capital assets, net of depreciation, increased by \$165 million due to an increase in construction in progress in fiscal year 2021. Refer to Note 6 to the basic financial statements for more detailed information on capital assets.

Non-current assets increased by \$51 million. Refer to Note 4 to the basic financial statements for more detailed information on cash and investments.

Deferred outflows of resources showed an increase of \$515 million, which was directly attributable to the increase in deferred pension and other postemployment benefit outflows of \$530.9 million. Refer to Note 12 and Note 13 to the basic financial statements for more information on CPS’ pension and other postemployment benefit liabilities.

Current liabilities decreased by \$309.0 million primarily due to a decrease in tax anticipation notes of \$256.0 million. Refer to Note 8 to the basic financial statements for more detailed information on short-term debt.

Long-term liabilities increased by \$2.028 billion, as a result of the increase in the pension and OPEB liability for CTPF of \$1.667 billion and increase in long-term debt totaling \$311.6 million. Refer to Note 9 to the basic financial statements for more detailed information on long-term debt.

Deferred inflows of resources, composed of deferred pension and other postemployment benefit inflows ended with a net increase of \$503.0 million.

Net position (deficit) decreased by \$1.501 billion to \$17.378 billion (deficit). Of this amount, CPS recorded a net investment in capital assets of negative \$1.757 billion, combined restricted net position of \$830.0 million, including \$47.9 million for capital assets, \$718.5 million for debt service, \$12.1 million for grants and donations, \$4.2 million for future teacher’s pension contributions and \$48.2 million for school internal accounts. Restricted net position represents legal constraints from debt covenants and enabling legislation.

The \$16.451 billion of unrestricted deficit represents the shortfall CPS would experience if it had to liquidate all of its non-capital liabilities as of June 30, 2021.

Financial Section — Management’s Discussion and Analysis

The following table presents the changes in net position to fiscal year 2021 from fiscal year 2020:

Changes in Net Position **(In Millions)**

	Governmental Activities			
	2021	2020	Difference	% Change
Revenues:				
Program revenues:				
Charges for services	\$ 1	\$ 2	\$ (1)	-50.0%
Operating grants and contributions	2,043	1,612	431	26.7%
Capital grants and contributions	35	18	17	94.4%
Total program revenues	<u>\$ 2,079</u>	<u>\$ 1,632</u>	<u>\$ 447</u>	27.4%
General revenues:				
Property taxes	\$ 3,156	\$ 3,075	\$ 81	2.6%
Replacement taxes (PPRT)	282	202	80	39.6%
Non-program state aid	1,658	1,666	(8)	-0.5%
Interest and investment earnings	3	48	(45)	-93.8%
Other	306	330	(24)	-7.3%
Total general revenues	<u>\$ 5,405</u>	<u>\$ 5,321</u>	<u>\$ 84</u>	1.6%
Total revenues	<u>\$ 7,484</u>	<u>\$ 6,953</u>	<u>\$ 531</u>	7.6%
Expenses:				
Instruction	\$ 5,832	\$ 5,037	\$ 795	15.8%
Support Services:				
Pupil Support Services	583	564	19	3.4%
Administrative Support Services	444	353	91	25.8%
Facilities Support Services	700	668	32	4.8%
Instructional Support Services	743	606	137	22.6%
Food Services	185	239	(54)	-22.6%
Community Services	63	44	19	43.2%
Interest expense	485	505	(20)	-4.0%
Other	—	18	(18)	-100.0%
Total expenses	<u>\$ 9,035</u>	<u>\$ 8,034</u>	<u>\$ 1,001</u>	12.5%
Change in net position	\$ (1,551)	\$ (1,081)	\$ (470)	-43.5%
Beginning net position (deficit) as restated	<u>(15,827)</u>	<u>(14,796)</u>	<u>(1,031)</u>	-7.0%
Ending net position (deficit)	<u>\$ (17,378)</u>	<u>\$ (15,877)</u>	<u>\$ (1,501)</u>	-9.5%

Pension Funding

Employees of CPS participate in either the Public School Teachers’ Pension and Retirement Fund of Chicago (Pension Fund), or the Municipal Employees Annuity and Benefit Fund of Chicago (Annuity Fund). As of June 30, 2020, the Pension Fund reported \$11.240 billion in actuarial assets and \$24.073 billion in actuarial liabilities, for a funded ratio of 46.7%. CPS has recorded a net pension liability of \$15.441 billion in the accompanying financial statements. For the reasons discussed in Note 12, CPS recorded 100% of the net pension liability for the Pension Fund and does not recognize any proportionate share of the net pension liability for the Annuity Fund. The CTPF property tax levy, in conjunction with the state funding of normal cost, provides two dedicated sources of revenues to fund pensions. In fiscal year 2021, CPS funded 85% of the pension contribution from these two dedicated revenue sources, significantly reducing the burden of the pension contribution on the operating fund.

Capital Assets

At June 30, 2021, CPS had \$6.509 billion invested in a broad range of capital assets, including land, buildings, improvements and equipment. This amount represents a net increase of \$165.0 million or 2.6% over the prior fiscal year. Refer to Note 6 of the basic financial statements for more detailed information on capital assets.

Capital Assets

(In Millions)

	2021	2020	Difference	% Change
Land.....	\$ 377	\$ 359	\$ 18	5.0%
Construction in progress.....	1,195	980	215	21.9%
Buildings and improvements.....	9,925	9,730	195	2.0%
Equipment and administrative software.....	209	211	(2)	-0.9%
Internally developed software.....	3	4	(1)	-25.0%
Total capital assets.....	\$ 11,709	\$ 11,284	\$ 425	3.8%
Less: accumulated depreciation.....	(5,200)	(4,940)	(260)	-5.3%
Total capital assets, net.....	<u>\$ 6,509</u>	<u>\$ 6,344</u>	<u>\$ 165</u>	2.6%

Debt Obligations

In fiscal year 2021, the Board issued fixed rate \$450.0 million Unlimited Tax General Obligation Bonds (Dedicated Alternative Revenue), Series 2021A with an original issue premium \$113.0 million. The Board also issued fixed-rate \$107.5 million Unlimited Tax General Obligation Refunding Bonds (Dedicated Alternate Revenue), Series 2021B with an original issue premium of \$26.1 million.

The debt service on the GO Bonds will be paid from a combination of Evidence Based Funding and Intergovernmental Agreement Revenues. As of June 30, 2021, CPS had \$9.2 billion in total debt, including accreted interest versus \$8.8 billion last year, an increase of 4.1%. For more detailed information, please refer to Note 9 to the basic financial statements.

Overview of 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. CPS, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All CPS funds are reported in the *governmental funds*.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, 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 for spending in future years. Such information may be useful in evaluating a government’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 CPS’ near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

CPS’ fund financial statements provide detailed information about the most significant funds. CPS’ governmental funds use the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. All of CPS’ services are reported in governmental funds, showing how money flows into and out of funds and the balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view of CPS’ operations and the services it provides.

CPS maintains three governmental funds: General Operating, Capital Projects, and Debt Service. The following schedules present a summary of the General Operating Fund, Capital Projects Fund and Debt Service Fund revenues, and other financing sources by type and expenditures by program for the period ended June 30, 2021, as compared with June 30, 2020. They also depict the amount and percentage increases and decreases in relation to prior year revenues and other financing resources.

Governmental Funds
Total Revenues, Other Financing Sources (Uses) and Expenditures
(In Millions)

	<u>2021 Amount</u>	<u>2020 Amount</u>	<u>2021 Percent of Total</u>	<u>Increase (Decrease) from 2020</u>	<u>Percent Increase (Decrease) from 2020</u>
Revenues:					
Property taxes	\$ 3,157	\$ 3,074	38.7 %	\$ 83	2.7%
Replacement taxes	282	202	3.5 %	80	39.6%
State aid	2,289	2,240	28.1 %	49	2.2%
Federal aid	1,149	747	14.1 %	402	53.8%
Interest and investment earnings	3	48	— %	(45)	-93.8%
Other	574	622	7.0 %	(48)	-7.7%
Subtotal	<u>\$ 7,454</u>	<u>\$ 6,933</u>	<u>91.4 %</u>	<u>\$ 521</u>	<u>7.5%</u>
Other financing sources	697	400	8.6 %	297	74.3%
Total	<u>\$ 8,151</u>	<u>\$ 7,333</u>	<u>100.0 %</u>	<u>\$ 818</u>	<u>11.2%</u>
Expenditures:					
Current:					
Instruction	\$ 3,445	\$ 3,247	43.8 %	\$ 198	6.1%
Pupil support services	552	538	7.0 %	14	2.6%
General support services	1,388	1,232	17.6 %	156	12.7%
Food services	175	227	2.2 %	(52)	-22.9%
Community services	63	44	0.8 %	19	43.2%
Teachers' pension and retirement benefits	844	835	10.7 %	9	1.1%
Other	12	18	0.2 %	(6)	-33.3%
Capital outlay	592	599	7.5 %	(7)	-1.2%
Debt service	664	661	8.4 %	3	0.5%
Subtotal	<u>\$ 7,735</u>	<u>\$ 7,401</u>	<u>98.3 %</u>	<u>\$ 334</u>	<u>4.5%</u>
Other financing uses	133	402	1.7 %	(269)	-66.9%
Total	<u>\$ 7,868</u>	<u>\$ 7,803</u>	<u>100.0 %</u>	<u>\$ 65</u>	<u>0.8%</u>
Net change in fund balances	<u><u>\$ 283</u></u>	<u><u>\$ (470)</u></u>			

General Operating Fund

The general operating fund supports the day-to-day operation of educational and related activities.

Revenues and Other Financing Sources (In Millions)

	2021 Amount	2020 Amount	2021 Percent of Total	Increase (Decrease) from 2020	Percent Increase (Decrease) from 2020
Property taxes	\$ 3,097	\$ 3,014	45.9%	\$ 83	2.8%
Replacement taxes (PPRT)	243	140	3.6%	103	73.6%
State aid	1,817	1,846	26.9%	(29)	-1.6%
Federal aid	1,116	722	16.5%	394	54.6%
Interest and Investment earnings	1	6	—%	(5)	-83.3%
Other	471	470	7.0%	1	0.2%
Subtotal	\$ 6,745	\$ 6,198	100.0%	\$ 547	8.8%
Other financing sources	—	11	—%	(11)	-100.0%
Total	\$ 6,745	\$ 6,209	100.0%	\$ 536	8.6%

Property tax revenues increased by \$83.0 million in fiscal year 2021 as collections from the existing levies were higher due to growth in the Consumer Price Index for All Urban Consumers (CPI-U) of 2.3% and new property added to the tax base. It is also due to the impact of slightly larger than expected assessment increases in tax year 2020. In the usual circumstance, only collections received on or before August 29, 2021 were recognized as revenues under the modified accrual basis of accounting. In 2021, Cook County extended the deadline for property tax payments in response to the COVID-19 pandemic. The delayed property tax payment enables property owners an additional two (2) months to pay their taxes from original due date from August 2 to October 1 without any penalties or late fees. Because of this unusual circumstance, CPS extended the property tax revenue recognition through October 29, 2021 for fiscal year 2021. This extension of recognition prevented significantly skewed CPS’ financial results with the lower revenue for fiscal year 2021 and higher revenue for fiscal year 2022. See the detailed justification and disclosure in Note 1 Summary of Accounting Policies.

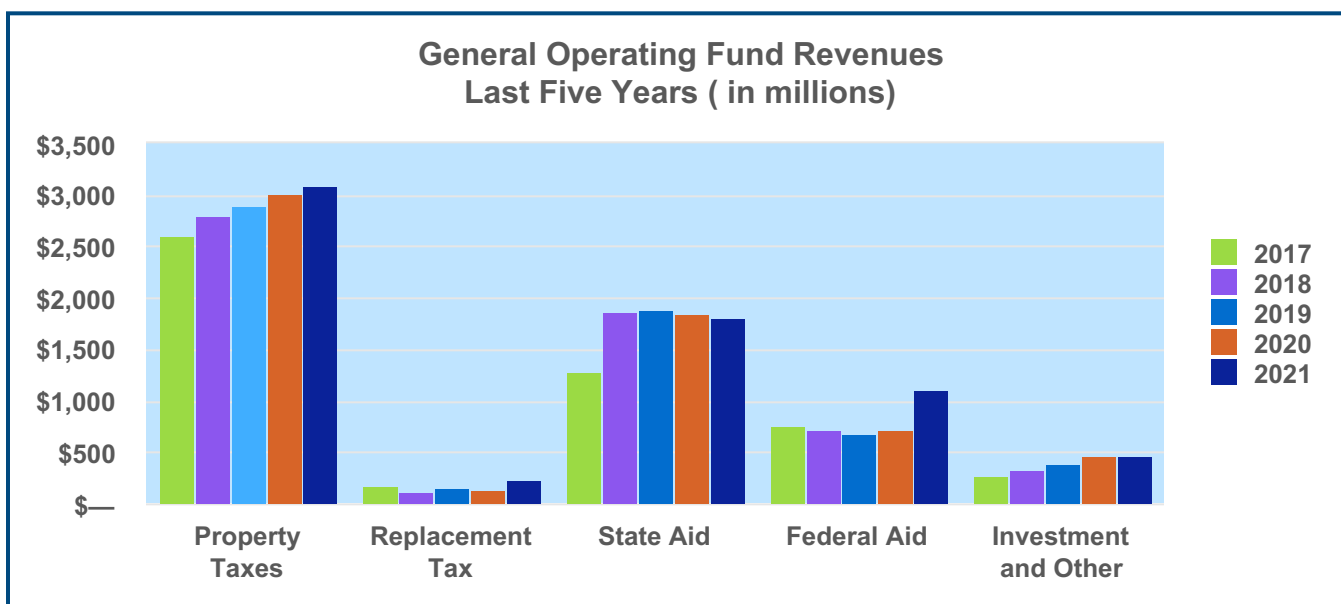
Personal property replacement tax (PPRT) revenues are primarily composed of additional State income taxes on corporations and partnerships. These revenues increased by \$103.0 million in fiscal year 2021. This increase was entirely due to significant overperformance of State corporate income tax receipts compared with a year ago.

State aid revenues decreased by \$29.0 million, as a result of diversions to charter schools approved by ISBE along with more Evidence Based Funding revenues utilized for Debt Service Fund expenditures

Federal aid increased by \$394.0 million in fiscal year 2021. CPS received the revenue from Elementary and Secondary School Emergency Relief Fund (ESSER) as the part of CARES Act to cover new expenditures related to COVID-19. This federal funding, especially, ESSER II, is the main reason for the increase and offset the decrease in the regular expenditures reimbursement.

Interest and investment earnings totaled \$0.6 million for fiscal year 2021, which is a 83.3% decrease from the prior year. The CPS investment policy dictates that investments in the operating fund are to be shorter in duration in order to maintain liquidity. CPS ended fiscal year 2021 with lower investment earnings from the prior year mainly due to moderate decreases in short-term interest rates.

Other revenues are derived from local sources such as intergovernmental revenues, Tax Increment Financing (TIF) surplus funds and other miscellaneous revenues. TIF surplus funds received from the City of Chicago, accounted for \$163.9 million of the \$470.4 million in other revenues recorded in fiscal year 2021. City of Chicago pension contributions to MEABF made on behalf of administrative CPS personnel, were recorded as on-behalf revenue of \$121.8 million.



**Expenditures
(In Millions)**

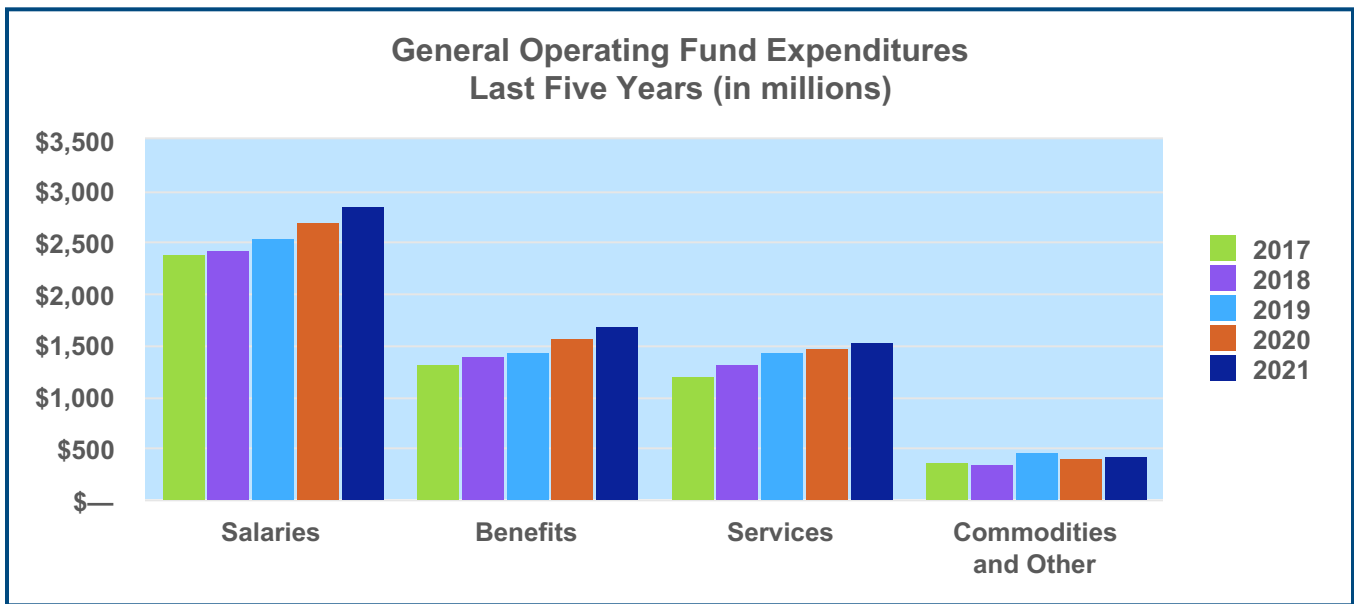
	2021 Amount	2020 Amount	2021 Percent of Total	Increase (Decrease) from 2020	Percent Increase (Decrease) from 2020
Salaries.....	\$ 2,858	\$ 2,697	43.9%	\$ 161	6.0%
Benefits.....	1,683	1,571	25.9%	112	7.1%
Services.....	1,543	1,484	23.7%	59	4.0%
Commodities.....	291	283	4.5%	8	2.8%
Other.....	133	129	2.0%	4	3.1%
Total.....	\$ 6,508	\$ 6,164	100.0%	\$ 344	5.6%

Salaries increased by \$161.0 million or 6.0% due to contractual salary increases related to CPS’ new labor contracts. In addition, there was an increase in instructional and non-instructional personnel in support of the safe reopening schools.

Benefits expenses increased by \$112.0 million or 7.1% in fiscal year 2021. This change correlates to the increase in overall salaries and increase in health care cost. CPS also realized an \$67.9 million increase in pension expense driven by higher required contributions to CTPF and MEABF.

Services expenses increased by \$59.0 million or 4.0%, driven mostly by \$51.8 million in increased payments to charter schools and \$34.0 million in professional services.

Commodities expenses increased by \$8.0 million or 2.8%. Decreases in food services expenditures of \$42.6 million were offset by increases in supply costs of \$49.3 million due to the pandemic.



Capital Projects Fund

The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities. The use of Capital Projects Funds is required for major capital acquisition and construction activities financed through borrowing or other financing agreements.

**Revenues and Other Financing Sources
(In Millions)**

	2021 Amount	2020 Amount	2021 Percent of Total	Increase (Decrease) from 2020	Percent Increase (Decrease) from 2020
Property Taxes	\$ 9	\$ 9	1.6%	\$ —	—%
State aid	17	11	3.0%	6	54.5%
Federal aid	8	—	1.4%	8	100.0%
Interest and investment earnings ..	1	12	0.2%	(11)	-91.7%
Other	4	16	0.7%	(12)	-75.0%
Subtotal	\$ 39	\$ 48	6.8%	\$ (9)	-18.8%
Other financing sources	\$ 533	\$ —	93.2%	\$ 533	100.0%
Total	\$ 572	\$ 48	100.0%	\$ 524	1,091.7%

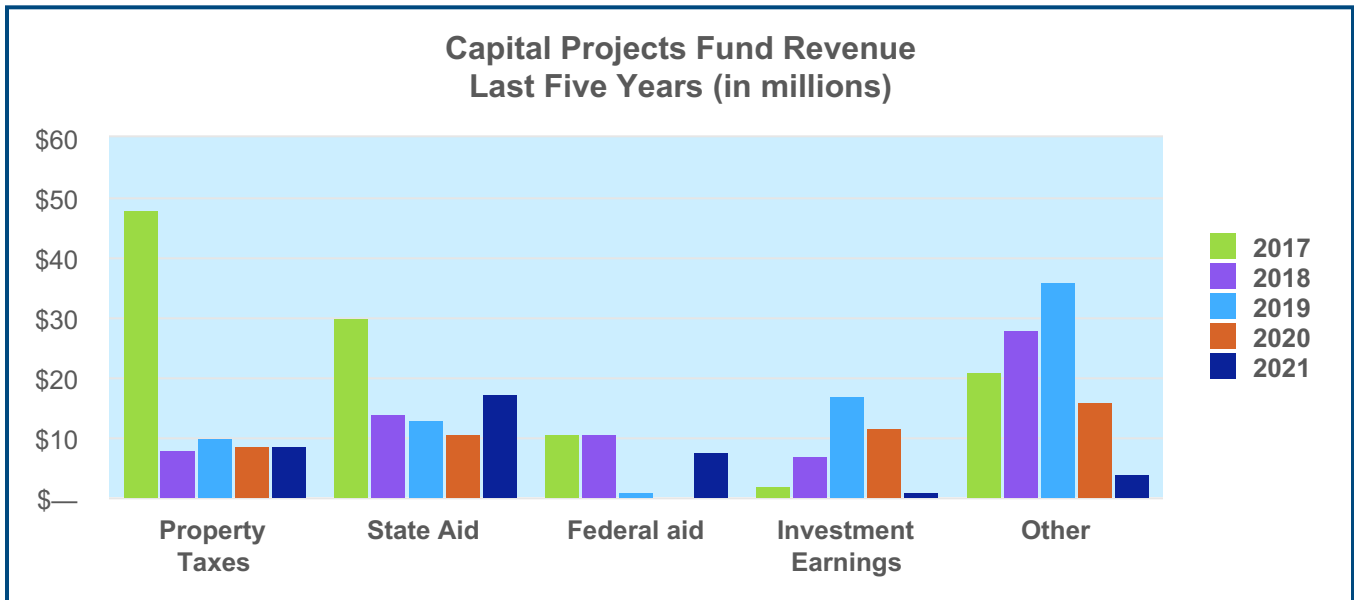
Property tax revenues were collected in the Capital Projects Fund in fiscal year 2021, as a result of the Capital Improvement Tax levy. Net collections received were \$8.7 million, in line with the \$8.7 million collected in fiscal year 2020.

State aid revenues increased by \$6.0 million from fiscal year 2020 due to higher cash receipts for restricted state grants for capital construction.

Federal aid revenues in fiscal year 2021 increased by \$8.0 million due to higher E-Rate reimbursements from the Federal Communications Commission.

Other revenues were \$12.0 million or 75.0% lower in fiscal year 2021 from 2020, due to a decrease in capital project related cash reimbursements from Intergovernmental Agreement (IGA) revenues from the City of Chicago of \$13.0 million.

Other financing sources increased \$533.0 million or 100.0% because there was debt issued for capital project fund activities in fiscal year 2021 versus none in fiscal year 2020.

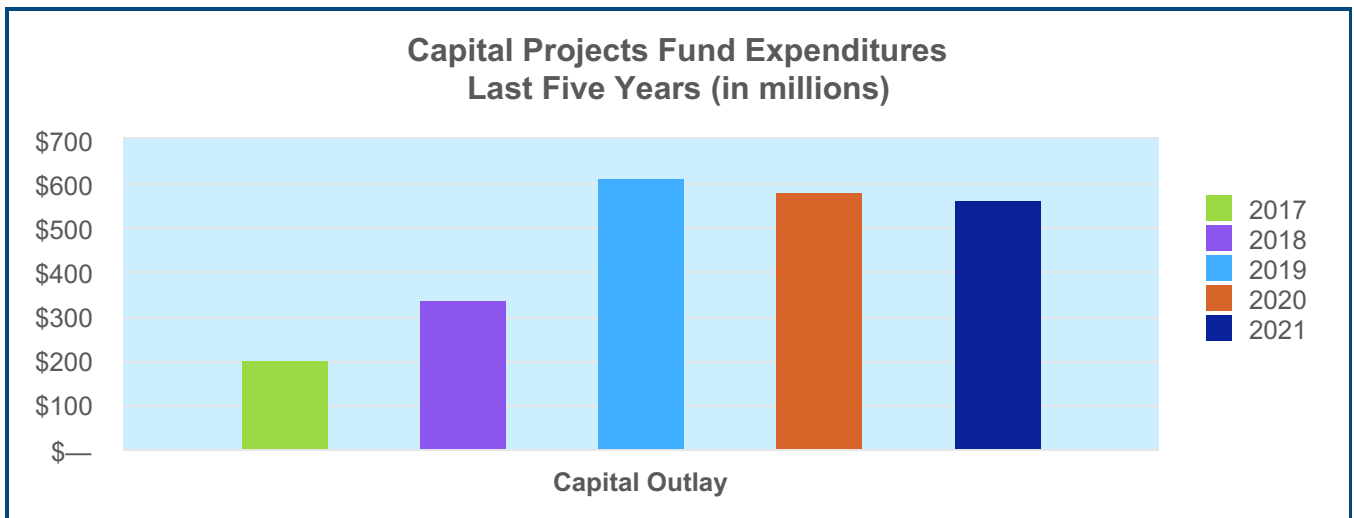


**Expenditures
(In Millions)**

	2021 Amount	2020 Amount	Increase (Decrease) from 2020	Percent Increase (Decrease) from 2020
Capital Outlay.....	\$ 566	\$ 583	\$ (17)	-2.9%

Capital outlay

The actual spending on capital outlay decreased \$17.0 million in 2021 from the expenditure of bond proceeds and other capital financing sources for approved capital projects.

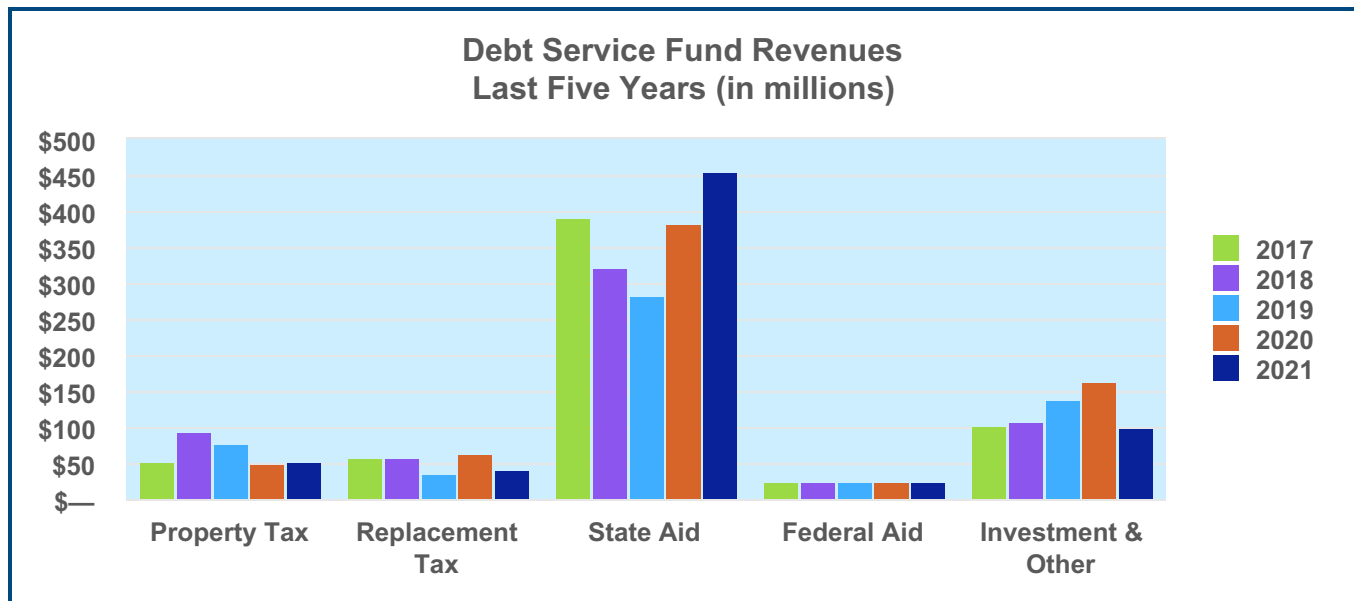


Debt Service Fund

The Debt Service Fund is established to account for annual property tax levies and other revenues that are used for the payment of principal and interest on bonds and lease obligations.

Revenues and Other Financing Sources (In Millions)

	2021 Amount	2020 Amount	2021 Percent of Total	Increase (Decrease) from 2020	Percent Increase (Decrease) from 2020
Property taxes.....	\$ 51	\$ 51	6.1%	\$ —	—%
Replacement taxes (PPRT).....	40	63	4.8%	(23)	-36.5%
State aid.....	454	383	54.3%	71	18.5%
Federal aid.....	25	25	3.0%	—	—%
Interest and investment earnings.....	1	29	0.1%	(28)	-96.6%
Other.....	100	136	12.0%	(36)	-26.5%
Subtotal.....	\$ 671	\$ 687	80.3%	\$ (16)	-2.3%
Other financing sources.....	165	399	19.7%	(234)	-58.6%
Total.....	\$ 836	\$ 1,086	100.0%	\$ (250)	-23.0%



Property tax revenues from the receipt of property tax collections from the CIT Levy being used for debt service payments in fiscal year 2021 were flat with fiscal year 2020.

Personal property replacement tax (PPRT) revenues decreased by \$23.0 million from fiscal year 2020 as less PPRT revenues were used to pay for debt service.

State aid revenues related to debt service for fiscal year 2021 are comprised of Evidence-Based Funding (EBF) revenues. A total of \$454.5 million in revenues from was allocated to support outstanding debt, an increase of \$71.0 million from fiscal year 2020.

Federal aid totaled \$25.0 million in fiscal year 2021 and remained unchanged from fiscal year 2020. These revenues are attributed to receipts on behalf of Federal subsidies from the issuance of Build America Bonds.

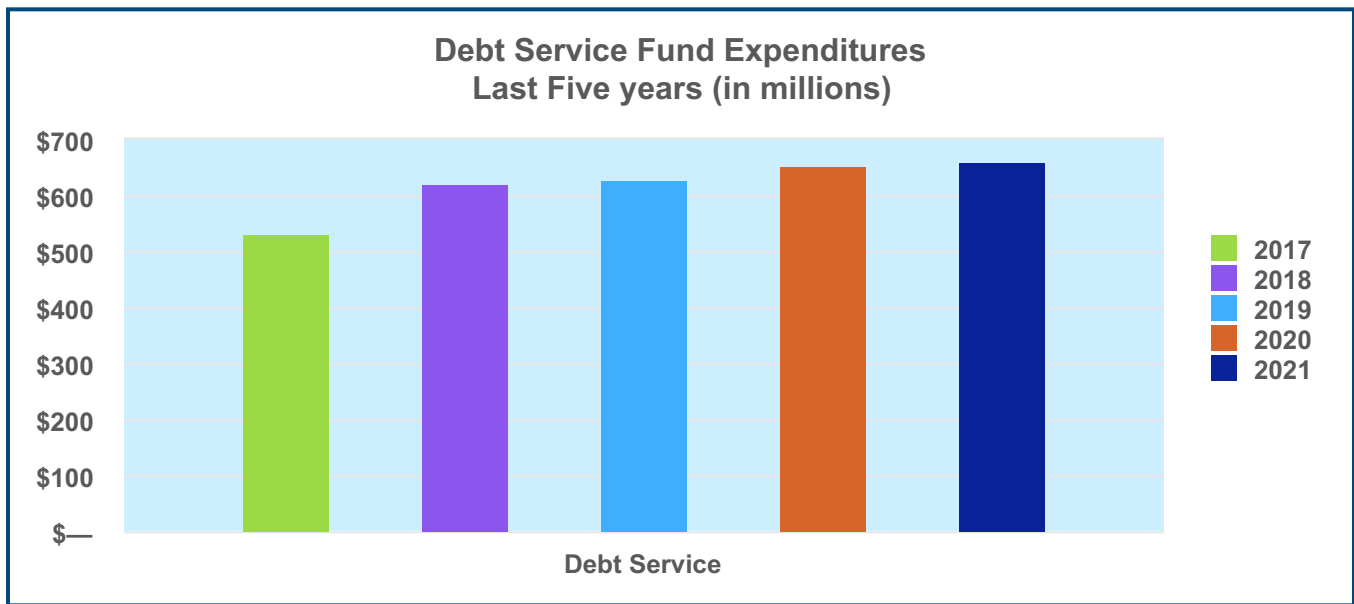
Interest and investment earnings totaled \$1.2 million in 2021, a decrease of \$28.0 million over last fiscal year. Changes in the fair value of securities in compliance with applicable GASB standards are recorded here also.

Other revenues account for one-time local revenues and/or the disbursement of property tax revenues from the City of Chicago (based on specific IGAs) allocated for debt service. These revenues decreased by \$36.0 million from fiscal year 2020.

Other financing sources reflect a decrease of \$234.0 million in fiscal year 2021 due to net proceeds received from debt issuances (new money and refunded debt) of \$165.5 million in the current year versus \$399.0 million in the prior year.

Expenditures *(In Millions)*

	2021 Amount	2020 Amount	Increase (Decrease) from 2020	Percent Increase (Decrease) from 2020
Debt Service	\$ 662	\$ 654	\$ 8	1.2%
Total expenditures	\$ 662	\$ 654	\$ 8	1.2%
Other financing uses	\$ 134	\$ 413	\$ (279)	-67.6%
Total	\$ 796	\$ 1,067	\$ (271)	-25.4%



Debt service costs

The overall debt service cost for fiscal year 2021 increased by \$8.0 million, primarily due to the principal repayments on new issues. The amount paid for other fees was similar when compared to fiscal year 2020.

Other Financial Source uses decreased by \$279.0 million from fiscal year 2020. This was mainly due to the decrease in the payment to refunded bond escrow agent by \$269.4 million.

Notes to the Basic Financial Statements

The notes to the basic financial statements follow the statements in the report and complement the financial statements by describing qualifying factors and changes throughout the fiscal year.

Comparative Budgets for General Operating Fund

In August 2019, the Board adopted a balanced budget for fiscal year 2020 that reflected total resources, including \$56 million of restricted fund balances, and appropriations of \$6.120 billion. In November 2019, the Board adopted an amended budget for fiscal year 2020 that reflected total resources, including \$56 million of restricted fund balances, and appropriations of \$6.263 billion.

In August 2020, the Board adopted a balanced operating budget for fiscal year 2021 that reflected total resources, including \$22 million of restricted fund balances, and appropriations of \$6.894 billion.

General Operating Fund Budget and Actual

Annual budgets are prepared on a basis consistent with accounting principles generally accepted in the United States for the General Operating Fund. All annual unencumbered appropriations lapse at fiscal year-end.

The General Operating Fund ended fiscal year 2021 with a surplus of \$236.7 million, which compared favorably with the budgeted deficit of \$22.0 million.

Financial Section — Management’s Discussion and Analysis

The following schedule presents a summary of the operating fund revenues, expenditures, and other financing sources in comparison with the final budget for the period ended June 30, 2021.

Revenues, Other Financing Sources & Expenditures
General Operating Fund
Budget to Actual Comparison
(In millions)

	Fiscal Year 2021 Original Budget	Supplemental Appropriations & Transfers In/ (Out)	Final Appropriations	Fiscal Year 2021 Actual	Over (under) Budget
Revenues:					
Property taxes	\$ 3,204	\$ —	\$ 3,204	\$ 3,097	\$ (107)
Replacement taxes	155	—	155	243	88
State aid	1,846	—	1,846	1,817	(29)
Federal aid	1,302	—	1,302	1,116	(186)
Interest and investment earnings	1	—	1	1	—
Other	386	—	386	471	85
Total	<u>\$ 6,894</u>	<u>\$ —</u>	<u>\$ 6,894</u> *	<u>\$ 6,745</u>	<u>\$ (149)</u>
Expenditures:					
Current:					
Salaries	\$ 3,007	\$ —	\$ 3,007	\$ 2,858	\$ (149)
Benefits	1,668	—	1,668	1,683	15
Services	1,789	—	1,789	1,543	(246)
Commodities	430	—	430	291	(139)
Other	22	—	22	133	111
Total	<u>\$ 6,916</u>	<u>\$ —</u>	<u>\$ 6,916</u>	<u>\$ 6,508</u>	<u>\$ (408)</u>
Change in fund balances	<u><u>\$ (22)</u></u>		<u><u>\$ (22)</u></u>	<u><u>\$ 237</u></u>	

Note:

Revenue totals above for original budget and final appropriation do not include \$22 million of restricted grant funds included in the fiscal year 2021 budget but received in prior years.

Revenues

Actual General Operating Fund revenues were \$149 million under budget. The variance is due to the following:

Property tax revenues generated a negative variance of \$107 million in fiscal year 2021. This is mainly due to the \$79 million from the Red-Purple Modernization Phase One Transit Tax Increment Financing (Transit TIF). Under the budget, Transit TIF is classified under property tax, however, under the actual amount, Transit TIF is under Other Revenues.

Personal property replacement taxes (PPRT) revenues received by CPS were \$88.0 million higher than budgeted in fiscal year 2021. This was driven largely by a statewide increase in corporate income tax around the State of Illinois versus expectations from a year ago.

State aid received by CPS in fiscal year 2021 was \$29 million less than anticipated. This is mostly due to the diversions to charter schools approved by ISBE being higher than expected. Categorical grant revenue was also lower than budgeted.

Federal aid revenues were \$186 million below budget. This is due almost entirely to revenues being impacted by remote learning. Federal nutrition revenue, which is based on the number of meals served, was almost half of the \$186 million shortage as meal counts dropped significantly from typical levels when students are physically in school.

Other local revenues are comprised of miscellaneous or one-time receipts such as appropriated fund-balance, TIF surplus funds, rental income, daycare fees, private foundation grants, and school internal account fund transfers, and flow-through employer contributions to the Municipal Employees' Annuity and Benefit Fund of Chicago. Other local revenues were \$85 million higher than budget for fiscal year 2021. The majority of the difference is TIF Surplus funding coming in \$67 million over budget.

Expenditures

Actual General Operating Fund expenditures were \$408 million under budget. This underspend is driven primarily by savings from the portion of the year spent in a remote learning environment. The variances by spending category consist of the following:

Salaries expenses for the fiscal year 2021 totaled \$2.858 billion and \$149 million under budget due to position vacancies and less overtime.

Benefits costs are composed of health care (medical, dental, other), unemployment compensation, workers compensation, and pension costs. Benefit costs for fiscal year 2021 were \$1.683 billion and \$15 million over budget due primarily to increased health care costs in fiscal year 2021, which exceeded budget by \$6.7 million.

Services related to student transportation, tuition for charter schools and special education purposes including contractual and professional services, telephone, printing and equipment rental, were budgeted at \$1.789 billion for fiscal year 2021. CPS ended the fiscal year \$246 million below budget in this category. This underspend is due to the remote learning environment for the majority of the year where transportation and professional services expenditures were significantly underspent versus budget.

Commodities expenditures are derived from utilities, food for school breakfast/lunch, textbooks, and general supplies. Fiscal year 2021 spending on commodities was lower than budget by \$139 million. Food costs were \$73.6 million under budget as meal counts dropped significantly from typical levels when students are physically in school.

Other expenditures include equipment, facility rental, insurance, repairs, and for budgetary purposes, contingencies for new grants. In total, spending for the “other” category ended the year at \$111 million over budget.

Requests for Information

This financial report is designed to provide citizens, taxpayers, parents, students, investors and creditors with a general overview of CPS’ finances and to show CPS’ accountability for the money it receives. Additional details can be requested by mail at the following address:

The Chicago Public Schools Department of Finance
42 West Madison Street, 2nd Floor Chicago, Illinois 60602

Or visit our website at: <https://www.cps.edu/about/finance/annual-financial-report/> for a complete copy of this report and other financial information.

(Please note that some amounts may not tie to the financial statements due to rounding.)



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

STATEMENT OF NET POSITION
June 30, 2021
(Thousands of Dollars)

	GOVERNMENTAL ACTIVITIES
Assets:	
Current Assets:	
Cash and investments	\$ 113,647
Cash and investments in escrow	829,003
Cash and investments held in school internal accounts	48,230
Property taxes receivable, net of allowance	1,505,634
Other receivables:	
Replacement taxes	52,772
State aid, net of allowance	169,742
Federal aid, net of allowance	279,983
Other, net of allowance	59,282
Total current assets	<u>\$ 3,058,293</u>
Non-current Assets:	
Cash and investments in escrow	\$ 232,441
Prepaid Item	11,666
Land and construction in progress	1,572,383
Buildings, building improvements and equipment, net of accumulated depreciation	4,936,642
Total non-current assets	<u>\$ 6,753,132</u>
Total assets	<u>\$ 9,811,425</u>
Deferred Outflows of Resources:	
Deferred charge on refunding	\$ 90,248
Deferred OPEB outflows	437,976
Deferred pension outflows	2,331,792
Total deferred outflow of resources	<u>\$ 2,860,016</u>

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

STATEMENT OF NET POSITION (continued) June 30, 2021 (Thousands of Dollars)

	GOVERNMENTAL ACTIVITIES
Liabilities:	
Current Liabilities:	
Accounts payable	\$ 505,125
Accrued payroll and benefits	253,200
Due to Teacher's Pension Fund	235,183
Tax Anticipation Note	244,000
Other accrued liabilities	14,085
Unearned revenue	10,387
Interest payable	58,244
Current portion of long-term debt	266,140
Total current liabilities	<u>\$ 1,586,364</u>
Long-term liabilities, net of current portion:	
Debt, net of premiums and discounts	\$ 8,923,989
Other accrued liabilities	9,827
Net pension liability	15,440,803
Total OPEB liability	2,908,390
Other benefits and claims	386,524
Total long-term liabilities:	<u>\$ 27,669,533</u>
Total liabilities	<u>\$ 29,255,897</u>
Deferred Inflows of Resources:	
Deferred OPEB inflows	\$ 604,159
Deferred pension inflows	189,132
Total deferred inflow of resources	<u>\$ 793,291</u>
Net position (deficit):	
Net investment in capital assets	\$ (1,757,203)
Restricted for:	
Debt service	718,477
Capital projects	47,925
Grants and donations	12,143
Teacher's pension contributions	4,217
School internal accounts	48,230
Unrestricted	(16,451,536)
Total Net Position (deficit)	<u>\$ (17,377,747)</u>

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

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021
(Thousands of dollars)

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<i>Governmental activities:</i>					
Instruction	\$ 5,831,771	\$ 501	\$ 1,319,879	\$ 23,673	\$ (4,487,718)
Support services:					
Pupil support services	582,704	—	106,167	2,366	(474,171)
Administrative support services ..	443,736	—	202,620	1,801	(239,315)
Facilities support services	700,399	—	127,610	2,843	(569,946)
Instructional support services	742,780	—	135,332	3,015	(604,433)
Food services	184,966	358	140,239	751	(43,618)
Community services	63,151	—	11,506	257	(51,388)
Interest expense	485,888	—	—	—	(485,888)
Total governmental activities	<u>\$ 9,035,395</u>	<u>\$ 859</u>	<u>\$ 2,043,353</u>	<u>\$ 34,706</u>	<u>\$ (6,956,477)</u>
General revenues:					
Taxes:					
Property taxes					\$ 3,155,962
Replacement taxes					282,075
Non-program state aid					1,658,276
Interest and investment earnings					2,883
Other					306,080
Total general revenues					<u>\$ 5,405,276</u>
Change in net position					(1,551,201)
Net position - beginning (deficit) as restated					(15,826,546)
Net position - ending (deficit)					<u>\$ (17,377,747)</u>

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

Financial Section — Basic Financial Statements

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

BALANCE SHEET — GOVERNMENTAL FUNDS June 30, 2021 (Thousands of dollars)

	General Operating Fund	Capital Projects Fund	Debt Service Fund	Totals
Assets:				
Cash and investments	\$ 49,379	\$ —	\$ 64,268	\$ 113,647
Cash and investments in escrow	2,198	304,285	754,961	1,061,444
Cash and investments held in school internal accounts	48,230	—	—	48,230
Receivables:				
Property taxes, net of allowance	1,476,798	9,621	19,215	1,505,634
Replacement taxes	52,772	—	—	52,772
State aid, net of allowance	165,305	4,437	—	169,742
Federal aid, net of allowance	276,881	—	3,102	279,983
Other, net of allowance	42,839	16,109	334	59,282
Due from other funds	38,197	—	—	38,197
Total assets	<u>\$ 2,152,599</u>	<u>\$ 334,452</u>	<u>\$ 841,880</u>	<u>\$ 3,328,931</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 413,583	\$ 91,305	\$ 237	\$ 505,125
Accrued payroll and benefits	208,806	—	—	208,806
Due to other funds	—	33,248	4,949	38,197
Due to Teacher's Pension Fund	235,183	—	—	235,183
Tax Anticipation Notes	244,000	—	—	244,000
Unearned revenue	3,821	6,566	—	10,387
Interest Payable	4,083	—	—	4,083
Total liabilities	<u>\$ 1,109,476</u>	<u>\$ 131,119</u>	<u>\$ 5,186</u>	<u>\$ 1,245,781</u>
Deferred inflows of resources:				
Unavailable property tax revenue	\$ 28,745	\$ 1,654	\$ —	\$ 30,399
Other unavailable revenue	210,610	12,860	3,102	226,572
Total deferred inflows	<u>\$ 239,355</u>	<u>\$ 14,514</u>	<u>\$ 3,102</u>	<u>\$ 256,971</u>
Fund balances:				
Nonspendable	\$ 429	\$ —	\$ —	\$ 429
Restricted for grants and donations	12,143	—	—	12,143
Restricted for teacher's pension contributions	4,217	—	—	4,217
Restricted for capital improvement program	—	188,819	—	188,819
Restricted for debt service	—	—	769,537	769,537
Restricted for school Internal Accounts	48,230	—	—	48,230
Assigned for debt service	—	—	64,055	64,055
Assigned for commitments and contracts	135,314	—	—	135,314
Unassigned	603,435	—	—	603,435
Total fund balances	<u>\$ 803,768</u>	<u>\$ 188,819</u>	<u>\$ 833,592</u>	<u>\$ 1,826,179</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,152,599</u>	<u>\$ 334,452</u>	<u>\$ 841,880</u>	<u>\$ 3,328,931</u>

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

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

**RECONCILIATION OF THE BALANCE SHEET — GOVERNMENTAL FUNDS
 TO THE STATEMENT OF NET POSITION**

June 30, 2021
(Thousands of dollars)

Total fund balances - governmental funds	\$ 1,826,179
Certain items that are recorded as expenditures in the governmental funds are treated as assets in the Statement of Net Position. These items include:	
Prepaid bond insurance costs	11,666
Deferred outflows of resources applicable to CPS' governmental activities do not involve available financial resources and accordingly are not reported on the fund financial statements	2,860,016
The cost of capital assets (land, buildings and improvements, equipment and software) purchased or constructed is reported as an expenditure in the governmental funds. The Statement of Net Position includes those capital assets among the assets of CPS as a whole. The cost of those capital assets are allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in the governmental funds.	
Cost of capital assets	11,709,269
Accumulated depreciation	(5,200,244)
Liabilities applicable to CPS' governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Debt, interest payable on debt and other long-term obligations are not recorded in the governmental funds but they are reported in the Statement of Net Position. All liabilities, both current and long-term, are reported in the Statement of Net Position.	
Other accrued liabilities	\$ (23,912)
Debt, net of premiums and discounts	(9,190,129)
Net pension liability	(15,440,803)
Total OPEB liability	(2,908,390)
Other benefits and claims	(430,918)
Interest payable	(54,161)
	(28,048,313)
Certain revenues are deferred inflows of resources in the governmental funds because they are not available but are recognized as revenue in the government-wide financial statements.	
Property tax revenue	30,399
Other	226,572
Deferred inflows of resources applicable to CPS' governmental activities do not involve available financial resources and accordingly are not reported on the fund financial statements	(793,291)
Net position (deficit)	\$(17,377,747)

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

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

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

For the Fiscal Year Ended June 30, 2021

With Comparative Amounts for the Fiscal Year Ended June 30, 2020

(Thousands of Dollars)

	General Operating Fund	Capital Projects Fund	Debt Service Fund	Total Fiscal Year Ended Jun 30, 2021	Total Fiscal Year Ended June 30, 2020
Revenues:					
Property taxes	\$ 3,097,307	\$ 8,696	\$ 51,471	\$ 3,157,474	\$ 3,074,091
Replacement taxes	242,643	—	39,432	282,075	202,451
State aid	1,817,275	17,463	454,450	2,289,188	2,239,807
Federal aid	1,116,343	7,639	24,963	1,148,945	747,356
Interest and investment earnings	584	1,108	1,191	2,883	47,514
Other	470,381	4,047	99,470	573,898	622,101
Total revenues	<u>\$ 6,744,533</u>	<u>\$ 38,953</u>	<u>\$ 670,977</u>	<u>\$ 7,454,463</u>	<u>\$ 6,933,320</u>
Expenditures:					
Current:					
Instruction	\$ 3,444,901	\$ —	\$ —	\$ 3,444,901	\$ 3,247,193
Pupil support services	551,884	—	—	551,884	537,732
Administrative support services	408,612	—	—	408,612	336,853
Facilities support services	539,835	—	—	539,835	503,486
Instructional support services	438,769	—	—	438,769	390,781
Food services	175,183	—	—	175,183	227,422
Community services	62,993	—	—	62,993	43,985
Teachers' pension and retirement benefits	844,054	—	—	844,054	835,399
Other	12,304	—	—	12,304	17,689
Capital outlay	26,641	565,695	—	592,336	599,122
Debt service	2,682	—	661,542	664,224	661,182
Total expenditures	<u>\$ 6,507,858</u>	<u>\$ 565,695</u>	<u>\$ 661,542</u>	<u>\$ 7,735,095</u>	<u>\$ 7,400,844</u>
Revenues in excess of (less than) expenditures	<u>\$ 236,675</u>	<u>\$ (526,742)</u>	<u>\$ 9,435</u>	<u>\$ (280,632)</u>	<u>\$ (467,524)</u>
Other financing sources (uses):					
Gross amounts from debt issuances	\$ —	\$ 419,156	\$ 30,844	\$ 450,000	\$ —
Premiums	—	113,020	—	113,020	—
Issuance of refunding debt	—	—	107,505	107,505	349,079
Premiums on refunding bonds issued	—	—	26,112	26,112	50,391
Sales of general capital assets	—	—	—	—	166
Payment to refunded bond escrow agent	—	—	(132,560)	(132,560)	(401,956)
Transfers in / (out)	—	1,284	(1,284)	—	—
Total other financing sources (uses)	<u>\$ —</u>	<u>\$ 533,460</u>	<u>\$ 30,617</u>	<u>\$ 564,077</u>	<u>\$ (2,320)</u>
Net change in fund balances	\$ 236,675	\$ 6,718	\$ 40,052	\$ 283,445	\$ (469,844)
Fund balances, beginning of period as restated	567,093	182,101	793,540	1,542,734	1,962,555
Fund balances, end of period	<u>\$ 803,768</u>	<u>\$ 188,819</u>	<u>\$ 833,592</u>	<u>\$ 1,826,179</u>	<u>\$ 1,492,711</u>

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

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
NET CHANGES IN FUND BALANCES — GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**
For the Fiscal Year Ended 2021
(Thousands of dollars)

Total net change in fund balances - governmental funds	\$ 283,445
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlays exceed the depreciation in the period.</p>	
Capital outlay/equipment	\$ 461,920
Depreciation expense	<u>(294,166)</u>
	167,754
In the Statement of Activities, gain or loss on disposal of capital assets is reported, whereas in the governmental funds, the entire proceeds are recorded	(2,317)
Proceeds from sales of bonds are reported in the governmental funds as a source of financing, whereas they are recorded as long-term liabilities in the Statement of Net Position	(557,505)
Payments to refunded escrow agent are reported in the governmental funds as a source of financing use, whereas they are recorded as reductions of long term liabilities in the Statement of Net Position	132,560
Repayment of debt principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position	176,840
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the governmental funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities however, interest cost is recognized as the interest accrues, regardless of when it is due	895
Governmental funds report the effect of premiums, discounts, gain and loss and similar items when debt is first issued or refunded, whereas these amounts are deferred and amortized in the Statement of Activities	(138,531)
<p>Since some property taxes and intergovernmental amounts will not be collected for several months after CPS' fiscal year end, they are not considered as "available" revenues in the governmental funds and are instead recorded as unavailable revenues. They are, however, recorded as revenues in the Statement of Activities. The following represents the change in related unavailable revenue balances.</p>	
Property taxes	(1,512)
Federal grants	41,004
State grants and other revenues	(220)
<p>In the Statement of Activities, pollution remediation obligation, legal settlements, sick pay, vacation pay, workers' compensation and unemployment insurance, general and automobile liability, net pension liability, and other postemployment benefits, including any related deferred inflows or outflows are measured by the amount accrued during the year. In the governmental funds, expenditures for these items are paid when the amounts become due. The following represents the change during the year for these obligations. ...</p>	
Pollution remediation obligation	(656)
Tort liabilities and other claims	(10,200)
Sick pay	(5,354)
Vacation pay and other compensation	(4,894)
Workers' compensation and unemployment insurance	3,572
General and automobile liability	3,401
Net pension liability	(1,085,968)
Total OPEB Liability	<u>(553,515)</u>
Change in net position	<u>\$ (1,551,201)</u>

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

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Board of Education of the City of Chicago, or the Chicago Public Schools (CPS), is a body politic and corporate, and a school district of the State of Illinois having boundaries coterminous with the boundaries of the City of Chicago. The Board of Education of the City of Chicago (the Board) is established under and governed by the Illinois School Code and maintains a system of schools primarily for kindergarten through twelfth grade.

As a result of legislation passed by the Illinois General Assembly, which became effective on June 30, 1995, the Mayor of the City of Chicago appoints the members of the Board. CPS is excluded from the City's reporting entity because it does not meet the financial accountability criteria for inclusion established by the Governmental Accounting Standards Board (GASB).

The City of Chicago, the Public Building Commission of Chicago and the Public School Teachers' Pension and Retirement Fund of Chicago are deemed to be related organizations, but separate entities, and are not included as part of the CPS reporting entity. No fiscal dependency exists between these organizations. These units are excluded from the CPS reporting entity because they do not meet the criteria for inclusion as established by GASB.

New Accounting Standards

During fiscal year 2021, CPS adopted the following GASB Statements:

- GASB 98, *The Annual Comprehensive Financial Report*. Statement issued October 2021. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments.
- GASB 84, *Fiduciary Activities*. Statement issued January 2017. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. Fiscal year 2020 year-end net position and 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 governmental funds:

	Governmental Activities (thousands)
Net position as previously reported, June 30, 2020	\$ (15,876,569)
Adjustment to record student activity net position as of June 30, 2020	50,023
Net position as restated, June 30, 2020	<u>\$ (15,826,546)</u>

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

	General Fund (thousands)
Fund balance as previously reported, June 30, 2020	\$ 517,070
Adjustment to record student activity fund balances as of June 30, 2020	50,023
Fund balance as restated, June 30, 2020	<u>\$ 567,093</u>

Other accounting standards that CPS is currently reviewing for applicability and potential impact on future financial statements include:

- GASB 87, *Leases*. Statement issued in June 2017. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement was effective for the District's fiscal ended June 30, 2021; however, the effective date for implementation of this authoritative guidance has been postponed for 18 months under GASB 95 for fiscal years beginning after June 15, 2021 and all reporting periods thereafter. Management has not determined what impact, if any, this Statement will have on its financial statements.
- GASB 89, *Accounting for Interest Cost Incurred*. Statement issued in June 2018. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement was effective for the District's fiscal year ended June 30, 2021; however, the effective date for implementation of this authoritative guidance has been postponed for one year under GASB 95 for reporting periods beginning after December 15, 2020. Management has not determined what impact, if any, this statement will have on its financial statements.
- GASB 91, *Conduit Debt Obligations*. Statement issued in May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements. The requirements of this Statement is effective for the District's fiscal year ended June 30, 2022. However, the effective date for implementation of this authoritative guidance has been

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

postponed for one year under GASB 95 for reporting periods beginning after December 15, 2021. Management has not determined what impact, if any, this statement will have on its financial statements.

- GASB 92, *Omnibus 2020*. Statement issued in January 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency and usefulness of information for users of authoritative literature by addressing practice issues identified during implementation and application of certain GASB Statements used by state and local governments. This Statement addresses a variety of topics and includes specific provisions and issues that establishes accounting and financial reporting requirements related to leases, intra-entity transfers of assets, postemployment benefits, and government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. This Statement is effective for the District's fiscal year ended June 30, 2022; however, the effective date for implementation of this authoritative guidance has been postponed for one year under GASB 95 for fiscal years and reporting periods beginning after June 15, 2021. The requirements of this Statement apply to the financial statements of all state and local governments. Management has not determined what impact, if any, this Statement will have on its financial statements.
- GASB 93, *Replacement of Interbank Offered Rate*. Statement issued in March 2020. The objectives of this statement are to address both Statements 53 & 87 and other accounting and financial reporting issues that may arise as result of the replacement of Interbank Offered Rates (IBOR), commonly known as London Interbank Offered Rate (LIBOR). Due to the global reform of the London Interbank Offered Rate (LIBOR), the use of LIBOR as an appropriate benchmark interest rate has been removed effective for reporting periods ending after December 31, 2021. LIBOR in its current form has allowed many governmental entities to enter into agreements in which variable payments made or received are dependent upon interbank offered rates; as a result of the global reform, various governmental entities will need to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates by either changing the reference rate or adding or changing fallback provisions related to the reference rate. Both *Statement 53: Accounting and Financial Reporting for Derivative Instruments* and *Statement 87: Leases* will notably be impacted. Given GASB 93 authoritative statements' impact on multiple statements, GASB has outlined numerous ways by which this authoritative statements' objective will be achieved. This Statement is effective for the District's fiscal year ended June 30, 2022; however, the effective date for implementation of this authoritative guidance has been postponed for one year under GASB 95 for fiscal years after June 15, 2021 and all reporting periods thereafter. Management has not determined what impact, if any, this Statement will have on its financial statements.
- GASB 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. Statement issued in March 2020. The objective of this statement is to establish financial reporting and accounting for public-private and public-public partnership arrangements (PPPs) and availability payment arrangements (APAs). A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. GASB 94 is effective for the District's fiscal year ended June 30, 2023. Management has not determined what impact, if any, this Statement will have on its financial statements.
- GASB 96, *Subscription-Based Information Technology Arrangements*. Statement issued in May 2020. The objective of this statement is to provide guidance on accounting for Subscription-Based Information Technology Arrangements (SBITA) where the government contracts for the right to use another party's software. The standards for SBITAs are based on the standards established in GASB Statement No. 87, *Leases*. GASB 96 is effective for the District's fiscal year ended June 30, 2023. Management has not determined what impact, if any, this Statement will have on its financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- GASB 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. Statement issued in June 2020. The objectives of this statement are to (1) require that a Section 457 plan be classified as either a pension plan or another employee benefit plan depending on whether the plan meets the definition of a pension plan and (2) clarify that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. GASB 97 is effective for the District's fiscal year ended June 30, 2022. Management has not determined what impact, if any, this Statement will have on its financial statements.

Description of Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the government-wide entity as a whole. The Statement of Net Position and the Statement of Activities were prepared using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the GASB requirements of accounting and financial reporting for non-exchange transactions. Deferred outflows of resources represent consumption of resources that is applicable to future reporting periods and is reported in a separate section after assets. Deferred inflows of resources represent acquisition of resources that is applicable to future reporting periods and is reported in a separate section after liabilities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not identified as program revenues are reported as general revenues.

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside CPS' taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from general revenues.

CPS reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense to each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the activities of CPS. Interfund balances have been removed from these statements.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

the year for which they are levied. State and Federal grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Measurable means that the amount of the transaction can be determined. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes, State aid, Federal aid, replacement taxes, IGA, and other revenue are considered to be available if collected within 60 days of fiscal year end, except for the following:

- During fiscal year 2021, in response to the COVID-19 pandemic, Cook County extended the deadline for second installment property tax payments from August 2 to October 1, without any penalties or late fees. This extension of the deadline resulted in a significant amount of Cook County taxpayers paying their taxes after CPS' traditional 60-day revenue recognition period, which would have resulted in a significant decline in property tax collections for CPS in fiscal year 2021. Therefore, under this highly unusual circumstance, CPS extended its revenue recognition period for fiscal year 2021 from August 29, 2021 (60 days after year end) to October 29, 2021 (120 days after year end) for property taxes.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to derivatives, compensated absences, claims and judgments, other postemployment benefits, pension benefits and pollution remediation obligations, are recorded only when payment is due.

Funds

CPS reports its financial activities through the use of “fund accounting”. This is a system of accounting wherein transactions are reported in self-balancing sets of accounts to reflect results of 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. The minimum number of funds is maintained, consistent with legal and managerial requirements. A description of the activities of the various funds is provided below.

Governmental Funds

a. General Operating Fund

The General Operating Fund is established in compliance with the provisions of the Illinois Program Accounting Manual for Local Education Agencies. This fund is the primary operating fund of CPS and is made up of the following programs:

Educational Program
School Lunch Program
Elementary and Secondary Education Act (ESEA) Program
Individuals with Disabilities Education Act (IDEA) Program
Workers' and Unemployment Compensation/Tort Immunity Program
Public Building Commission Operations and Maintenance Program
Chicago Teacher's Pension Fund (CTPF) Pension Levy Program
School Internal Account Program
Elementary and Secondary School Emergency Relief Program
Other Government-Funded Programs

b. Capital Projects Fund

The Capital Projects Fund includes the following programs:

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Asset Program — This program is for the receipt and expenditure of the proceeds from the sale of certain Board real estate and other miscellaneous capital projects revenues from various sources as designated by the Board.

Capital Improvement Program — This program is for the receipt and expenditure of proceeds from the sale of Unlimited Tax General Obligation Bonds, Public Building Commission (PBC) Building Revenue Bonds, Dedicated Revenue Capital Improvement Tax Bonds, State of Illinois Construction Grants, Federal E-rate capital subsidies and other revenues for the purpose of building and improving schools as designated by the Board. The bonds are being repaid in the Debt Service Fund.

c. Debt Service Fund

The Debt Service Fund includes the following program:

Bond Redemption and Interest Program — This program is for the receipt and expenditure of Replacement Taxes, City of Chicago Intergovernmental Agreement revenue, State of Illinois Construction Grants, General State Aid and other revenues as designated by the Board for the payment of interest and principal on specific bond issues.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balances

Deposits and Investments

CPS' cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. In addition, State statutes authorize CPS to invest in obligations of the U.S. Treasury, commercial paper, repurchase agreements and the State Treasurer's Investment Pool. CPS' investments are reported at fair value.

Cash and Investments in Escrow

Certain proceeds of CPS' bond issuances, as well as certain assets set aside for their repayment, are classified as cash and investments in escrow on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

Property Tax Receivable

CPS records its property tax receivable amounts equal to the current year tax levy net of an allowance for estimated uncollectible amounts. The allowance is recorded at 3.5% of the gross levy.

A calendar year's property tax levies are billed (extended) in two installments in the subsequent calendar year. Calendar year 2020 property taxes were levied for fiscal year 2021 in August 2020 and were billed in fiscal year 2021. In 2021, the installment due dates were March 1 and August 2 (subsequently revised by Cook County to October 1 without penalty). Property taxes unpaid after these dates accrue interest at the rate of 1.5% per month. The treasurers of Cook and DuPage counties, who distribute such receipts to CPS, receive collections of property tax installments. CPS' property tax becomes a lien on real property on January 1 of the year for which it is levied. CPS does not record a receivable nor related deferred inflows of resources until the Board passes the levy for the current fiscal year.

Interfund Activity

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets

Capital assets, which include land, construction in progress, buildings, building improvements and equipment, are reported in the governmental activities columns in the government-wide financial statements. Land, buildings and building improvements are recorded at historical cost or estimated historical cost if purchased or constructed. The capitalization threshold for equipment is a unit cost of \$25,000 or more. CPS also capitalizes internally developed software with a capitalization threshold of \$75,000 or more. Donated capital assets are recorded at acquisition value.

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.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Beginning in fiscal year 2005, CPS implemented procedures related to impaired assets. Generally, a capital asset is considered impaired when its service utility has declined significantly and the events or changes in the circumstances are unexpected or outside the normal life cycle. See Note 6 for additional information on impairments.

Depreciation of buildings and building improvements of CPS is calculated using the straight-line method. Equipment is depreciated using the straight-line method. CPS' capital assets have the following estimated useful lives:

Assets	Years
Buildings and building improvements	25-50
Administrative software/systems	20
Internally developed software	3
Equipment	5

Depreciation of buildings and building improvements placed in service prior to fiscal year 2002 was calculated using a composite rate that CPS estimated to be 32 years. For items placed in service subsequent to fiscal year 2001, CPS utilizes the estimated useful lives for specific components within the range noted above.

Vacation and Sick Pay

CPS provides vacation and sick pay benefits for substantially all of its employees. Accrued sick pay benefits were computed using the termination payment method. The liability for accrued vacation pay benefits was computed using the employees' actual daily wages.

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, as well as prepaid insurance, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable as reported includes the unamortized balances of bond premiums and discounts. Prepaid insurance costs are reported as other assets and amortized over the term of the related debt.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

are reported as other financing uses. Principal payments and issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions – In the government-wide financial statements, for purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public School Teachers' Pension and Retirement Fund of Chicago and the Municipal Employees' Annuity and Benefit Fund of Chicago and additions to/deductions from the Public School Teachers' Pension and Retirement Fund of Chicago and the Municipal Employees' Annuity and Benefit Fund of Chicago fiduciary net position have been determined on the same basis as they are reported by the Public School Teachers' Pension and Retirement Fund of Chicago and the Municipal Employees' Annuity and Benefit Fund of Chicago. 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.

OPEB – In the government-wide financial statements, for purposes of measuring the total OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense and additions to/deductions from the Public School Teachers' Pension and Retirement Fund of Chicago fiduciary net position have been determined on the same basis as they are reported by the Public School Teachers' Pension and Retirement Fund of Chicago.

Fund Balances

Within the governmental fund types, CPS' fund balances are reported in one of the following classifications:

Nonspendable – includes amounts that cannot be spent because they are either: a) not in spendable form or b) legally or contractually required to be maintained intact.

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

Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of CPS' highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless CPS removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. CPS' highest level of decision-making authority rests with CPS' Board of Education. CPS passes formal resolutions to commit their fund balances. There are no committed fund balances as of June 30, 2021.

Assigned – includes amounts that are constrained by CPS' *intent* to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) CPS' Board of Education itself or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. As of June 30, 2021, CPS' Board has delegated the authority to assign amounts to be used for specific purposes to the Chief Financial Officer. Within the other governmental fund types (debt service and capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned.

Unassigned – includes the residual fund balance that has not been restricted, committed, or assigned within the general fund and deficit fund balances of other governmental funds.

In the General Operating Fund and other governmental funds (capital projects and debt service fund types), it is CPS' policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e. committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Position

The Statement of Net Position includes the following:

Net investment in capital assets — the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

Restricted for debt service — the component of net position with constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

Restricted for capital projects — the component of net position with constraints placed on the use of capital project resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

Restricted for grants and donations — the component of net position that reports the difference between assets and liabilities of the certain programs that consists of assets with constraints placed on the use of resources are either: a) externally imposed by creditors, (such as through debt covenants) grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

Restricted for teacher's pension contributions — the component of net position that reports the difference between assets and liabilities of the certain programs that consist of assets with constraints placed on the use of resources are either: a) externally imposed by creditors, (such as through debt covenants) grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

Restricted for school internal accounts — the component of net position that reports the difference between assets and liabilities of the certain programs that consist of assets with constraints placed on the use of resources are either: a) externally imposed by creditors, (such as through debt covenants) grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted — consists of net position that does not meet the criteria of the preceding categories.

Comparative Data

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with CPS' financial statements for the year ending June 30, 2020, from which the summarized information was derived. During fiscal year 2021, CPS implemented the GASB 84. The effect of this implementation was shown by increasing 2021 beginning net position and General Operating Fund fund balance by \$50.0 million. Fiscal year 2020 balances are presented as previously reported and were not restated.

Management's Use of Estimates

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

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

Annual budgets are prepared on a basis consistent with accounting principles generally accepted in the United States for the General Operating, Capital Projects and Debt Service funds. Unencumbered appropriations, in General Operating and Debt Service funds, lapse at fiscal year-end.

Certain funding allocations (primarily Federal and State programs) are made to schools but may not be budgeted by account by the schools at the time the budget is adopted. These allocations are included in other fixed charges for budget purposes. During the fiscal year, upon receiving the appropriate approvals from the Office of Budget and Grants Management, transfers are made to the appropriate accounts. Actual expenditures are reflected in the appropriate accounts.

The appropriated budget is prepared by fund, account and unit. The legal level of budgetary control is at the account level except for school-based discretionary programs. School-based discretionary program expenditures are governed by specific program policies and procedures. Board approval is required for all funding transfers. In addition, an amended budget is required for increases in total appropriation.

The Capital Projects Fund is budgeted on a project-by-project basis. Budgeted amounts in the Capital Projects Fund represent the entire project budget for projects that were expected to commence in fiscal year 2021. Actual expenditures in the Capital Projects Fund include expenditures on projects that were budgeted in the current and prior fiscal years.

NOTE 3. PROPERTY TAXES AND STATE AID REVENUE (continued)

a. *Property Taxes* — CPS levies property taxes using tax levy rates established by statute and an equalized assessed valuation (EAV) estimated by CPS. The maximum billing (extension) of property taxes for the rate-limited Educational Levy in any calendar year is limited to the lesser of the tax rate established by statute multiplied by the EAV known at the time the final calendar year tax bills are calculated by the Cook and DuPage County Clerks, or the tax rates established by statute multiplied by the prior year EAV. Property taxes for the levies that are not rate-limited are levied based on the estimated requirements for such funds.

As part of the annual budgetary process, CPS adopts a resolution each December in which it is determined to levy real estate taxes. In fiscal year 2021, CPS adopted a resolution for tax levy in August 2020. This tax levy resolution imposes property taxes in terms of a dollar amount. The Truth in Taxation Law requires that notice in prescribed form must be published and a public hearing must be held if the aggregate annual levy exceeds 105% of the levy of the preceding year.

Since the 1994 levy year, CPS has been subject to the Property Tax Extension Limitation Law (PTELL). The PTELL, commonly known as the property-tax cap, is designed to limit the increases in property taxes billed for non-home rule taxing districts. The growth in a taxing district’s aggregate extension base is limited to the lesser of 5% or the increase in the national Consumer Price Index (CPI) for the year preceding the levy year. The CPI used is for all urban consumers for all items as published by the U.S. Department of Labor, Bureau of Labor Statistics. This limitation can be increased for a taxing body with voter approval. The PTELL allows a taxing district to receive a limited annual increase in tax extensions on existing property, plus an additional amount for new construction. This limit slows the growth of revenues to taxing districts when property values and assessments are increasing faster than the rate of inflation.

Legal limitations on tax rates and the rates extended in calendar years 2021 and 2020 are shown below:

	Maximum 2021 Legal Limit	Tax Rates Extended Per \$100 of EAV	
		2021	2020
General Operating Fund:			
Educational.....	(A)	\$ 2.929	\$ 2.893
Teachers' Pension.....	(B)	0.562	0.565
Workers' and Unemployment/Tort Immunity.....	(C)	0.094	0.090
Debt Service Fund:			
Public Building Commission Leases Program.....	(D)	—	0.060
Capital Fund:			
Capital Improvement.....	(E)	0.011	0.011
Bonds & Interest.....	(D)	0.060	—
		<u>\$ 3.656</u>	<u>\$ 3.619</u>

- A. The maximum legal limit for educational purposes under PTELL cannot exceed \$4.50 per \$100 of EAV (105 ILCS 5/34-53), and the total amount billed (extended) under the General Operating Fund is subject to the PTELL as described above.
- B. The tax cap limitation contained in the PTELL does not apply to the taxes levies by CPS for the Teacher Pension. The law creating the Teacher Pension levy became effective in 2016 (105 ILCS 5/34-53). For calendar years 2020 and 2021, the Teacher Pension levy tax rate cannot exceed \$0.567 per \$100 of EAV. Property tax collections for the Teacher Pension levy are paid directly to the Chicago Teacher Pension Fund by the County Treasurer.

NOTE 3. PROPERTY TAXES AND STATE AID REVENUE

- C. These tax rates are not limited by law, but are subject to the PTELL as described above.
- D. The tax cap limitation contained in the PTELL does not apply to the taxes levied by CPS to make its lease payments related to the certificates of participation debt obligations.
- E. The tax cap limitation contained in the PTELL does not apply to the taxes levied by CPS for the Capital Improvement Tax (CIT). Per (105 ILCS 5/34-53.5), the CIT act became effective in 2002 and requires the initial levy of the CIT made by the Board to be authorized by a one-time approval of the Chicago City Council, which approved the CIT in 2015. The CIT Act establishes maximum authorized amounts of the CIT that can be levied each calendar year equal to the cumulative inflationary growth on a base of \$142.5 million starting in 2003.

Note: The City of Chicago established a Transit TIF levy to provide a portion of the matching funds required to leverage more than \$1 billion in federal funding for Chicago Transit Authority capital projects. The City received its first Transit TIF distribution on July 11, 2017. A portion of the levy was distributed to various taxing districts within the City including Chicago Public Schools. CPS’ portion of the Transit TIF was received in one identifiable agency (091). No levy has been mandated or established by CPS for these funds. The incremental revenue generated by the Transit TIF was \$77.2 million at gross. The tax cap limitation contained in the PTELL does not apply to the taxes received by CPS for the Transit TIF.

b. State Aid — the components of State Aid as reported in the financial statements are as follows (\$000’s):

	Fund Financial Statements	Government-wide Financial Statements
Revenues:		
Evidence based funding unrestricted revenue	\$1,658,276	\$1,658,276
State pension contribution revenue	266,893	257,349
Other restricted state revenue	364,019	357,126
Total state aid	<u>\$2,289,188</u>	<u>\$2,272,751</u>
Program revenue:		
Benefit payments		(614,475)
Non-program general state aid		<u>\$1,658,276</u>

NOTE 4. CASH DEPOSITS AND INVESTMENTS

Cash and investments held in the name of CPS are controlled and managed by CPS' Treasury Department; however, custody is maintained by the Treasurer of the City of Chicago, who is the designated ex-officio Treasurer of CPS under the Illinois School Code. Custody is not maintained by the Treasurer of the City of Chicago for cash and investments in escrow and the schools' internal accounts. The cash and investments in escrow in the General Fund represent deposits for the repayment of short-term borrowing held by an escrow agent. The cash and investments in escrow in the Debt Service Fund represent the amount available for debt service payments on the Unlimited Tax General Obligation Bonds. The cash and investments in escrow in the Capital Projects Fund represent the unspent proceeds from the Unlimited Tax General Obligation Bonds and other revenues.

Cash and Deposits

With the exception of school internal accounts as designated by the Board, the Municipal Code of Chicago requires that cash be deposited only in chartered banks or savings and loan associations that are on the City of Chicago's approved depository listing. The ordinances allow only regularly organized State or national banks insured by the Federal Deposit Insurance Corporation, and Federal and State savings and loan associations insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation located within the City of Chicago, to be designated depositories.

Custodial Credit Risk – Custodial credit risk for deposits is the risk that in the event of a financial institution failure, CPS deposits may not be returned. The CPS Investment Policy requires collateral with an aggregate fair value of not less than 110% of the original acquisition price, including principal and accrued interest, on depository account balances, banker's acceptances and certificates of deposit unless the bank meets certain rating requirements and or asset unless either: 1) the bank has assets exceeding \$500,000,000; or 2) the applicable instrument is insured at the time of purchase by an entity with long-term ratings in one of the highest two classifications without regard to gradation, in which case collateralization is not required. Collateral for the CPS' bank accounts are held by a third-party custodian in the name of the City of Chicago Treasurer for the benefit of CPS. Collateral shall be only those securities authorized as allowable investments.

As of June 30, 2021, the book amount of CPS' deposit accounts was \$148.6 million. The bank balances totaled \$157.2 million as of June 30, 2021. The difference between the book and bank balances primarily represents checks that have been issued but have not yet cleared as of June 30, 2021. The bank balance was covered by Federal depository insurance and by collateral held by third-party custodians.

Cash and Investments Held in School Internal Accounts represents the book balance for checking and investments for individual schools.

Investments

CPS' investments are authorized under the Illinois Compiled Statutes Finance Investment Act. CPS' Investment Policy is derived from this Act. The CPS Investment Policy authorizes CPS to invest in obligations guaranteed by the full faith and credit of the U.S. Government, certificates of deposit constituting direct obligations of banks, commercial paper, money market mutual funds, repurchase agreements that mature within 330 days, certain U.S. Government agency securities, and certain State and municipal securities that are rated at the time of purchase at A1/A+ or better by a rating service of nationally recognized expertise in rating bonds of states and their political subdivision. All mutual funds purchased invest in eligible securities outlined in the parameters of the CPS Investment Policy and meet certain other regulatory requirements.

The CPS Investment Policy contains the following stated objectives:

- Safety of Principal. Investments shall be undertaken in a manner that provides for the preservation of principal in the overall portfolio.
- Liquidity. The investment portfolio shall be sufficiently liquid to meet all reasonably anticipated operating and cash flow requirements.

NOTE 4. CASH DEPOSITS AND INVESTMENTS (continued)

- Rate of Return. The investment portfolio shall be constructed with the objective of attaining a market rate of return through budgetary and economic cycles, taking into account investment risk constraints and liquidity needs.
- Diversification. The investment portfolio shall be diversified to avoid incurring unreasonable risks associated with specific securities or financial institutions.

Custodial Credit Risk — All CPS investment securities shall be held by a third party custodian in accordance with municipal ordinances to the extent required by state statute. The CPS treasurer shall periodically review the approved depositories to evaluate counterparty risk. In order to further reduce custodial risk, investments are registered and held in the name of CPS. The collateral requirements for investments with depository balances is the same as those for cash and deposits (disclosed above). Repurchase agreement investments are required to have collateral not less than 102% of the acquisition price.

At June 30, 2021, CPS had the following cash, investments and maturities (\$000's):

	Ratings	Carrying Amount	Maturities Less Than 1 Year	Maturities 1 to 5 Years	Maturities 5 to 10 Years
Repurchase Agreements.....	A3/BBB+	\$ 9,935	\$ —	\$ 9,935	\$ —
U.S. Government Treasury Notes.....	AA+/Aaa	222,506	—	196,553	25,953
Money Market Mutual Funds.....	AAAm/Aaa-mf	842,231	842,231	—	—
Total Investments.....		<u>\$ 1,074,672</u>	<u>\$ 842,231</u>	<u>\$ 206,488</u>	<u>\$ 25,953</u>
Cash and CDs.....		148,649			
Total Cash and Investments.....		<u>\$ 1,223,321</u>			

Interest Rate Risk — The CPS Investment Policy requires maintenance of a two-tiered portfolio which limits the average maturity of the Liquidity Cash Management tier of the portfolio to six months, limits the average maturity of the Enhanced Cash Management tier of the portfolio to five years and limits the maturity of any single issue in the Enhanced Cash Management tier of the portfolio to ten years.

Credit Risk — CPS' Investment Policy limits investment in commercial paper to the top two ratings issued by at least two standard rating services. As of June 30, 2021, Moody's Investment Service rated CPS' investments in banker's acceptances and commercial paper A1+ or A1 by Standard and Poor's, and P-1 by Moody's. As of June 30, 2021, Standard and Poor's rated CPS' investments in money market mutual funds AAAm/Aaa-mf and municipal securities as A1/A+ or better as required by the CPS Investment Policy.

Concentration of Credit Risk — As of June 30, 2021, no issuer represented over 5% of total investments. Investments issued by the U.S. government and government agencies and investments in mutual funds are excluded from the concentration of credit risk.

NOTE 4. CASH DEPOSITS AND INVESTMENTS (continued)

CPS categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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. CPS has the following recurring fair value measurements (\$000's) as of June 30, 2021 using a matrix pricing model:

	June 30, 2021	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Investments by fair value:				
Debt securities				
Repurchase Agreements	\$ 9,935	\$ —	\$ 9,935	\$ —
U.S. Government Treasury Notes	222,506	—	222,506	—
Total Cash and Investments	<u>\$ 232,441</u>	<u>\$ —</u>	<u>\$ 232,441</u>	<u>\$ —</u>

Money market investments and participating interest-earning investment contracts that have a remaining maturity at the time of purchase of one year or less and are held by governments other than external investment pools are measured at amortized cost and therefore excluded from the above fair value table. This exclusion includes money market funds, commercial paper, repurchase agreements and agency obligations held by CPS in the amount of \$842.2 million.

The following table provides a summary of CPS' total cash and investments by fund type as of June 30, 2021 (\$000's):

Fund	Totals
General Operating Fund	\$ 99,807
Capital Projects Funds	304,285
Debt Service Funds	819,229
Total Cash and Investments	<u>\$ 1,223,321</u>

NOTE 5. RECEIVABLES AND DEFERRED INFLOWS OF RESOURCES

Receivables as of June 30, 2021 for CPS, net of the applicable allowance for uncollectible accounts, are as follows (\$000's):

	General Operating Fund	Capital Projects Fund	Debt Service Fund	Total Fund Financial Statements	Government - Wide Financial Statements
Property taxes.....	\$ 1,589,128	\$ 9,969	\$ 20,987	\$ 1,620,084	\$ 1,620,084
Replacement taxes.....	52,772	—	—	52,772	52,772
State aid.....	165,305	5,150	—	170,455	170,455
Federal aid.....	276,881	—	3,102	279,983	279,983
Other.....	49,648	23,636	334	73,618	73,618
Total receivables.....	<u>\$ 2,133,734</u>	<u>\$ 38,755</u>	<u>\$ 24,423</u>	<u>\$ 2,196,912</u>	<u>\$ 2,196,912</u>
Less: Allowance for uncollectibles – property tax.....	(112,330)	(348)	(1,772)	(114,450)	(114,450)
Less: Allowance for uncollectibles – state aid.....	—	(713)	—	(713)	(713)
Less: Allowance for uncollectibles – other.....	(6,809)	(7,527)	—	(14,336)	(14,336)
Total receivables, net.....	<u><u>\$ 2,014,595</u></u>	<u><u>\$ 30,167</u></u>	<u><u>\$ 22,651</u></u>	<u><u>\$ 2,067,413</u></u>	<u><u>\$ 2,067,413</u></u>

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows (\$000's):

	Beginning Balance	Increases	Decreases and Transfers to In-Service	Ending Balance
Government-wide activities:				
Capital assets, not being depreciated:				
Land	\$ 358,563	\$ 17,949	\$ —	\$ 376,512
Construction in progress	980,274	430,019	(214,422)	1,195,871
Total capital assets not being depreciated	\$ 1,338,837	\$ 447,968	\$ (214,422)	\$ 1,572,383
Capital assets being depreciated:				
Buildings and improvements	\$ 9,730,629	\$ 228,065	\$ (34,333)	\$ 9,924,361
Equipment and administrative software	210,618	309	(1,478)	209,449
Internally developed software	3,808	—	(732)	3,076
Total capital assets being depreciated	\$ 9,945,055	\$ 228,374	\$ (36,543)	\$ 10,136,886
Total capital assets	\$ 11,283,892	\$ 676,342	\$ (250,965)	\$ 11,709,269
Less accumulated depreciation for:				
Buildings and improvements	\$ (4,781,327)	\$ (286,066)	\$ 32,079	\$ (5,035,314)
Equipment and administrative software	(155,824)	(7,494)	1,416	(161,902)
Internally developed software	(3,153)	(606)	731	(3,028)
Total accumulated depreciation	\$ (4,940,304)	\$ (294,166)	\$ 34,226	\$ (5,200,244)
Capital assets, net of depreciation	\$ 6,343,588	\$ 382,176	\$ (216,739)	\$ 6,509,025

Depreciation/amortization and impairment expense were charged to functions/programs of CPS as follows (\$000's):

	Depreciation Expenses	Impairment Expenses
Governmental activities:		
Instruction	\$ 182,288	\$ 1,397
Pupil support services	29,203	223
Administrative support services	21,622	166
Facilities support services	28,565	219
Instructional support services	23,218	178
Food services	9,270	71
Total depreciation expense	\$ 294,166	\$ 2,254

NOTE 6. CAPITAL ASSETS (continued)

Asset Impairment

In accordance with GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, impaired capital assets that will no longer be used are reported at the lower of carrying value or fair value. In the absence of a property appraisal, the book values were adjusted to zero. Management reviews capital assets at year-end for impairment.

During fiscal year 2021, as CPS reviewed pending real estate transactions related to school actions for closed schools or schools to be closed, CPS recognized impairments totaling \$2.2 million related to various properties.

Construction Commitments

CPS had active construction projects as of June 30, 2021. These projects include new construction and renovations of schools. At fiscal year-end, CPS had approximately \$43.8 million in outstanding construction commitments.

NOTE 7. INTERFUND TRANSFERS AND BALANCES

Interfund Balances

Interfund transfers are defined as the flow of assets, such as cash or goods, without equivalent flows of assets in return. Interfund borrowings are reflected as “Due to/from Other Funds” on the accompanying governmental fund financial statements (\$000’s):

General Operating Fund:

Due From Capital Improvement Program	\$ 30,101
Due From Capital Asset Program	3,147
Due From Bond Redemption and Interest Program	4,949
Total — Net due from (to) other funds	<u>\$ 38,197</u>

Capital Projects Fund:

Capital Asset Program — Due To General Operating Fund	\$ (3,147)
Capital Improvement Program — Due To General Operating Fund	(30,101)
Total — Net due from (to) other funds	<u>\$ (33,248)</u>

Debt Service Fund:

Bond Redemption and Interest Program — Due to General Operating Fund	<u>\$ (4,949)</u>
--	-------------------

The purpose of interfund balances is to present transactions that are to be repaid between major programs at year-end. The balances result from operating transactions between funds and are repaid during the fiscal year within the normal course of business.

The interfund balance due from the Capital Improvement Program to the General Operating Fund is expected to be repaid through a future bond issue.

Interfund Transfers

In fiscal year 2021, CPS transferred to the Capital Projects Fund \$1.3 million debt restructuring savings from the Debt Service Fund.

NOTE 8. SHORT-TERM DEBT

2019 Tax Anticipation Notes

During fiscal year 2021, CPS closed on one issuance of 2019 Educational Purposes Tax Anticipation Notes (2019 TANS) with a total par amount of \$350 million. The 2019 TANS was issued as follows (\$000s):

<u>Description</u>	<u>Issuance Date</u>	<u>Amount</u>
Series 2019D-2	July 2, 2020	\$350,000

The 2019 TANS were backed by the second installment of CPS’ 2019 Education Property Tax Levy. The tax levy collected by the counties was disbursed to a trustee and used to repay the TANS. When balances of the issues were fully repaid, all remaining levy monies were disbursed to CPS. The repayment date for the Series 2019B and 2019D-2 TANS was August 18, 2020.

2020 Tax Anticipation Notes

During fiscal year 2021, CPS closed on three lines of 2020 Educational Purposes Tax Anticipation Notes (2020 TANS) with a total par amount of \$1.56 billion for working capital purposes. The Series 2020 TANS were issued as either public sales or direct placements with investors. The TANS provided liquidity support within the fiscal year.

The 2020 TANS were issued as follows (\$000s):

<u>Description</u>	<u>Issuance Date</u>	<u>Amount</u>
Series 2020A	October 22, 2020	\$400,000
Series 2020B-1	December 17, 2020	\$150,000
Series 2020C-1	January 12, 2021	\$100,000
Series 2020B-2	January 14, 2021	\$100,000
Series 2020B-3	February 11, 2021	\$200,000
Series 2020B-4	March 2, 2021	\$60,000
Series 2020C-2	March 11, 2021	\$100,000
Series 2020B-5	March 31, 2021	\$150,000
Series 2020C-3	April 9, 2021	\$150,000
Series 2020C-4	April 23, 2021	\$150,000

Each of the 2020 TANS are backed by CPS’ 2020 Education Property Tax Levy collected in two installments in 2021. The tax levy collected by the counties are disbursed to a trustee and used to repay the TANS. When balances of the issues are fully repaid, all remaining levy monies are disbursed to CPS. The first installment property tax collections for tax year 2020 were used to repay \$1.32 billion of the 2020 TANS by the end of fiscal year 2021. The repayment date for the remaining 2020 TANS payable from the second installment of property tax monies, including those issued in fiscal year 2022, is the earlier of 60 days after the second installment tax penalty due date of tax year 2020 property taxes or December 31, 2021.

NOTE 8. SHORT-TERM DEBT (continued)

Outstanding Short-Term Notes Balances

As of June 30, 2021, a total of \$244 million in short-term notes were outstanding. The total amount drawn on the issues is reported as a separate line item on the statement of net position and therefore, none of the issues were included in Note 9 summarizing the changes in long-term debt. Any amount of short-term notes paid off subsequent to year-end is discussed further in Note 17.

Short-term debt activity for the year ended June 30, 2021 was as follows (\$000's):

	Balance		Balance	
Short-Term Debt	June 30, 2020	Draws	Repayments	June 30, 2021
Tax Anticipation Notes	\$ 500,000	\$ 1,910,000	\$ (2,166,000)	\$ 244,000

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NOTE 9. LONG-TERM DEBT

Long-term Obligations

Long-term debt activity for the fiscal year ended June 30, 2021 was as follows (\$000's):

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Amounts Due within One Year
Governmental activities:					
General obligation long-term debt	\$ 7,247,856	\$ 557,505	\$ (307,285)	\$ 7,498,076	\$ 198,568
Capital improvement tax long-term debt ..	880,480	—	—	880,480	—
Add unamortized premium (discount).....	8,187	139,132	(15,645)	131,674	—
Add accretion of capital appreciation bonds.....	692,306	53,511	(65,918)	679,899	67,572
Subtotal of debt, net of premiums and discounts	\$ 8,828,829	\$ 750,148	\$ (388,848)	\$ 9,190,129	\$ 266,140
Capitalized lease obligations	525	—	(525)	—	—
Total debt and capitalized lease obligations	\$ 8,829,354	\$ 750,148	\$ (389,373)	\$ 9,190,129	\$ 266,140
Other liabilities:					
Other accrued liabilities	\$ 23,256	\$ 656	\$ —	\$ 23,912	\$ 14,085
Net pension liability	14,127,342	2,234,849	(921,388)	15,440,803	—
Total other postemployment benefits liability	2,554,892	956,090	(602,592)	2,908,390	—
Other benefits and claims*.....	417,443	57,656	(44,181)	430,918	44,394
Total other liabilities	\$17,122,933	\$ 3,249,251	\$(1,568,161)	\$18,804,023	\$ 58,479
Total long-term obligations	<u>\$25,952,287</u>	<u>\$ 3,999,399</u>	<u>\$(1,957,534)</u>	<u>\$27,994,152</u>	<u>\$ 324,619</u>

*Note: Other benefits and claims due within one year were included under Accrued payroll and benefits in the Statement of Net Position.

General Obligation and Capital Improvement Tax Bonds

CPS issued the following long-term debt in fiscal year 2021.

Unlimited Tax General Obligation Bonds (Dedicated Alternate Revenue) Series 2021A

In February 2021, CPS issued fixed-rate \$450.0 million Unlimited Tax General Obligation Bonds (Dedicated Alternate Revenue), Series 2021A (Series 2021A Bonds) with an original issue premium of \$113.0 million.

The proceeds of the Series 2021A Bonds were used to finance continued implementation of the Board's Capital Improvement Program, fund capitalized interest, and pay the costs of issuance.

The Series 2021A Bonds are general obligations of CPS. The full faith and credit and the taxing power of the Board are pledged to the punctual payment of the principal of and interest on the Series 2021A Bonds. The debt service on the Series 2021A Bonds will be paid from Evidence Based Funding and revenues from an Intergovernmental Agreement with the City of Chicago

Unlimited Tax General Obligation Refunding Bonds (Dedicated Alternate Revenue) Series 2021B

In February 2021, CPS issued fixed-rate \$107.5 million Unlimited Tax General Obligation Refunding Bonds (Dedicated Alternate Revenue), Series 2021B (Series 2021B Bonds) with an original issue premium of \$26.1 million.

NOTE 9. LONG-TERM DEBT (continued)

The proceeds of the Series 2021B Bonds were used to refund outstanding debt for economic savings and pay the costs of issuance. The refunding decreased annual debt service payments over sixteen years by approximately \$35.9 million, resulting in a present value economic gain of approximately \$29.8 million.

The Series 2021B Bonds are general obligations of CPS. The full faith and credit and the taxing power of the Board are pledged to the punctual payment of the principal of and interest on the Series 2021B Bonds. The debt service on the Series 2021B Bonds will be paid from Evidence Based Funding.

The current portion of long-term debt and long-term lease obligations is comprised of the following (\$000's):

Bonds	\$ 198,568
Accreted Interest	67,572
Total Current Portion	<u>\$ 266,140</u>

The Unlimited Tax General Obligation Bonds are being repaid in the Debt Service Fund from Evidence Based Funding, Replacement Tax revenue, revenue from Intergovernmental Agreements with the City of Chicago, and subsidies from the federal government, and then from a separate tax levy associated with each series of bonds.

Interest rates on fixed rate bonds range from 1.75% to 7.00%. As of June 30, 2021, there were no variable rate bonds outstanding.

Debt service requirements for the fixed rate Unlimited Tax General Obligation Bonds are scheduled as follows (\$000's):

Fiscal Year(s)	Principal	Interest	Total
2022	\$ 198,568	\$ 458,859	\$ 657,427
2023	210,433	443,198	653,631
2024	216,717	431,526	648,243
2025	225,908	422,814	648,722
2026	494,482	417,654	912,136
2027-2031	1,600,797	2,022,447	3,623,244
2032-2036	1,268,496	1,297,145	2,565,641
2037-2041	1,460,835	758,739	2,219,574
2042-2046	1,519,960	314,024	1,833,984
2047	301,880	8,970	310,850
Total	<u>\$ 7,498,076</u>	<u>\$ 6,575,376</u>	<u>\$ 14,073,452</u>

NOTE 9. LONG-TERM DEBT (continued)

Accreted Interest

Interest and maturities include acceptable interest on the Capital Appreciation Bonds as follows (\$000's):

Series	Accreted Interest		Accreted Interest	
	June 30, 2020	Increase	Payment	June 30, 2021
1998B-1	\$ 432,800	\$ 32,050	\$ (43,614)	\$ 421,236
1999A	258,963	19,637	(22,304)	256,296
2019A	543	1,824	—	2,367
Total	\$ 692,306	\$ 53,511	\$ (65,918)	\$ 679,899

Dedicated Revenue Capital Improvement Tax Bonds

Dedicated Revenue Capital Improvement Tax Bonds (CIT Bonds) issued by the Board are limited obligations payable from and secured by a levy of Capital Improvement Taxes. The CIT Bonds are not general obligations of the Board and neither the full faith and credit nor the general taxing power of the Board is pledged to, or otherwise available for, the payment of the principal of or interest on the CIT Bonds. The CIT bonds were issued at a fixed rate and designated as Dedicated Revenue Unlimited Tax General Obligation Bonds. The proceeds of all series of issued bonds were used to finance permitted capital improvement projects, make a deposit into a consolidated reserve account, fund capitalized interest, and pay costs of issuance.

Debt service requirements for the CIT Bonds are as follows (\$000's):

Fiscal Year(s)	Principal	Interest	Total
2022	\$ —	\$ 51,084	\$ 51,084
2023	—	51,084	51,084
2024	—	51,084	51,084
2025	—	51,084	51,084
2026	—	51,084	51,084
2027-2031	—	255,420	255,420
2032-2036	185,355	240,518	425,873
2037-2041	298,665	169,825	468,490
2042-2046	396,460	72,014	468,474
Total	\$ 880,480	\$ 993,197	\$ 1,873,677

Defeased Debt

There was no defeased debt outstanding as of June 30, 2021.

Legal Debt Limit

Per Illinois school code I105 ILCS, Sec.19-1 heading), the legal debt limit of the District was \$12.4 billion based upon 13.8 percent of its 2020 equalized assessed valuation of \$89.5 billion. The District has no outstanding debt subject to the legal debt margin as of June 30, 2021.

NOTE 9. LONG-TERM DEBT (continued)

The following is a summary of changes in Long-term debt outstanding (\$000's):

Series	Original Amount Issued	Debt Purpose	Interest Rate	Final Maturity	Principal Outstanding June 30, 2020
2021B	\$ 107,505	Refunding	5.00%	12/1/2033	\$ —
2021A	450,000	Capital Improvement	5.00%	12/1/2046	—
2019B	123,795	Refunding	5.00%	12/1/2041	123,795
2019A	225,284	Refunding	2.89% to 5.00%	12/1/2030	225,284
2018D	313,280	Capital Improvement	5.00%	12/1/2046	313,280
2018C	450,115	Refunding	5.00%	12/1/2046	442,580
CIT 2018	86,000	Capital Improvement	5.00%	4/1/2046	86,000
2018B	10,220	Refunding	6.75% to 7.00%	12/1/2042	10,220
2018A	552,030	Refunding	4.00% to 5.00%	12/1/2035	552,030
2017H	280,000	Capital Improvement	5.00%	12/1/2046	280,000
2017G	126,500	Refunding	5.00%	12/1/2044	126,500
2017F	165,510	Refunding	5.00%	12/1/2024	147,450
2017E	22,180	Refunding	5.00%	12/1/2021	22,180
2017D	79,325	Refunding	5.00%	12/1/2031	74,035
2017C	351,485	Refunding	5.00%	12/1/2034	328,875
2017B	215,000	Refunding	6.75% to 7.00%	12/1/2022	215,000
2017A	285,000	Capital Improvement/ Working Capital	7.00%	12/1/2046	285,000
CIT 2017	64,900	Capital Improvement	5.00%	4/1/2046	64,900
CIT 2018	729,580	Capital Improvement	5.75% to 6.10%	4/1/2046	729,580
2016B	150,000	Capital Improvement	6.50%	12/1/2046	150,000
2016A	725,000	Capital Improvement/ Refunding	7.00%	12/1/2044	725,000
2015E	20,000	Capital Improvement	5.13%	12/1/2032	20,000
2015C	280,000	Capital Improvement	5.25%	12/1/2039	280,000
2012B	109,825	Refunding	5.00%	12/1/2034	109,825
2012A	468,915	Capital Improvement	5.00%	12/1/2042	468,915
2011A	402,410	Capital Improvement	5.00% to 5.50%	12/1/2041	402,410
2010F	183,750	Refunding	5.00%	12/1/2031	119,495
2010D	125,000	Capital Improvement	6.52%	3/1/2036	125,000
2010C	257,125	Capital Improvement	6.32%	11/1/2029	257,125
2009G	254,240	Capital Improvement	1.75%	12/15/2025	254,240
2009E	518,210	Capital Improvement	4.682% to 6.14%	12/1/2039	497,545
2009D	75,720	Refunding	1.00% to 5.00%	12/1/2023	9,650
2006B	355,805	Capital Improvement	4.25% to 5.00%	12/1/2036	22,005
2006A	6,853	Capital Improvement	0.00%	6/1/2021	6,853
2005A	193,585	Refunding	5.00% to 5.50%	12/1/2031	143,665
1999A	532,553	Capital Improvement/ Refunding	4.30% to 5.30%	12/1/2031	299,052
1998B-1	328,714	Capital Improvement	4.55% to 5.22%	12/1/2031	210,847
Total Bonds					<u>\$ 8,128,336</u>

NOTE 9. LONG-TERM DEBT (continued)

Series	Accreted Interest	Principal and Accreted Interest June 30, 2020	Issuances	Retirements	Principal Outstanding June 30, 2021	Accreted Interest	Principal and Accreted Interest June 30, 2021
2021B	\$ —	\$ —	\$ 107,505	\$ —	\$ 107,505	\$ —	\$ 107,505
2021A	—	—	450,000	—	450,000	—	450,000
2019B	—	123,795	—	—	123,795	—	123,795
2019A	543	225,827	—	—	225,284	2,367	227,651
2018D	—	313,280	—	—	313,280	—	313,280
2018C	—	442,580	—	(6,750)	435,830	—	435,830
CIT 2018	—	86,000	—	—	86,000	—	86,000
2018B	—	10,220	—	(945)	9,275	—	9,275
2018A	—	552,030	—	(21,995)	530,035	—	530,035
2017H	—	280,000	—	—	280,000	—	280,000
2017G	—	126,500	—	—	126,500	—	126,500
2017F	—	147,450	—	(24,760)	122,690	—	122,690
2017E	—	22,180	—	—	22,180	—	22,180
2017D	—	74,035	—	(5,445)	68,590	—	68,590
2017C	—	328,875	—	(22,945)	305,930	—	305,930
2017B	—	215,000	—	—	215,000	—	215,000
2017A	—	285,000	—	—	285,000	—	285,000
CIT 2017	—	64,900	—	—	64,900	—	64,900
CIT 2018	—	729,580	—	—	729,580	—	729,580
2016B	—	150,000	—	—	150,000	—	150,000
2016A	—	725,000	—	—	725,000	—	725,000
2015E	—	20,000	—	—	20,000	—	20,000
2015C	—	280,000	—	—	280,000	—	280,000
2012B	—	109,825	—	—	109,825	—	109,825
2012A	—	468,915	—	—	468,915	—	468,915
2011A	—	402,410	—	—	402,410	—	402,410
2010F	—	119,495	—	(119,495)	—	—	—
2010D	—	125,000	—	—	125,000	—	125,000
2010C	—	257,125	—	—	257,125	—	257,125
2009G	—	254,240	—	—	254,240	—	254,240
2009E	—	497,545	—	(7,340)	490,205	—	490,205
2009D	—	9,650	—	(7,650)	2,000	—	2,000
2006B	—	22,005	—	(22,005)	—	—	—
2006A	—	6,853	—	(6,853)	—	—	—
2005A	—	143,665	—	(8,755)	134,910	—	134,910
1999A	258,963	558,015	—	(31,661)	267,391	256,296	523,687
1998B-1	432,800	643,647	—	(20,686)	190,161	421,236	611,397
Total Bonds	<u>\$ 692,306</u>	<u>\$ 8,820,642</u>	<u>\$ 557,505</u>	<u>\$ (307,285)</u>	<u>\$ 8,378,556</u>	<u>\$ 679,899</u>	<u>\$ 9,058,455</u>
Less Current Portion		(242,233)					(266,140)
For Net Premium/(Discount)		8,187					131,674
Total Long-term Debt, net of current portion and premium/(discount)		<u>\$ 8,586,596</u>					<u>\$ 8,923,989</u>

NOTE 10. LEASE OBLIGATIONS

Capitalized Leases

In 2006, CPS entered into a \$3.7 million lease with an option to purchase with the Teachers Academy of Math and Science. The assets acquired under this lease are land and building at a cost of \$0.7 million and \$3.0 million, respectively. The accumulated amortization as of June 30, 2021 amounted to \$0.89 million. The term of the lease commenced October 1, 2005, and ended February 1, 2021. This end date represents the maturity date of bonds issued for the premises by the Illinois Development Finance Authority Bonds. Debt service includes principal and interest and all other costs associated with these bonds. Additionally, CPS assumed all operating costs and personnel costs of the premises.

CPS had no capitalized leases outstanding as of June 30, 2021.

Following is a summary of changes in Capitalized Leases outstanding (\$000's):

	Balance		Balance	
	June 30, 2020	Additions	Reductions	June 30, 2021
Other Capitalized Leases	\$ 525	\$ —	\$ (525)	\$ —
Total Lease Outstanding	<u>\$ 525</u>	<u>\$ —</u>	<u>\$ (525)</u>	<u>\$ —</u>

Operating Leases

CPS is a lessee in numerous operating leases associated with the rental of trucks, automobiles, office equipment and real property. The lease arrangements are both cancellable and non-cancelable with some having structured rent increases. None of the operating leases are considered to be contingent leases.

Total expenditures for operating leases for the fiscal year ending June 30, 2021 were \$16.7 million.

The following is a summary of operating lease commitments as of June 30, 2021 (\$000's):

Fiscal Year(s)	Non-Real Property Leases	Real Property Leases	Total
2022	\$ 1,003	\$ 16,958	\$ 17,961
2023	979	15,562	16,541
2024	946	14,701	15,647
2025	946	14,811	15,757
2026	—	7,015	7,015
2027-2031	—	25,055	25,055
2032	—	39	39
Total Operating Lease Commitments	<u>\$ 3,874</u>	<u>\$ 94,141</u>	<u>\$ 98,015</u>

NOTE 11. OTHER BENEFITS AND CLAIMS

Sick Pay Benefits

CPS provides sick pay benefits for substantially all of its employees. Eligible employees were able to accumulate a maximum of 325 sick days granted before July 1, 2012. If an employee either reaches age 65, has a minimum of 20 years of service at the time of resignation or retirement, or dies, the employee is entitled to receive, as additional compensation, all or a portion of their accumulated sick leave days. CPS budgets an amount each year in the General Operating Fund for these estimated payments to employees terminated in the current fiscal year. Effective July 1, 2012 any sick days granted that remain unused at the end of the fiscal year will not be carried over to the next fiscal year, except under the new contract between the Chicago Teacher Union and CPS Article 37-3. The Board shall not pay out to any employee the value or any part of the value of any sick days granted on and after July 1, 2012 that are unused at the time the employee separates from the Board employment for any reason. Under the union contract Article 37-3, sick days awarded on and after July 1, 2012 that remain unused at the end of the fiscal year may be rolled over for future use up to a maximum of two hundred forty-four (244) days and may be used for three purposes: (a) as sick days or for purposes of leave under the Family and Medical Leave Act; (b) to supplement the short-term disability pay in days 31 through 90 to reach 100% income during such period or (c) for pension service credit upon retirement.

Vacation Pay Benefits

At the beginning of fiscal year 2021, for eligible employees, the maximum number of accumulated unused vacation days permitted was 20 days for those employees with up to 10 years of service; 25 days for those with 11 to 20 years of service; and 30 days for those with more than 20 years of service. As of April 28, 2021, the maximum carryover was increased for eligible employees to 10 days. As a result, the maximum number of accumulated unused vacation days permitted is now 25 days for those employees with up to 10 years of service; 30 days for those with 10 to 20 years of service; and 35 days for those with more than 20 years of service. Eligible employees are entitled to receive 100% of accumulated vacation days at their current salary rate. These amounts will be liquidated from the General Operating Fund.

Workers' Compensation, General and Automobile and Tort Liabilities and Other Claims

CPS is substantially self-insured and assumes risk of loss in accordance with the following parameters:

CPS maintains commercial excess property insurance for "all risks" of physical loss or damage with limits of \$100.0 million and Boiler and Machinery Insurance with limits of \$100.0 million. CPS maintains commercial excess liability insurance with limits of \$45.0 million in excess of a \$10.0 million self-insured retention per loss for claims arising from commercial general, automobile, school board legal, and miscellaneous professional liability. Additional liability coverage includes special events, fiduciary, foreign travel package, and catastrophic student accident insurance (under Public Act 98-0166, also known as "Rocky's Law"). In fiscal year 2021, CPS also renewed cyber liability insurance after placing it in fiscal year 2019 for the first time. During fiscal years 2021, 2020, and 2019 there were no casualty claims made in excess of the self-insured retention.

For fiscal year 2021, the CPS had the following deductibles/retentions:

Property	\$5,000,000
Boiler and HVAC	\$50,000
General Liability	\$10,000,000
Student Catastrophic Insurance (Rocky's Law)	\$25,000

As discussed in Note 15, there are pending workers' compensation and tort claims involving CPS which have arisen out of the ordinary conduct of business. CPS budgets an amount each year in the Workers' and Unemployment Compensation/Tort Immunity Program for the estimated claims, of which the expenditures are met through an annual tax levy.

NOTE 11. OTHER BENEFITS AND CLAIMS (continued)

CPS' estimate of liabilities for workers' compensation claims and general and automobile claims are actuarially determined based on loss estimates established by the respective claim administrators. Tort liabilities are based on loss estimates established by the respective trial attorneys. CPS accrues for the estimated workers' compensation, general and automobile claims and tort claims in the General Operating Fund when there is likelihood that an unfavorable outcome is probable and those expenditures will be liquidated with expendable available financial resources. Total expenditures reported in the fund financial statements amounted to \$17.6 million for claims paid during the fiscal year. No liabilities have been recorded at the fund level for unpaid claims as unpaid claims are not expected to be paid with available financial resources.

The following is a summary of changes to other long-term liabilities (\$000's) at the government-wide level:

	Balance July 1, 2020	Increase/ (Decrease)	Payments	Balance June 30, 2021
Accrued sick pay benefits	\$ 231,373	\$ 21,092	\$ (15,738)	\$ 236,727
Accrued vacation pay benefits	57,606	9,265	(4,371)	62,500
Accrued workers' compensation claims	90,692	14,171	(17,742)	87,121
Accrued general and automobile claims	29,738	2,929	(6,330)	26,337
Tort liabilities and other claims	8,034	10,199	—	18,233
Total	\$ 417,443	\$ 57,656	\$ (44,181)	\$ 430,918
Less: Current portion of accrued sick pay benefits				(16,410)
Less: Current portion of accrued vacation pay benefits				(4,955)
Less: Current portion of accrued workers' compensation claims				(17,259)
Less: Current portion of accrued general and automobile claims				(5,770)
Total long-term other benefits and claims				\$ 386,524

CPS is self-insured for certain employee health insurance costs (reimbursed to a provider on a cost plus fees basis). A net liability of \$74.8 million has been recorded for health insurance costs and is reported as part of accounts payable and accrued payroll and benefits in the General Operating Fund, which includes \$31.9 million for estimated medical claims incurred but not reported as of June 30, 2021.

The following are the activities related to all claims including medical claims for which CPS is self-insured (\$000's):

	Workers' Compensation Claims	General and Automobile Claims	Tort Liabilities and Other Claims	Medical Claims
Balance July 1, 2019	\$ 92,902	\$ 29,961	\$ 16,549	\$ 55,612
Increase/(Decrease)	20,372	7,602	(8,515)	410,729
Payments	(22,582)	(7,825)	—	(403,230)
Balance July 1, 2020	\$ 90,692	\$ 29,738	\$ 8,034	\$ 63,111
Increase/(Decrease)	14,171	2,929	10,199	467,262
Payments	(17,742)	(6,330)	—	(455,549)
Balance June 30, 2021	\$ 87,121	\$ 26,337	\$ 18,233	\$ 74,824

NOTE 12. PENSION BENEFITS

Pension legislation (Public Act 96-0889) was approved in April 2010 and established two distinct classes of membership with different retirement eligibility conditions and benefit provisions. For convenience, the Illinois pension funds use a tier concept to distinguish these groups: Tier 1 members are participants that became members before January 1, 2011 and Tier 2 members are participants that became members on or after January 1, 2011. The pension code created a Tier 3 effective August 31, 2017, but due to the uncertainty of whether a resolution or ordinance will be passed, the actuarial valuation only uses Tier 1 and Tier 2.

The net pension liability is calculated as the difference between the actuarially calculated value of the projected benefit payments attributed to past periods of service and the plans' fiduciary net position. The total pension expense is comprised of the service cost or actuarial present value of projected benefit payments attributed to the valuation year, interest on the total pension liability, plan administrative expenses, current year benefit changes, and other changes in plan fiduciary net position less employee contributions and projected earnings on plan investments. Additionally, the total pension expense includes the annual recognition of outflows and inflows of resources due to pension assets and liabilities.

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources, pension expense and expenditures associated with CPS' contribution requirements, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported within the separately issued plan financial statements. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with terms of the plan. Investments are reported at fair value.

Pension — Certified Teachers and Administrators

Plan Description: Pension benefits for certified teachers and administrators are provided under a defined benefit cost-sharing multiple employer plan administered by the Public-School Teachers' Pension and Retirement Fund of Chicago (CTPF) in which CPS is the major contributor. Copies of the Pension Fund Annual Report are available on the website of the Public-School Teachers' Pension & Retirement Fund of Chicago at <http://www.ctpf.org>.

Article 17 of the Illinois Pension Code governs the retirement, survivor and disability benefits provided by the CTPF. Participation in the CTPF is mandatory for all certified members of the teaching force, including those employed by charter schools, and employees of the Pension Fund. As of the June 30, 2020, per the CTPF Annual report, there were 28,015 active participants in the Pension Fund, substantially all of whom were employees of CPS.

Benefits Provided: An employee hired before January 1, 2011 (Tier 1) may retire at age 55 with at least 20 years of service or at age 62 with 5 years of service. If retirement occurs before age 60, the service retirement pension is reduced 1/2 of 1% for each month that the age of the member is below 60. However, there is no reduction if the employee has at least 34 years of service.

For service earned before July 1, 1998, the amount of the monthly service retirement pension is 1.67% of highest average salary for the first 10 years, 1.90% for each of the next 10 years, 2.10% for each of the following 10 years, and 2.30% for each year above 30. For service earned after June 30, 1998, the amount of the monthly service retirement pension is 2.2% of highest average salary for each year of service. Service earned before July 1, 1998 can be upgraded to the 2.2% formula through the payment of additional employee contributions of 1% of the teacher's highest salary within the last four years for each year of prior service, up to a maximum of 20%, which upgrades all service years. The number of years for which contributions are required is reduced by one for each three full years of service after June 30, 1998. No contribution is required if the employee has at least 30 years of service. The highest average salary is the average of the 4 highest consecutive years of salary within the last 10 years. The maximum pension payable is 75% of the highest annual salary or \$1,500 per month, whichever is greater.

NOTE 12. PENSION BENEFITS (continued)

Pension legislation (Public Act 96-0889) created a second tier of benefits for teachers who first become participants under the fund on or after January 1, 2011. Under this act, such a member is entitled to a pension after attainment of age 67 with at least 10 years of service. However, such a member can elect to retire at age 62 with at least 10 years of service and receive a retirement annuity reduced by 0.5% for each month that his or her age is under 67. In addition, the annual final average salary may not exceed \$115,929 for calendar year 2020. The final average salary limit is calculated annually as the Social Security Wage Base at the time Public Act 96-0889 was created, \$106,800, increased by the lesser of 3% or one-half of the annual increase in the Consumer Price Index-U during the preceding calendar year.

Contributions: Participating members contribute 9% of salary, allocated as follows: 7.5% for retirement pension, 0.5% for automatic annual increases and 1% for survivor’s pension. In fiscal year 2021, total employee contributions were \$151.8 million, as in previous fiscal years, CPS paid a portion (7% or \$118.0 million) of the required employees’ contribution. For employees hired on or after January 1, 2017, there is no employer pickup. A portion of grant funds from the Federal government and General Fund revenues provides the funding for the portion not picked up. The remaining portion is withheld from teachers’ salaries.

State law requires statutorily determined employer contributions. Under the Illinois Pension Code, required employer contributions — with the exception of federal funds — are calculated by the Pension Fund’s actuary; however, the formula set forth in the Pension Code is not the same as the Annual Required Contribution or the Actuarially Determined Contribution as those terms are defined by GASB. During the fiscal year ended June 30, 2021, total employer contributions to the plan were \$619.0 million. Of this amount, \$28.8 million were Charter School contributions and \$41.8 million were paid from federally-funded programs. On June 30, 2016, PA 99-0521 was signed into law and reinstates the ability of the Board of Education to levy a property tax dedicated to paying teacher pensions. As of June 30, 2021, \$235.2 million of levy funds was owed to the CTPF for a fiscal year 2021 statutorily required contribution. This amount was recorded in the Statement of Net Position as an account payable and a deferred outflow of resources by CPS. These funds are included in CPS’ contribution to increase the funded ratio to 90%. CPS’ employer contributions towards the cost of retirement benefits, and their related sources of funding, including the allocation to health insurance fund \$51.4 million in FY2021, are as follows (\$000’s):

Retirement Benefit Contributions:

A contribution to increase funded ratio to 90%.....	\$ 548,337
A portion of grant funds from the Federal government for teachers paid from certain Federally-funded program	41,840
Charter school contributions	28,824
Total CPS Contributions	<u>\$ 619,001</u>
Contributions from the State of Illinois	266,893
CPS contributions on-behalf of employees	118,041
Total CTPF Contributions	<u>\$ 1,003,935</u>

Employer Proportionate Share of Net Pension Liability: The amount of the proportionate share of the net pension liability recognized by CPS is \$15.441 billion or 100%. Further discussions with the State and Pension Fund related to the overall net pension liability will occur to determine a reasonable allocation of future plan costs between the entities that contribute to the plan. 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 that date. Total pension expense for the 2021 fiscal year was \$1.910 billion.

Employer Deferral of Fiscal Year 2021 Pension Contributions: CPS paid \$619.0 million in contributions for the fiscal year ended June 30, 2021. These contributions were made subsequent to the pension liability measurement date as of June 30, 2020. These contributions were reflected as Deferred Outflows of Resources in the Statement of Net Position as of June 30, 2021.

NOTE 12. PENSION BENEFITS (continued)

As June 30, 2021, CPS reported deferred outflows of resources and deferred inflows of resources related to CTPF from the following sources (\$000's)

	Deferred Inflow of Resources	Deferred Outflow of Resources
Difference between expected and actual experience.....	\$ 189,132	\$ 28,870
Net difference between projected and actual investment earnings on pension plan investments.....	—	219,337
Changes in assumptions.....	—	1,464,584
Contributions after the measurement date.....	—	619,001
Totals.....	\$ 189,132	\$ 2,331,792

The \$619.0 million reported as deferred outflows of resources related to pensions resulting from CPS contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The annual difference between expected and actual experience is amortized into pension expense over the average expected remaining service lives of active and inactive members calculated at the beginning of the year in which the difference occurs. The difference between projected and actual investment earnings on pension plan investments is amortized over a five-year closed period beginning in the year in which the difference occurs. The amounts of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows (\$000's):

Years Ended June 30:	Amount
2022.....	\$ 672,007
2023.....	433,232
2024.....	294,944
2025.....	123,476
Totals.....	\$ 1,523,659

Assumptions and Other Inputs

Actuarial Assumptions: The total pension liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions and methods:

Actuarial Methods and Assumptions

Actuarial valuation date	June 30, 2020
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	6.75%, net of investment expense
Projected salary increases	2.75% to 12.60%, varying by age
Inflation	2.25%, general inflation rate
	2.75%, wage inflation rate
Cost-of-living adjustments	3% compound for Tier 1 members; the lesser of 3% or one-half of CPI-U, simple, for Tier 2 members

For healthy participants, mortality rates were based on the RP-2014 White Collar Healthy Annuitant mortality table, sex distinct. For disabled participants, mortality rates were based on the RP-2014 Disabled Annuitant mortality table, sex distinct.

NOTE 12. PENSION BENEFITS (continued)

Most of the actuarial assumptions used for the June 30, 2020 funding actuarial valuation were adopted by the Board of Trustees during the September 17, 2020 Board meeting, and were based on the recommendations from an experience review for the five-year period from July 1, 2012 through June 30, 2017 and from the 2020 actuarial assumptions study.

The long-term expected rate of return on pension plan investments was determined under a building-block method by using the current risk-free rate and historical risk premium for each major asset class to develop the best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) for each major asset class. Best estimates of geometrically determined real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	61.0%	5.26%
Fixed Income	23.0%	1.52%
Real Estate	9.0%	4.34%
Private Equity	5.0%	7.62%
Infrastructure	2.0%	5.05%
Total	100%	

Discount Rate: For fiscal year 2020, a single discount rate of 6.37% was used to measure the total pension liability. This single discount rate was based on cash flows (employee contributions, employer contributions, benefits, and administrative expenses) using the results of the funding actuarial valuation using an expected rate of return on pension plan investments of 6.75% and a municipal bond rate of 2.45%.

The projection of cash flows used to determine this single discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at the current statutory contributions rates under the Fund's funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contribution were sufficient to finance the benefit payments through the year 2078. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2078, and the municipal bond rate was applied to all benefit payments after that date.

Sensitivity of Net Pension Liability to Changes in the Discount Rate: The following presents CPS' net pension liability, calculated using a single discount rate of 6.37%, as well as what the Plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (\$000's):

1% Decrease 5.37%	Current Discount 6.37%	1% Increase 7.37%
\$18,893,967	\$15,440,803	\$12,598,500

Additional information regarding the CTPF basic financial statements including the Plan Net Position can be found in the CTPF Annual Comprehensive financial report by accessing the website at www.ctpf.org

NOTE 12. PENSION BENEFITS (continued)

Pension — Other Personnel

Plan Description: All career service employees of CPS, except CPS employees who are members of the Public School Teachers' Pension and Retirement Fund, participate in the Municipal Employees' Annuity and Benefit Fund of Chicago (the "MEABF" or the "Annuity Fund"). The Plan is administered under Chapter 40, Act 5, Article 8 of the Illinois Compiled Statutes. Benefit and contribution provisions are established by the Statutes and may be amended only by the Illinois state legislature. MEABF is a defined benefit single employer plan. As of December 31, 2020, CPS employed approximately 17,469 of the 31,327 active participants in MEABF.

Benefits Provided: If an employee leaves covered employment without qualifying for an annuity, accumulated contributions are refunded with interest at 3% per annum, subject to certain exceptions.

Tier 1 employees age 55 or more with at least 10 years of service are entitled to receive a money purchase annuity with partial City contributions if under age 60 with less than 20 years of service. Employees age 60 or more with at least 10 years of service or age 55 or more with at least 20 years of service or age 50 or more with at least 30 years of service are entitled to receive a minimum formula annuity of 2.4% per each year of service times the final average salary (highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of retirement). If the employee retires prior to age 60, the annuity shall be reduced by $\frac{1}{4}$ of 1% for each month the employee is under age 60 if the employee has less than 25 years of service. The annuity is not discounted if the employee is age 50 with at least 30 years of service. An employee with at least 10, 20, or 30 years of service can withdraw and receive a minimum annuity formula at 60, 55, or 50, respectively. The original annuity is limited to 80% of the highest average annual salary, adjusted for annual Internal Revenue Code (IRC) §401(a)(17) and §415 limitations. Employees withdrawing from service at age 60 or older with at least 10 years of service are entitled to a minimum annuity of \$850 per month.

Tier 2 employees age 67 or more with at least 10 years of service are entitled to receive an unreduced annuity benefit or a reduced annuity benefit at age 62 with 10 years of service. The annuity is discounted $\frac{1}{2}$ percent for each full month the employee is under age 67. Final average salary is calculated using salary from the 8 highest consecutive years within the last 10 years of service prior to retirement.

Tier 3 employees age 65 or more with at least 10 years of service are entitled to receive an unreduced annuity benefit or a reduced annuity benefit at age 60 with 10 years of service. The annuity is discounted $\frac{1}{2}$ percent for each full month the employee is under age 65. Final average salary is calculated using salary from the 8 highest consecutive years within the last 10 years of service prior to retirement.

The highest salary for annuity purposes may not exceed the base of \$106,800 beginning in 2011 and shall be adjusted annually by the lesser of a) 3% of that amount, including all prior adjustments, or b) $\frac{1}{2}$ of the annual unadjusted percentage increase in the Consumer Price Index-U for the 12 months ending with the September preceding November 1, including all prior adjustments. Under Tier 2 and Tier 3, pensionable salary rate limitations for fiscal year 2020 and fiscal year 2019 were \$115,929 and \$114,952, respectively.

Contributions: Except as described below, CPS makes no direct contributions to MEABF, which receives its income from three primary sources: a City of Chicago tax levy; income from investments; and deductions from participating employees' salaries.

Tier 1 and Tier 2 employees are required by Article 8, Chapter 40 of the Illinois Compiled Statutes to contribute 8.5% of their pensionable salary. Tier 3 employees are required to contribute 11.5% of their pensionable salary. The pensionable salary for Tier 1 members has no limitation while Tier 2 and Tier 3 employees' pensionable salary may not exceed the social security wage base of \$115,929 adjusted by inflation. In fiscal year 2021, as in previous fiscal years, CPS agreed to pay a portion (7% for union and 5% for non-union members or \$37.2 million) of the required employees' contribution for most employees. CPS also receives a portion of the cost of providing pension benefits from grants by the federal government for career service employees paid from certain federally-funded programs. The amount reflected as career service pension expenditures in the accompanying governmental fund financial statements is \$184.0 million; \$156.3 million is contributed by the City of Chicago through its specific tax levies for pension plans and the remaining \$27.7 million is funded under federally-funded

NOTE 12. PENSION BENEFITS (continued)

programs. The portion funded by the City of Chicago and the Federal government is also reflected as revenue in the General Operating Fund.

Employer Proportionate Share of Net Pension Liability: At December 31, 2020, the MEABF reported a net pension liability (NPL) of \$13.725 billion. The amount of the proportionate share of the net pension liability recognized for CPS is \$0. The proportionate share of the City’s net pension liability associated with CPS is \$5.826 billion or 42.45%. The net pension liability was measured as of December 31, 2020. The basis of allocation used in the proportionate share of net pension liability was CPS’ proportionate share of covered payroll to the plan’s total covered payroll for the 2020 calendar year, which approximates CPS’ 2021 fiscal year.

Employer Proportionate Share of Pension Expense: The employer’s proportionate share of collective pension expense is recognized as on-behalf payments as both revenue and expenditure/expense in CPS’ financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported employee contributions made to MEABF during fiscal year 2021. As a result, CPS recognized on-behalf revenue of \$121.8 million and on-behalf pension expense of \$121.8 million for fiscal year 2021.

Employer Deferral of Fiscal Year 2021 Pension Contributions: CPS paid \$27.7 million in federal, trust or grant contributions for the fiscal year ended June 30, 2021. Some contributions were made subsequent to the pension liability measurement date of December 31, 2020. However, the amount is immaterial to the financial statements and has not been recorded as Deferred Outflows of Resources as of June 30, 2021. Total pension expense for fiscal year 2021 was \$184.0 million.

Assumptions and Other Inputs

Actuarial assumptions: The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2012 — December 31, 2016. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Methods and Assumptions

Actuarial valuation date	December 31, 2020
Actuarial assumptions:	
Investment rate of return	7.00%, net of investment expense
Projected salary increases	3.50% - 7.75% for year 2023, (1.50% to 6.50% for years 2020-2022), varying by years of service
Inflation	2.50%
Municipal bond index	2.12% based on the Bond Buyer 20-Bond Index of general obligation
Cost of living adjustments.	Tier 1: 3.0% compound Tier 2 & 3: the lesser of 3.0% or one-half the change in CPI, simple

Post-retirement mortality rates were based on the RP-2014 Healthy Annuitant Mortality Tables, set forward two years for males and one year for females, and projected generationally using scale MP- 2016. The mortality rates for pre-retirement were based on 120% of the RP-2014 Employee Mortality Tables projected generationally using scale MP-2016.

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.

NOTE 12. PENSION BENEFITS (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2020 are summarized in the following tables:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equities	26%	7.3%
International Equity	17%	7.5%
Global Equity	5%	7.5%
Fixed Income	25%	2.3%
Real Estate	10%	6.0%
Private Equity	5%	10.8%
Hedge Funds	10%	5.5%
Infrastructure	2%	7.3%
Total	100%	

Discount Rate: The discount rate used to measure the total pension liability was 7.0% for December 31, 2020. The projection of cash flows used to determine the discount rate assumed that member contributions will be made according to the contribution rate applicable for each member's tier and that employer contributions will be made as specified by Public Act 100-0023. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions and contributions from future plan members that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of MEABF's Net Pension Liability to Changes in the Discount Rate: The amount of the proportionate share of the net pension liability recognized for CPS is \$0. Therefore, changes in the discount rate would not affect CPS. However, regarding the sensitivity of MEABF's net pension liability to changes in the single discount rate, the following presents the Plan's net pension liability, calculated using a single discount rate of 7.0%, as well as what the Plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (\$000's):

1% Decrease 6.0%	Current Discount 7.0%	1% Increase 8.0%
\$15,939,911	\$13,724,573	\$11,883,470

Additional information regarding the MEABF basic financial statements including the Plan Net Position can be found in the MEABF Annual Comprehensive Financial Report by accessing the website at www.meabf.org.

NOTE 13. OTHER POSTEMPLOYMENT BENEFITS

Other Postemployment Benefits (OPEB)

Plan Description: Healthcare benefits for certified teachers and administrators are provided under a cost sharing multiple employer plan administered by the Pension Fund. The actuarial analysis is contained in the Pension Fund Annual Report and is available via the website of the Public School Teachers' Pension & Retirement Fund at <http://www.ctpf.org/>. Only CPS and the State of Illinois (a nonemployer contributor) make direct contributions to the Pension Fund and a special funding situation is deemed not to exist with the State. Therefore, 100% of the collective net OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense is allocated to CPS.

Benefits Provided: The Pension Fund administers a health insurance program that includes three external health insurance providers. A recipient of a retirement pension, survivor pension, or disability pension may be eligible to participate in a health insurance program and premium rebate sponsored by the Pension Fund, provided the Pension Fund is the recipient's final pension system prior to retirement. The purpose of this program is to help defray the retired member's premium cost for health insurance.

Funding Policy and Annual Other Postemployment Benefit Cost: The member is responsible for paying the cost of the insurance and may purchase insurance from the Pension Fund's providers or other outside providers. Each year, the Board of Trustees of the Pension Fund establishes a rebate percentage that is used to defray a portion of the cost of the insurance. The rebate percentage was 50% of the individual member's cost for calendar years 2018, 2017 and 2016. There was no rebate for calendar years 2020 and 2019. In accordance with Illinois Compiled Statutes (ILCS) Article 40 Chapter 5 Article 17 Section 142.1, the total health insurance benefits provided in any one year may not exceed \$65.0 million plus any previous year amounts authorized but not yet expended. The Pension Fund has total discretion over the program, and no direct contributions are made for the subsidy. In fiscal year 2021, the Pension Fund allocated \$51.4 million to the Health Insurance Fund. Although CPS does not contribute directly to retirees' health care premiums, the impact does require increased contributions by CPS to build assets to the 90% requirement. This provision reduces the net position of the Pension Fund. As of June 30, 2020, the Chicago Teachers' Pension Fund Retiree Health Insurance Program had 16,248 retirees and beneficiaries currently receiving health benefits and 11,767 retirees and beneficiaries entitled to but not yet receiving health benefits. The assets in the Health Insurance Program are not in a qualifying trust nor are those amounts restricted legally or otherwise required to be used solely to pay OPEB benefits. Therefore there are no assets accumulated in a trust.

Total OPEB liability, deferred outflows of resources, deferred inflows of resources and expense related to OPEB

The total OPEB liability, as reported at June 30, 2021, was measured as of June 30, 2020, with an actuarial valuation as of June 30, 2020. At June 30, 2021, CPS recorded a total OPEB liability of \$2.908 billion.

Schedule of Changes in Total OPEB Liability: Below is the schedule of changes in the total OPEB liability, as reported by at June 30, 2021 (\$000's):

Beginning Balance, OPEB Liability	\$ 2,554,892
Service cost	75,376
Interest on total OPEB Liability	80,340
Changes of benefit terms	495,926
Differences between expected and actual experience	(551,158)
Changes in assumptions	304,448
Benefit payments	(51,434)
Ending Balance, OPEB Liability	<u>\$ 2,908,390</u>

NOTE 13. OTHER POSTEMPLOYMENT BENEFITS (continued)

Employer Deferral of Fiscal Year 2021 OPEB Contributions: CPS recognized OPEB expense for the year ended June 30, 2021, of \$605.5 million. At June 30, 2021, CPS reported deferred outflows and deferred inflows of resources, from the following sources (\$000's):

Deferred outflows of resources	Amount
Changes in assumptions	\$ 437,976
Total deferred outflows of resources	\$ 437,976

Deferred inflows of resources	Amount
Changes in assumptions	\$ 23,135
Differences between expected and actual experience	581,024
Total deferred inflows of resources	\$ 604,159

Amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (\$000's):

Years Ended June 30:	Amount
2022	\$ (46,693)
2023	(46,693)
2024	(36,948)
2025	(17,543)
2026	(18,306)
Thereafter	—
Totals	\$ (166,183)

NOTE 13. OTHER POSTEMPLOYMENT BENEFITS (continued)

Actuarial Methods and Assumptions: The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement unless otherwise specified.

Valuation date	June 30, 2020
Measurement date	June 30, 2020
Actuarial cost method	Entry Age Normal
Inflation rate	2.25%
Projected salary increases	2.75% - 12.60%, varying by age
Discount rate	2.45%
Experience Study	An experience study of the 5 year period 2012 – 2017.
Mortality	Healthy (Non-Disabled) Post-Retirement Mortality: RP-2014 White Collar Healthy Annuitant mortality table, sex distinct, scaled at 108% for males and 94% for women, with rates projected back from 2014 to 2006 using the MP-2014 projection scale and projected from 2006 using scale MP- 2017. Disabled Post-Retirement Mortality: RP-2014 Disabled Annuitant mortality table, sex distinct, scaled at 103% for males and 106% for women, with rates projected back from 2014 to 2006 using the MP-2014 projection scale and projected from 2006 using scale MP-2017.
Healthcare cost trend rate	The trend rates applicable July 1, 2021 are 7.00% and 8.00% for pre- and post-Medicare, respectively, and decrease by 0.25% each year to an ultimate trend rate of 4.25%. Medicare Part A and Part B premiums are assumed to increase by 4.50% each year.

Discount rate: A single discount rate of 2.45% at June 30, 2020, and 3.13% at June 30, 2019, was used to measure the total OPEB liability. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. The rates at June 30, 2020 and June 30, 2019 were based on Fidelity Index’s 20-year Municipal GO AA Index.

Sensitivity of the Total OPEB Liability to Changes in the Single Discount Rate: The following presents the plan’s total OPEB liability, calculated using a Single Discount Rate of 2.45%, as well as what the plan’s total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point higher (3.45%) or lower (1.45%) than the current rate (\$000’s):

1% Decrease 1.45%	Current Single Discount Rate Assumption 2.45%	1% Increase 3.45%
\$3,490,562	\$2,908,390	\$2,454,243

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate: The following presents the plan’s total OPEB liability, calculated using the assumed trend rates as well as what the plan’s total OPEB liability would be if it were calculated using a trend rate that is one percentage point higher or lower than the current healthcare cost trend rates (\$000’s):

1% Decrease	Current Healthcare Cost Trend Rates Assumption	1% Increase
\$2,406,407	\$2,908,390	\$3,583,210

NOTE 13. OTHER POSTEMPLOYMENT BENEFITS (continued)

The summary of current assumed health care cost trend rates applicable July 1, 2020 from Actuarial Methods and Assumptions above and used in the above analysis are as follow:

	<u>Initial</u>	<u>Ultimate</u>
Pre-Medicare	7.00%	4.25%
Post-Medicare	8.00%	4.25%
Medicare Part A	4.50%	4.50%
Medicare Part B	4.50%	4.50%

NOTE 14. FUND BALANCE CLASSIFICATIONS AND NET POSITION RESTRICTIONS

a. Fund Balance Classifications

- 1) At the end of the 2021 fiscal year, the General Operating Fund reported:
 - \$429 thousand of nonspendable fund balance for donations in which the principal may not be spent.
 - Restricted fund balance consisted of \$12.1 million for grants and donations, \$4.2 million for future teacher's pension contributions and \$48.2 million for school internal accounts.
 - Assigned fund balance consisted of \$135.3 million for commitments and contracts. Those commitments and contracts support multiple functions including \$34.6 million for Instruction, \$29.4 million for Instructional Support Services, \$24.4 million for Facilities Support Services, \$16.7 million for Pupil Support services, \$15.1 million for Administrative Support services and \$15.1 million for other miscellaneous functions.
- 2) At the end of the 2021 fiscal year, the Debt Service Fund reported assigned fund balance of \$64.1 million for debt service stabilization and restricted fund balance of \$769.5 million for debt service.
- 3) At the end of the 2021 fiscal year, the Capital Projects Fund reported restricted fund balance of \$188.8 million for capital improvement program.

b. Statement of Net Position

The Statement of Net Position reports \$831.0 million of restricted fund balance, of which \$718.5 million is restricted for debt service, \$47.9 million is restricted for capital projects, \$12.1 million is restricted for programs funded by grants and donations, \$48.2 million is restricted for school internal accounts, and \$4.2 million for future teacher's pension contributions.

NOTE 15. LITIGATION AND CONTINGENCIES

a. *State and Federal Aid Receipts*

State and Federal aid is generally subject to review by the responsible governmental agencies for compliance with the agencies' regulations governing the aid. In the opinion of CPS management any potential adjustments to the Federal or State aid recorded by CPS through June 30, 2021 resulting from a review by a responsible government agency will not have a material effect on CPS' financial statements at June 30, 2021.

b. *Pollution Remediation Obligation*

In fiscal year 2021 CPS recorded a pollution remediation obligation of \$14.2 million as current year expense in the Statement of Activities.

Several CPS facilities contain hazardous contaminants such as lead and asbestos, which is continually monitored by the school district. CPS' pollution remediation obligation is primarily related to the removal of lead and asbestos during the remodeling and/or expansion of CPS facilities. The pollution remediation obligation is derived from construction contracts and the amount assumes no unexpected change orders.

c. *Vacant Property*

In fiscal year 2013, CPS closed 47 schools of which some of the schools were identified to be demolished. In accordance with GASB 62 *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, CPS recorded a liability for the estimated demolition cost of \$18.7 million at June 30, 2013. In fiscal years 2016 and 2018, a total of six (6) of the buildings identified to be demolished were sold, decreasing the estimated liability to \$9.9 million. In fiscal year 2021, there were no buildings sold. As of June 30, 2021, the estimated liability remains at \$9.9 million.

d. *Other Litigation and Claims*

There are five (5) lawsuits that represent issues in which the financial loss to CPS has been determined to be a potential liability by CPS' law department in fiscal year 2021.

There are numerous other claims and pending legal actions involving CPS, including actions concerned with civil rights of employees, workers' compensation, torts and other matters, arising out of CPS' ordinary conduct of its business. Certain actions involve alleged damages in substantial amounts. The amounts of liability, if any, on these claims as of June 30, 2021, in excess of related insurance coverage with respect to certain claims, are not determinable at this time. However in fiscal year 2016, CPS had recorded a general accrual not specific to any pending legal action for these amounts and it remains in fiscal year 2021. In the opinion of CPS management and legal counsel, the final resolution of these claims and legal actions will not be material to CPS' financial statements as of June 30, 2021.

The liability for other litigation and claims, not including workers' compensation and general liability, increased by \$10.2 million from \$8.0 million in fiscal year 2020 to \$18.2 million in fiscal year 2021.

NOTE 16. TAX ABATEMENT

Tax abatements are a reduction in tax revenue that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

Various tax incentive programs exist between Cook County and local businesses and developers that effect tax revenues received by CPS. These programs are Class 6b, Class 7a, Class 7b, Class 8 and Class 9 and are subject to approval by Cook County's Assessor Office based on applicable criteria. Businesses and developers are granted these incentives based on property classification.

The purpose of the Class 6b program is to encourage industrial development throughout Cook County by offering a real estate tax incentive for the development of new industrial facilities, the rehabilitation of existing industrial structures, and the industrial reutilization of abandoned buildings. Properties receiving a Class 6b incentive are assessed at 10% of market value for the first 10 years, 15% in the 11th year, 20% in the 12th year and 25% in subsequent years. In calendar year 2020, there were 438 parcels receiving this incentive in the City of Chicago.

The purpose of the Class 7a and Class 7b programs are to encourage commercial development throughout Cook County in need of commercial development, which would not be economically feasible without the incentive. Properties receiving a Class 7a or 7b incentive are assessed at 10% of market value for the first 10 years, 15% in the 11th year, 20% in the 12th year and 25% in subsequent years. In calendar year 2020, there were 162 parcels receiving this incentive in the City of Chicago.

The purpose of the Class 8 programs are to encourage commercial and industrial development throughout Cook County, in areas of severe economic stagnation. Properties receiving a Class 8 incentive are assessed at 10% of market value for the first 10 years, 15% in the 11th year, 20% in the 12th year and 25% in subsequent years. In calendar year 2020, there were 12 parcels receiving this incentive in the City of Chicago.

The purpose of the Class 9 programs are to reduce the assessment rate on rental projects for low-income multifamily rental buildings that involve substantial rehab or new construction, and where at least 35% of the units have 'affordable rents.' Properties receiving a Class 9 incentive are assessed at 10% of market value for an initial 10 year period, renewable upon application for additional 10 year periods. In calendar year 2020, there were 769 parcels receiving this incentive in the City of Chicago.

The goal of these programs are to attract new industry, commercial and real estate entities, stimulate expansion and retention of existing businesses, and increase employment opportunities.

In the absence of these incentives, the property tax would be assessed at 25% of its market value. These incentives constitutes a substantial reduction in the level of assessment and results in significant tax savings for eligible applicants. For the 2021 fiscal year, the total estimated impact of these incentives to the District is a reduction in property taxes for those properties in the amount of \$44.5 million.

NOTE 17. SUBSEQUENT EVENTS

Ratings Agency Actions

There have been no rating changes related to the long-term debt of CPS occurring after June 30, 2021.

Repayment of 2020 Tax Anticipation Notes

To finance cash flow deficits in fiscal year 2021, CPS issued and repaid multiple series of 2020 Tax Anticipation Notes (the 2020 TANS). At the end of fiscal year 2021, CPS had outstanding \$244.0 million of 2020 TANS. In July and August 2021, CPS issued an additional \$556 million of 2020 TANS. In October 2021, CPS repaid and ended all its Series 2020 TANS.

Issuance of 2021 Tax Anticipation Notes

After the end of fiscal year 2021, for fiscal year 2022 the Board approved a levy of ad valorem property taxes of approximately \$2.72 billion for educational purposes (2021 Tax Levy) to be collected in calendar year 2022 and authorized the issuance of an aggregate principal amount outstanding from time to time of not to exceed \$1.25 billion of 2021 Tax Anticipation Notes (2021 TANS) in anticipation of the collection of the 2021 Tax Levy.

As of November 4, 2021, CPS has issued and has outstanding 2021 TANS in the total aggregate amount of \$20.0 million. CPS expects to issue additional TANS throughout fiscal year 2022 to fund its cash flow needs in an amount up to the authorized amount of \$1.25 billion.

The Series 2021 TANS series designations are as follows: (1) \$400 million Series 2021A tax anticipation notes closed on October 27, 2021. The Series 2021A TANS were privately placed with JP Morgan Chase Bank and carry a variable interest rate of 80% of 1 month LIBOR plus 0.45%. (2) \$400 million Series 2021B tax anticipation notes closed on November 2, 2021. The Series 2021B TANS were privately placed with PNC Bank and carry a variable interest rate of 79% of the Bloomberg Short-Term Bank Yield Index rate (BSBY) plus 0.45%.

Principal of and interest on the 2021 TANS is payable on the respective sub-series maturity date of each series of the 2021 TANS from the revenues from the 2021 Tax Levy. The 2021 Tax Levy will be intercepted by a trustee, and it will be used to repay all issuances of 2021 TANS. Property taxes are payable in two installments, the first due on March 1 and the second on the later of August 1 or 30 days after the mailing of the tax bills. The first installment is an estimated bill calculated at 55% of the prior year's tax bill. The second installment is for the balance of the current year's tax bill. The maturity date of the 2021A and 2021B TANS is the later of 60 days past the second installment tax penalty date or December 30, 2022 (for 2021A) or December 31, 2022 (for 2021B).



CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Required Supplementary Information

Financial Section — Required Supplementary Information

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

GENERAL OPERATING FUND SCHEDULE OF REVENUES, EXPENDITURES BY OBJECT, OTHER FINANCING SOURCES AND NET CHANGES IN FUND BALANCE FINAL APPROPRIATIONS VS. ACTUAL For the Fiscal Year Ended June 30, 2021 (Thousands of Dollars)

	Original Budget	Supplemental Appropriations Transfers In/(Out)	Final Budget	Fiscal Year 2021 Actual	Over (Under) Budget
Revenues:					
Property taxes	\$ 3,203,960	\$ —	\$ 3,203,960	\$ 3,097,307	\$ (106,653)
Replacement taxes	155,475	—	155,475	242,643	87,168
State aid	1,845,888	—	1,845,888	1,817,275	(28,613)
Federal aid	1,301,791	—	1,301,791	1,116,343	(185,448)
Interest and investment earnings	500	—	500	584	84
Other	386,356	—	386,356	470,381	84,025
Total revenues	\$ 6,893,970	\$ —	\$ 6,893,970	\$ 6,744,533	\$ (149,437)
Expenditures:					
Salaries -					
Teachers' salaries	\$ 2,224,491	\$ —	\$ 2,224,491	\$ 2,133,813	\$ (90,678)
Career service salaries	782,405	—	782,405	723,876	(58,529)
Commodities -					
Energy	69,436	—	69,436	63,294	(6,142)
Food	136,904	—	136,904	51,663	(85,241)
Textbook	86,905	—	86,905	65,859	(21,046)
Supplies	136,279	—	136,279	109,334	(26,945)
Other	769	—	769	609	(160)
Services -					
Professional and special services	737,000	—	737,000	540,289	(196,711)
Charter Schools	810,983	—	810,983	820,187	9,204
Transportation	119,372	—	119,372	67,948	(51,424)
Tuition	76,214	—	76,214	68,264	(7,950)
Telephone and telecommunications	17,856	—	17,856	27,752	9,896
Other	27,420	—	27,420	18,787	(8,633)
Equipment - educational	90,135	—	90,135	61,102	(29,033)
Building and Sites -					
Repair and replacements	39,417	—	39,417	36,222	(3,195)
Capital outlay	—	—	—	12	12
Benefits -					
Teachers' pension	1,015,297	—	1,015,297	1,003,935	(11,362)
Career service pension	177,803	—	177,803	221,022	43,219
Hospitalization and dental insurance	396,312	—	396,312	398,385	2,073
Medicare	45,896	—	45,896	40,797	(5,099)
Unemployment compensation	9,362	—	9,362	1,490	(7,872)
Workers compensation	22,905	—	22,905	17,619	(5,286)
Rent	19,948	—	19,948	17,151	(2,797)
Debt service	20,562	—	20,562	8,527	(12,035)
Other	(147,701)	—	(147,701)	9,921	157,622
Total expenditures	\$ 6,915,970	\$ —	\$ 6,915,970	\$ 6,507,858	\$ (408,112)
Net change in fund balances	\$ (22,000)	\$ —	\$ (22,000)	\$ 236,675	\$ 258,675
Fund balances, beginning of period as restated	567,093	—	567,093	567,093	—
Fund balances, end of period	\$ 545,093	\$ —	\$ 545,093	\$ 803,768	\$ 258,675

Note:

*Budget amount for Property tax include the \$79 million from the Red-Purple Modernization Phase one Transit Tax Increment Financing (Transit TIF). Under actual amount, Transit TIF is under Other Revenues.

See Independent Auditor's Report.

CHICAGO PUBLIC SCHOOLS
 Chicago Board of Education

SCHEDULE OF CPS' PROPORTIONATE SHARE OF NET PENSION LIABILITY
 For the Seven Fiscal Years Ended June 30, 2021
 (Thousands of dollars)

Public School Teachers' Pension and Retirement Fund of Chicago:

	<u>2015 (1)</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
CPS' Proportion of the Net Pension Liability	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
CPS' Proportionate Share of the Net Pension Liability	\$ 9,501,206	\$ 10,023,263	\$ 11,011,400	\$ 12,382,417	\$ 13,442,717	\$ 14,127,342	\$ 15,440,803
State of Illinois' Proportionate Share of the Net Pension Liability associated with CPS	—	—	—	—	—	—	—
Total	<u>\$ 9,501,206</u>	<u>\$ 10,023,263</u>	<u>\$ 11,011,400</u>	<u>\$ 12,382,417</u>	<u>\$ 13,442,717</u>	<u>\$ 14,127,342</u>	<u>\$ 15,440,803</u>
CPS' Covered Payroll	\$ 2,233,281	\$ 2,273,551	\$ 2,281,269	\$ 2,030,175	\$ 2,111,982	\$ 2,179,055	\$ 2,249,491
CPS' Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	425.44%	440.86%	482.69%	609.92%	636.50%	648.32 %	686.41 %
CTPF Plan Net Position as a Percentage of Total Pension Liability	53.23%	51.61%	47.78%	49.46%	45.23%	43.86 %	41.46 %

NOTES:

- 1) CPS implemented GASB No. 68 in fiscal year 2015. The information above is presented for as many years as available. The Schedule is intended to show information for 10 years.
- 2) In CTPF's Actuarial valuation of June 30, 2020, the assumptions for investment return was reduced from 7.00% to 6.75% and the discount rate was reduced from 6.72% to 6.37%.
- 3) The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

See Independent Auditors' Report

Municipal Employees' Annuity and Benefit Fund of Chicago:

	<u>2015 (1)</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
CPS' portion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CPS' Proportionate Share of the Net Pension Liability	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Nonemployer Contributing Entities' Proportionate Share of the Net Pension Liability associated with CPS	<u>2,779,767</u>	<u>7,829,700</u>	<u>7,529,116</u>	<u>4,848,718</u>	<u>5,132,885</u>	<u>5,372,904</u>	<u>5,826,081</u>
Total	<u>\$ 2,779,767</u>	<u>\$ 7,829,700</u>	<u>\$ 7,529,116</u>	<u>\$ 4,848,718</u>	<u>\$ 5,132,885</u>	<u>\$ 5,372,904</u>	<u>\$ 5,826,081</u>
Covered Payroll	\$ 625,161	\$ 691,178	\$ 657,649	\$ 697,242	\$ 690,490	\$ 734,934	\$ 790,323
CPS' Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MEABF Plan Net Position as a Percentage of Total Pension Liability	42.09%	20.30%	19.05%	27.97%	23.29%	23.64%	22.96%

NOTES:

- 1) CPS implemented GASB No. 68 in fiscal year 2015. The information above is presented for as many years as available. The Schedule is intended to show information for 10 years.
- 2) The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

See Independent Auditors' Report

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHEDULE OF CPS' CONTRIBUTIONS TO DEFINED BENEFIT PENSION PLANS
For the Seven Fiscal Years Ended June 30, 2021
(Thousands of dollars)

Public School Teachers' Pension and Retirement Fund of Chicago

Year Ended	CPS' Contractually Required Contributions	Contributions made on behalf of CPS by the State of Illinois	CPS		Total Contributions	Contribution Deficiency (Excess)	CPS' Covered Payroll	Contributions as a Percentage of Covered Payroll
			Contributions related to the Contractually required contributions					
June 30, 2021	\$ 885,894	\$ 266,893	\$ 619,001		\$ 885,894	\$ —	\$ 2,372,167	37.35%
June 30, 2020	854,500	257,349	597,151		854,500	—	2,249,491	37.99%
June 30, 2019	808,570	238,869	569,701		808,570	—	2,196,918	36.80%
June 30, 2018	784,402	232,992	551,410		784,402	—	2,111,982	37.14%
June 30, 2017	745,386	1,016	733,200		734,216	11,170	2,030,175	36.17%
June 30, 2016	687,965	12,105	675,860		687,965	—	2,281,269	30.16%
June 30, 2015	696,522	62,145	634,377		696,522	—	2,273,551	30.64%

Municipal Employees' Annuity and Benefit Fund of Chicago

Year Ended	Contractually Required Contributions	Contributions made on behalf of CPS by the City of Chicago	Total Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2020	436,749	147,107	147,107	289,642	734,934	20.02%
June 30, 2019	417,940	106,278	106,278	311,662	690,490	15.39%
June 30, 2018	415,674	76,700	76,700	338,974	697,242	11.00%
June 30, 2017	387,381	61,382	61,382	325,999	657,649	9.33%
June 30, 2016	288,660	61,885	61,885	226,775	691,178	8.95%
June 30, 2015	327,225	58,200	58,200	269,025	625,161	9.31%

NOTE:

CPS implemented GASB No. 68 in fiscal year 2015. The information above is presented for as many years as available. The Schedule is intended to show information for 10 years.

See independent Auditors' report

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

**SCHEDULE OF CPS' PROPORTIONATE SHARE OF TOTAL OTHER POSTEMPLOYMENT
BENEFITS LIABILITY AND SCHEDULE OF OTHER POSTEMPLOYMENT BENEFITS CONTRIBUTIONS**

For the Four Fiscal Years Ended June 30, 2021
(Thousands of dollars)

Public School Teachers' Pension and Retirement Fund of Chicago

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's Proportion of the Total OPEB Liability	100.00%	100.00%	100.00%	100.00%
District's Proportionate Share of the Collective Total OPEB Liability	\$ 2,908,390	\$ 2,554,892	\$ 2,272,125	\$ 2,270,891
Total	<u>\$ 2,908,390</u>	<u>\$ 2,554,892</u>	<u>\$ 2,272,125</u>	<u>\$ 2,270,891</u>
Covered payroll	\$ 2,249,491	\$ 2,179,055	\$ 2,111,982	\$ 2,030,176
District's proportionate share of the Total OPEB liability as a percentage of covered payroll	129.29 %	117.25 %	107.58%	111.86%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%

Public School Teachers' Pension and Retirement Fund of Chicago

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 51,351	\$ 51,963	\$ 59,089	\$ 66,868
Contributions in relation to the contractually required contribution	51,351	51,963	59,089	66,868
Contribution Deficiency (Excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered payroll	\$ 2,372,167	\$ 2,249,491	\$ 2,179,055 *	\$ 2,111,982
Contributions as a Percentage of covered payroll	2.16 %	2.31 %	2.71%	3.17%

NOTES:

CPS implemented GASB No. 75 in fiscal year 2018. The information above is presented for as many years as available. The Schedule is intended to show information for 10 years.

*The amount is updated according to GRS GASB 75 report for Employer's FY June 30, 2021.

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

See Independent Auditors' Report.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

ANNUAL COMPREHENSIVE FINANCIAL REPORT

General Operating Fund

The General Operating Fund is the primary operating fund of the Board. It was created in response to the provisions of P.A. 89-15 which consolidated all of the rate-limited tax levies into the Board's general education tax levy. All information in this fund is presented in accordance with the provisions of the Illinois Program Accounting Manual for Local Education Agencies. The General Operating Fund includes all the revenues and expenditures of the following programs: Educational Program; Supplementary General State Aid Program; Chicago Teacher's Pension Program; School Lunch Program; Elementary and Secondary Education Act Program; Individuals with Disabilities Education Act Program; Workers' and Unemployment Compensation/Tort Immunity Program; Public Building Commission Operations and Maintenance Program, ARRA American Recovery and Reinvestment Act Program, Elementary and Secondary School Relief Program, and Other Government-funded Programs.

Financial Section — Individual Fund Schedules

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

GENERAL OPERATING FUND SCHEDULE OF REVENUES, EXPENDITURES AND NET CHANGES IN FUND BALANCE FINAL APPROPRIATIONS AND ACTUAL For the Fiscal Year Ended June 30, 2021 With Comparative Amounts for the Fiscal Year Ended June 30, 2020 (Thousands of dollars)

	Final Budget	Fiscal Year 2021 Actual	Over (Under) Budget	Fiscal Year 2020 Actual	2021 Over (Under) 2020
Revenues:					
Property taxes	\$ 3,203,960	\$ 3,097,307	\$ (106,653)	\$ 3,014,452	\$ 82,855
Replacement taxes	155,475	242,643	87,168	139,729	102,914
State aid	1,845,888	1,817,275	(28,613)	1,846,012	(28,737)
Federal aid	1,301,791	1,116,343	(185,448)	722,420	393,923
Interest and investment earnings	500	584	84	6,000	(5,416)
Other	386,356	470,381	84,025	469,328	1,053
Total revenues	<u>\$ 6,893,970</u>	<u>\$ 6,744,533</u>	<u>\$ (149,437)</u>	<u>\$ 6,197,941</u>	<u>\$ 546,592</u>
Expenditures:					
Teachers' salaries	\$ 2,224,491	\$ 2,133,813	\$ (90,678)	\$ 1,990,348	\$ 143,465
Career service salaries	782,405	723,876	(58,529)	706,758	17,118
Energy	69,436	63,294	(6,142)	70,935	(7,641)
Food	136,904	51,663	(85,241)	94,333	(42,670)
Textbook	86,905	65,859	(21,046)	57,664	8,195
Supplies	136,279	109,334	(26,945)	60,024	49,310
Other commodities	769	609	(160)	229	380
Professional and special services	737,000	540,289	(196,711)	506,269	34,020
Charter Schools	810,983	820,187	9,204	768,328	51,859
Transportation	119,372	67,948	(51,424)	103,693	(35,745)
Tuition	76,214	68,264	(7,950)	64,063	4,201
Telephone and telecommunications	17,856	27,752	9,896	16,581	11,171
Other services	27,420	18,787	(8,633)	25,508	(6,721)
Equipment - educational	90,135	61,102	(29,033)	48,384	12,718
Repair and replacements	39,417	36,222	(3,195)	45,592	(9,370)
Capital outlay	—	12	12	6	6
Teachers' pension	1,015,297	1,003,935	(11,362)	968,083	35,852
Career service pension	177,803	221,022	43,219	188,977	32,045
Hospitalization and dental insurance	396,312	398,385	2,073	347,073	51,312
Medicare	45,896	40,797	(5,099)	38,702	2,095
Unemployment compensation	9,362	1,490	(7,872)	5,452	(3,962)
Workers compensation	22,905	17,619	(5,286)	22,602	(4,983)
Rent	19,948	17,151	(2,797)	17,350	(199)
Debt service	20,562	8,527	(12,035)	7,364	1,163
Other fixed charges	(147,701)	9,921	157,622	9,329	592
Total expenditures	<u>\$ 6,915,970</u>	<u>\$ 6,507,858</u>	<u>\$ (408,112)</u>	<u>\$ 6,163,647</u>	<u>\$ 344,211</u>
Revenues in excess of (less than) expenditures	<u>\$ (22,000)</u>	<u>\$ 236,675</u>	<u>\$ 258,675</u>	<u>\$ 34,294</u>	<u>\$ 202,381</u>
Other financing sources (uses):					
Transfers in (out)	—	—	—	11,010	(11,010)
Total other financing sources (uses)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 11,010</u>	<u>\$ (11,010)</u>
Net change in fund balances	\$ (22,000)	\$ 236,675	\$ 258,675	\$ 45,304	\$ 191,371
Fund balances, beginning of period as restated	567,093	567,093	—	471,766	95,327
Fund balances, end of period	<u>\$ 545,093</u>	<u>\$ 803,768</u>	<u>\$ 258,675</u>	<u>\$ 517,070</u>	<u>\$ 286,698</u>



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Capital Projects Fund

The Capital Projects Fund is for the receipts and expenditures of revenues for Board capital projects. This fund includes the Capital Asset Program and the Capital Improvement Program.

Capital Asset Program:

This program is for the receipts and expenditures of proceeds from the sale of certain Board real estate, and other miscellaneous capital project revenues from various sources as designated by the Board.

Capital Improvement Program:

This program is for the receipts and expenditures of proceeds from the sale of Unlimited Tax General Obligation Bonds, Public Building Commission Building Revenue Bonds, State of Illinois construction grant receipts and federal E-rate capital subsidies for the purpose of building and improving schools at the designation of the Board.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
OTHER FINANCING SOURCES AND NET CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2021
(Thousands of dollars)

	Capital Asset Program	Capital Improvement Program	Total
Revenues:			
Property taxes	\$ —	\$ 8,696	\$ 8,696
State aid	—	17,463	17,463
Federal aid	—	7,639	7,639
Interest and investment earnings	—	1,108	1,108
Other	46	4,001	4,047
Total revenues	<u>\$ 46</u>	<u>\$ 38,907</u>	<u>\$ 38,953</u>
Expenditures:			
Capital outlay	\$ 6	\$ 565,689	\$ 565,695
Total expenditures	<u>\$ 6</u>	<u>\$ 565,689</u>	<u>\$ 565,695</u>
Revenues less than expenditures	<u>\$ 40</u>	<u>\$ (526,782)</u>	<u>\$ (526,742)</u>
Other financing sources (uses):			
Gross amounts from debt issuances	\$ —	\$ 419,156	\$ 419,156
Premiums	—	113,020	113,020
Transfers in / (out)	—	1,284	1,284
Total other financing sources (uses)	<u>\$ —</u>	<u>\$ 533,460</u>	<u>\$ 533,460</u>
Net change in fund balances	\$ 40	\$ 6,678	\$ 6,718
Fund balances, beginning of period	57,565	124,536	182,101
Fund balances, end of period	<u>\$ 57,605</u>	<u>\$ 131,214</u>	<u>\$ 188,819</u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

CAPITAL ASSET PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES AND NET CHANGE IN
FUND BALANCE-FINAL— APPROPRIATIONS VS. ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020
(Thousands of dollars)

	Final Appropriations	Fiscal Year 2021	Variance	Fiscal Year 2020	2021 Over (Under) 2020
Revenues:					
Other	\$ —	\$ 46	\$ 46	\$ (24)	\$ 70
Total revenues	\$ —	\$ 46	\$ 46	\$ (24)	\$ 70
Expenditures:					
Services	\$ —	\$ —	\$ —	\$ —	\$ —
Capital outlay	—	6	6	—	6
Total expenditures	\$ —	\$ 6	\$ 6	\$ —	\$ 6
Revenues less than expenditures	\$ —	\$ 40	\$ 40	\$ (24)	\$ 64
Other financing sources:					
Sales of general capital assets	\$ —	\$ —	\$ —	\$ 166	\$ (166)
Total other financing sources	\$ —	\$ —	\$ —	\$ 166	\$ (166)
Net change in fund balance	\$ —	\$ 40	\$ 40	\$ 142	\$ (102)
Fund balance, beginning of period	57,565	57,565	—	57,423	142
Fund balance, end of period	\$ 57,565	\$ 57,605	\$ 40	\$ 57,565	\$ 40

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

CAPITAL IMPROVEMENT PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES BY OBJECT,
OTHER FINANCING SOURCES (USES) AND NET CHANGE IN FUND BALANCE
FINAL APPROPRIATIONS VS. ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020
(Thousands of dollars)

	Final Appropriations	Fiscal Year 2021	Variance	Fiscal Year 2020	2021 Over (Under) 2020
Revenues:					
Property taxes.....	\$ 5,256	\$ 8,696	\$ 3,440	\$ 8,743	\$ (47)
State aid.....	47,272	17,463	(29,809)	10,741	6,722
Federal aid.....	10,073	7,639	(2,434)	—	7,639
Interest and investment earnings.....	—	1,108	1,108	12,755	(11,647)
Other.....	42,150	4,001	(38,149)	16,132	(12,131)
Total revenues.....	<u>\$ 104,751</u>	<u>\$ 38,907</u>	<u>\$ (65,844)</u>	<u>\$ 48,371</u>	<u>\$ (9,464)</u>
Expenditures:					
Salaries.....	\$ 1,467	\$ 1,317	\$ (150)	\$ 1,089	\$ 228
Services.....	—	38,102	38,102	15,357	22,745
Textbook.....	—	—	—	28,003	(28,003)
Educational equipment.....	—	1,703	1,703	—	1,703
Capital outlay.....	756,172	506,988	(249,184)	550,429	(43,441)
Pension.....	199	207	8	185	22
Hospitalization and dental insurance.....	122	114	(8)	74	40
Medicare.....	21	18	(3)	15	3
Unemployment compensation.....	5	1	(4)	2	(1)
Workers compensation.....	14	9	(5)	10	(1)
Other.....	—	17,230	17,230	(11,784)	29,014
Total expenditures.....	<u>\$ 758,000</u>	<u>\$ 565,689</u>	<u>\$ (192,311)</u>	<u>\$ 583,379</u>	<u>\$ (17,690)</u>
Revenues less than expenditures.....	<u>\$ (653,249)</u>	<u>\$ (526,782)</u>	<u>\$ 126,467</u>	<u>\$ (535,008)</u>	<u>\$ 8,225</u>
Other financing sources (uses):					
Gross amounts from debt issuances.....	\$ 400,000	\$ 419,156	\$ 19,156	\$ —	\$ 419,156
Premiums.....	—	113,020	113,020	—	113,020
Transfers in.....	—	1,284	1,284	220	1,064
Total other financing sources (uses).....	<u>\$ 400,000</u>	<u>\$ 533,460</u>	<u>\$ 133,460</u>	<u>\$ 220</u>	<u>\$ 533,240</u>
Net change in fund balance.....	\$ (253,249)	\$ 6,678	\$ 259,927	\$ (534,788)	\$ 541,466
Fund balance, beginning of period.....	124,536	124,536	—	659,324	(534,788)
Fund balance, end of period.....	<u>\$ (128,713)</u>	<u>\$ 131,214</u>	<u>\$ 259,927</u>	<u>\$ 124,536</u>	<u>\$ 6,678</u>

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Debt Service Fund

The Debt Service Fund is established to account for annual property tax levies and other revenues that are used for the payment of principal and interest and redemption for general obligation bonds by the Board and for lease payments to the Public Building Commission. The fund includes the Bond Redemption and Interest Program.

Bond Redemption and Interest Program:

This program is for the receipt and expenditure of replacement taxes, City of Chicago Intergovernmental Agreement Revenue, State of Illinois construction grant receipts and other revenues as designated by the Board for the payment of interest and principal on specific bond issues.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, OTHER
FINANCING SOURCES (USES) AND NET CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2021
(Thousands of dollars)

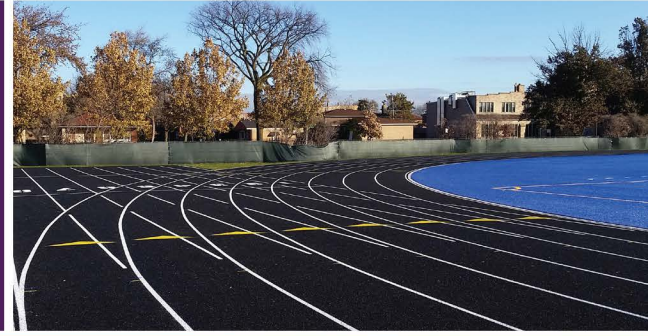
	Bond Redemption and Interest Program
Revenues:	
Property taxes	\$ 51,471
Replacement taxes	39,432
State aid	454,450
Federal aid	24,963
Interest and investment earnings	1,191
Other	99,470
Total revenues	<u>\$ 670,977</u>
Expenditures:	
Current:	
Debt service	\$ 661,542
Total expenditures	<u>\$ 661,542</u>
Revenues less than expenditures	<u>\$ 9,435</u>
Other financing sources (uses):	
Gross amounts from debt issuances	\$ 138,349
Premiums	26,112
Payment to refunded bond escrow agent	(132,560)
Transfers in (out)	(1,284)
Total other financing sources (uses)	<u>30,617</u>
Net change in fund balances	\$ 40,052
Fund balances, beginning of period	793,540
Fund balances, end of period	<u>\$ 833,592</u>

Financial Section — Individual Fund Schedules

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

BOND REDEMPTION AND INTEREST PROGRAM SCHEDULE OF REVENUES, EXPENDITURES BY OBJECT, OTHER FINANCING SOURCES (USES) AND NET CHANGE IN FUND BALANCE FINAL APPROPRIATIONS VS. ACTUAL For the Fiscal Year Ended June 30, 2021 With Comparative Amounts for the Fiscal Year Ended June 30, 2020 (Thousands of Dollars)

	Final Appropriations	Fiscal Year 2021	Variance	Fiscal Year 2020	2021 Over (Under) 2020
Revenues:					
Property taxes	\$ 55,696	\$ 51,471	\$ (4,225)	\$ 50,828	\$ 643
Replacement taxes	39,432	39,432	—	62,722	(23,290)
State aid	445,646	454,450	8,804	383,054	71,396
Federal aid	24,808	24,963	155	24,936	27
Interest and investment earnings	—	1,191	1,191	28,419	(27,228)
Other	142,300	99,470	(42,830)	136,665	(37,195)
Total revenues	<u>\$ 707,882</u>	<u>\$ 670,977</u>	<u>\$ (36,905)</u>	<u>\$ 686,624</u>	<u>\$ (15,647)</u>
Expenditures:					
Debt Service	\$ 710,530	\$ 661,542	\$ (48,988)	\$ 623,184	\$ 38,358
Total expenditures	<u>\$ 710,530</u>	<u>\$ 661,542</u>	<u>\$ (48,988)</u>	<u>\$ 623,184</u>	<u>\$ 38,358</u>
Revenues less than expenditures ..	<u>\$ (2,648)</u>	<u>\$ 9,435</u>	<u>\$ 12,083</u>	<u>\$ 63,440</u>	<u>\$ (54,005)</u>
Other financing sources (uses):					
Gross amounts from debt issuances	\$ —	\$ 138,349	\$ 138,349	\$ 349,079	\$ (210,730)
Premiums	—	26,112	26,112	50,391	(24,279)
Payment to refunded bond escrow agent	—	(132,560)	(132,560)	(401,956)	269,396
Transfers in (out)	—	(1,284)	(1,284)	(4,714)	3,430
Total other financing sources (uses)	<u>\$ —</u>	<u>\$ 30,617</u>	<u>\$ 30,617</u>	<u>\$ (7,200)</u>	<u>\$ 37,817</u>
Net change in fund balance	\$ (2,648)	\$ 40,052	\$ 42,700	\$ 56,240	\$ (16,188)
Fund balance, beginning of period	793,540	793,540	—	737,300	56,240
Fund balance, end of period	<u>\$ 790,892</u>	<u>\$ 833,592</u>	<u>\$ 42,700</u>	<u>\$ 793,540</u>	<u>\$ 40,052</u>



Richardson Middle School



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

ANNUAL COMPREHENSIVE FINANCIAL REPORT
STATISTICAL SECTION

This part of CPS' Annual Comprehensive 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 CPS' overall financial position.

Contents:

Financial Trends

These schedules contain trend information to help the reader understand how CPS' financial performance has changed over time.

Revenue Capacity

These schedules contain information to help the reader assess CPS' major revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of CPS' current levels of outstanding debt and CPS' ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which CPS' financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in CPS' financial report relates to the services CPS provides and the activities it performs.

Sources:

Unless otherwise noted, the information contained herein is derived from the annual comprehensive financial reports for the relevant year.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

COMPONENTS OF NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Thousands of dollars)

	2012 (1) (as restated)	2013	2014	2015
Net investment in capital assets	\$ 310,028	\$ 80,009	\$ (37,194)	\$ (159,007)
Restricted for:				
Capital projects	—	—	—	—
Debt service	282,253	345,399	368,794	445,663
Restricted for school internal accounts	—	—	—	—
Grants and donations	70,302	63,862	61,451	64,584
Workers' comp/tort immunity	92,680	64,985	19,838	41,373
Teacher's Pension Contributions	—	—	—	—
Unrestricted	<u>(2,552,441)</u>	<u>(3,358,734)</u>	<u>(4,372,335)</u>	<u>(11,604,516)</u>
Total net position (deficit)	<u>\$ (1,797,178)</u>	<u>\$ (2,804,479)</u>	<u>\$ (3,959,446)</u>	<u>\$ (11,211,903)</u>

- 1) Certain items in the FY2012 financial statements were restated to reflect the effects of GASB 63 and GASB 65 adopted in FY2013.
- 2) Certain items in the FY2016 financial statements were restated to reflect the effects of GASB 82 adopted in FY2017.
- 3) Certain items in the FY2017 financial statements were restated to reflect the effects of GASB 75 adopted in FY2018.
- 4) Certain items in the FY2020 financial statements were restated to reflect the effects of GASB 84 adopted in FY2020.

2016 (2) (as restated)	2017 (3) (as restated)	2018	2019	2020 (4) (as restated)	2021
\$ (342,529)	\$ (644,224)	\$ (743,406)	\$ (1,425,566)	\$ (1,560,713)	\$ (1,757,203)
—	125,516	167,172	106,701	62,028	47,925
510,743	630,308	744,517	715,845	706,872	718,477
—	—	—	—	—	48,230
65,282	52,287	52,333	16,183	13,553	12,143
35,116	27,344	—	—	—	—
—	—	9,287	14,125	14,323	4,217
(12,362,437)	(13,497,487)	(14,286,782)	(14,223,061)	(15,112,632)	(16,451,536)
<u>\$ (12,093,825)</u>	<u>\$ (13,306,256)</u>	<u>\$ (14,056,879)</u>	<u>\$ (14,795,773)</u>	<u>\$ (15,876,569)</u>	<u>\$ (17,377,747)</u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Thousands of dollars)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental Activities:				
Expenses:				
Instruction	\$ 3,742,788	\$ 4,040,352	\$ 4,139,906	\$ 4,217,996
Pupil support services	483,167	494,076	487,139	484,745
Administrative support services	192,605	211,294	241,913	249,662
Facilities support services	455,342	490,381	654,971	477,892
Instructional support services	473,202	491,137	474,926	492,232
Food services	219,382	234,659	205,989	207,834
Community services	38,941	39,946	37,507	37,997
Interest expense	310,452	337,053	335,237	332,023
Other	8,115	7,043	6,134	6,319
Total governmental activities	<u>\$ 5,923,994</u>	<u>\$ 6,345,941</u>	<u>\$ 6,583,722</u>	<u>\$ 6,506,700</u>
Program revenues:				
Charges for services				
Instruction	\$ 727	\$ 700	\$ 657	\$ 571
Food services	6,083	5,554	3,485	1,303
Operating grants and contributions	1,196,073	963,325	1,086,885	1,051,655
Capital grants and contributions	112,914	186,394	162,403	356,189
Total program revenues	<u>\$ 1,315,797</u>	<u>\$ 1,155,973</u>	<u>\$ 1,253,430</u>	<u>\$ 1,409,718</u>
Revenues (less than) expenditures	<u>\$ (4,608,197)</u>	<u>\$ (5,189,968)</u>	<u>\$ (5,330,292)</u>	<u>\$ (5,096,982)</u>
General revenues and other changes in net position:				
Taxes:				
Property taxes	\$ 2,089,016	\$ 2,156,943	\$ 2,218,033	\$ 2,302,881
Replacement taxes	181,927	185,884	188,040	202,148
Non-program state aid	1,611,726	1,688,611	1,572,564	1,492,019
Interest and investment earnings	20,683	7,879	15,563	(47,720)
Gain on sale of capital assets	—	—	—	—
Other	147,550	143,350	181,125	125,638
Total general revenues	<u>\$ 4,050,902</u>	<u>\$ 4,182,667</u>	<u>\$ 4,175,325</u>	<u>\$ 4,074,966</u>
Change in net position	<u>\$ (557,295)</u>	<u>\$ (1,007,301)</u>	<u>\$ (1,154,967)</u>	<u>\$ (1,022,016)</u>

	2016	2017	2018	2019	2020	2021
\$	3,870,330	\$ 4,024,653	\$ 4,449,069	\$ 4,770,114	\$ 5,036,763	\$ 5,831,771
	470,316	472,176	481,371	513,667	564,302	582,704
	318,736	301,053	171,493	215,700	353,496	443,736
	454,652	465,170	455,563	536,053	668,369	700,399
	468,999	460,568	496,199	585,280	606,146	742,780
	211,288	213,920	219,809	231,401	238,660	184,966
	36,967	39,625	39,863	42,641	43,691	63,151
	365,136	448,126	544,857	504,458	505,157	485,888
	7,388	12,691	10,015	15,322	17,690	—
\$	<u>6,203,812</u>	<u>\$ 6,437,982</u>	<u>\$ 6,868,239</u>	<u>\$ 7,414,636</u>	<u>\$ 8,034,274</u>	<u>\$ 9,035,395</u>
\$	612	\$ 647	\$ 698	\$ 734	\$ 452	\$ 501
	1,336	1,522	3,356	2,698	1,808	358
	1,147,750	1,156,382	1,322,703	1,553,775	1,612,177	2,043,353
	109,766	57,658	60,896	49,773	18,307	34,706
\$	<u>1,259,464</u>	<u>\$ 1,216,209</u>	<u>\$ 1,387,653</u>	<u>\$ 1,606,980</u>	<u>\$ 1,632,744</u>	<u>\$ 2,078,918</u>
\$	<u>(4,944,348)</u>	<u>\$ (5,221,773)</u>	<u>\$ (5,480,586)</u>	<u>\$ (5,807,656)</u>	<u>\$ (6,401,530)</u>	<u>\$ (6,956,477)</u>
\$	2,399,287	\$ 2,696,046	\$ 2,889,401	\$ 3,041,009	\$ 3,075,049	\$ 3,155,962
	161,535	227,921	168,254	187,232	202,452	282,075
	1,442,822	1,212,143	1,451,897	1,605,783	1,666,153	1,658,276
	(18,706)	5,442	19,022	47,250	47,514	2,883
	10,058	7,008	8,674	—	—	—
	190,480	156,369	192,715	187,488	329,566	306,080
\$	<u>4,185,476</u>	<u>\$ 4,304,929</u>	<u>\$ 4,729,963</u>	<u>\$ 5,068,762</u>	<u>\$ 5,320,734</u>	<u>\$ 5,405,276</u>
\$	<u>(758,872)</u>	<u>\$ (916,844)</u>	<u>\$ (750,623)</u>	<u>\$ (738,894)</u>	<u>\$ (1,080,796)</u>	<u>\$ (1,551,201)</u>

CHICAGO PUBLIC SCHOOLS

Chicago Board of Education

COMPONENTS OF FUND BALANCE

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

(Thousands of dollars)

	2012	2013	2014	2015
General operating fund				
Nonspendable	\$ 3,329	\$ 1,720	\$ 429	\$ 429
Restricted for grants and donations	69,873	63,434	61,022	64,155
Restricted for workers' comp/tort immunity	92,680	64,985	19,838	41,373
Restricted for teacher's pension contributions	—	—	—	—
Restricted for school internal accounts	—	—	—	—
Assigned for appropriated fund balance	348,900	562,682	267,652	79,225
Assigned for commitments and contracts	110,397	105,664	87,067	73,101
Unassigned	443,575	150,658	—	102,002
Total general operating fund	<u>\$ 1,068,754</u>	<u>\$ 949,143</u>	<u>\$ 436,008</u>	<u>\$ 360,285</u>
All other governmental funds				
Nonspendable	\$ 5,674	\$ 4,388	\$ —	\$ —
Restricted for capital improvement program	88,762	169,368	—	—
Restricted for debt service	332,517	466,966	491,552	545,383
Assigned for debt service	254,967	269,167	193,877	57,057
Unassigned (deficit)	—	—	(91,953)	(131,111)
Total all other governmental funds	<u>\$ 681,920</u>	<u>\$ 909,889</u>	<u>\$ 593,476</u>	<u>\$ 471,329</u>

NOTES:

1) Certain items in the FY2020 financial statements were restated to reflect the effects of GASB 84 adopted in FY2020.

	2016	2017	2018	2019	2020 (1)	2021
\$	429	\$ 429	\$ 429	\$ 429	\$ 429	\$ 429
	64,854	51,858	52,333	16,183	13,518	12,143
	35,116	27,344	—	—	—	—
	—	—	9,287	14,125	14,324	4,217
	—	—	—	—	50,023	48,230
	—	—	—	—	—	—
	—	—	18,044	94,733	109,944	135,314
	(227,031)	(354,861)	243,671	346,296	378,855	603,435
\$	<u>(126,632)</u>	<u>(275,230)</u>	<u>323,764</u>	<u>471,766</u>	<u>567,093</u>	<u>803,768</u>
\$	—	\$ 2,356,000	\$ —	\$ —	\$ —	\$ —
	107,248	792,586	895,111	716,747	182,101	188,819
	535,116	660,501	785,176	753,962	747,627	769,537
	—	—	341	20,080	45,913	64,055
	(65,809)	(85,691)	—	—	—	—
\$	<u>576,555</u>	<u>3,723,396</u>	<u>1,680,628</u>	<u>1,490,789</u>	<u>975,641</u>	<u>1,022,411</u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

**CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS**
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Thousands of dollars)

	<u>2012</u>	<u>2013</u>	<u>2014 (1)</u>	<u>2015</u>
Revenues:				
Property taxes	\$ 2,352,136	\$ 2,211,568	\$ 2,204,252	\$ 2,304,656
Replacement taxes	181,927	185,884	188,041	202,148
State aid	1,965,901	1,815,798	1,840,805	1,847,069
Federal aid	935,951	845,796	907,241	798,931
Interest and investment earnings	20,760	7,303	15,596	(92,825)
Other	303,744	322,128	286,472	377,286
Total revenues	<u>\$ 5,760,419</u>	<u>\$ 5,388,477</u>	<u>\$ 5,442,407</u>	<u>\$ 5,437,265</u>
Expenditures:				
Current:				
Instruction	\$ 2,992,481	\$ 3,034,509	\$ 3,126,689	\$ 3,253,484
Pupil support services	469,366	454,240	457,939	459,672
General support services	967,692	941,270	987,048	972,526
Food services	213,115	215,739	193,642	197,084
Community services	39,794	39,656	37,460	38,003
Teachers' pension and retirement benefits	183,499	227,766	593,225	676,078
Other	8,115	7,043	6,134	6,319
Capital outlay	591,148	519,604	534,980	391,953
Debt service:				
Principal	88,466	73,423	148,272	214,707
Interest	275,707	304,788	315,927	310,923
Other charges	10,321	12,198	3,705	7,863
Total expenditures	<u>\$ 5,839,704</u>	<u>\$ 5,830,236</u>	<u>\$ 6,405,021</u>	<u>\$ 6,528,612</u>
Revenues (less than) expenditures	<u>\$ (79,285)</u>	<u>\$ (441,759)</u>	<u>\$ (962,614)</u>	<u>\$ (1,091,347)</u>
Other financing sources (uses):				
Gross amounts from debt issuances	\$ 592,510	\$ 982,720	\$ 131,600	\$ 561,880
Premiums on bonds issued	1,229	47,271	—	—
Insurance proceeds	—	—	—	—
Sales of general capital assets	—	723	7,301	37,504
Payment to refunded bond escrow agent	(190,100)	(480,597)	—	(386,710)
Discounts on bonds issued	—	—	—	(12,502)
Total other financing sources (uses)	<u>\$ 403,639</u>	<u>\$ 550,117</u>	<u>\$ 138,901</u>	<u>\$ 200,172</u>
Net changes in fund balances	<u>\$ 324,354</u>	<u>\$ 108,358</u>	<u>\$ (823,713)</u>	<u>\$ (891,175)</u>
Debt service as a percentage of noncapital expenditures				
	6.89%	7.02%	7.64%	8.47%

NOTES:

1) Fiscal year 2014 was restated due to a change in the revenue recognition period in fiscal year 2015.

	2016	2017	2018	2019	2020	2021
\$	2,408,416	\$ 2,714,956	\$ 2,897,870	\$ 2,984,026	\$ 3,074,091	\$ 3,157,474
	161,535	227,921	168,254	187,232	202,451	282,075
	1,552,325	1,708,865	2,196,956	2,182,942	2,239,807	2,289,188
	808,999	783,943	767,928	705,355	747,356	1,148,945
	(95,650)	5,442	19,022	47,250	47,514	2,883
	437,042	387,045	461,692	536,349	622,101	573,898
\$	<u>5,272,667</u>	<u>\$ 5,828,172</u>	<u>\$ 6,511,722</u>	<u>\$ 6,643,154</u>	<u>\$ 6,933,320</u>	<u>\$ 7,454,463</u>

\$	2,970,553	\$ 2,859,105	\$ 3,108,443	\$ 3,263,334	\$ 3,247,193	\$ 3,444,901
	448,254	441,324	453,389	486,490	537,732	551,884
	1,044,740	948,943	888,314	1,025,546	1,231,120	1,387,216
	201,377	199,944	207,042	219,159	227,422	175,183
	37,497	39,607	40,047	42,919	43,985	62,993
	664,123	708,941	762,816	787,183	835,399	844,054
	7,388	12,691	10,016	15,322	17,689	12,304
	308,091	217,303	352,028	625,306	599,122	592,336
	139,096	152,638	144,717	144,542	171,755	176,315
	310,778	375,679	443,886	428,290	483,474	486,019
	31,545	77,377	62,802	63,382	5,953	1,890
\$	<u>6,163,442</u>	<u>\$ 6,033,552</u>	<u>\$ 6,473,500</u>	<u>\$ 7,101,473</u>	<u>\$ 7,400,844</u>	<u>\$ 7,735,095</u>
\$	<u>(890,775)</u>	<u>\$ (205,380)</u>	<u>\$ 38,222</u>	<u>\$ (458,319)</u>	<u>\$ (467,524)</u>	<u>\$ (280,632)</u>

\$	724,999	\$ 879,580	\$ 2,152,150	\$ 849,395	\$ 349,079	\$ 557,505
	—	—	65,353	33,399	50,391	139,132
	—	224	—	—	—	—
	15,012	6,272	9,442	1,251	166	—
	(120,856)	—	(1,321,865)	(457,035)	(401,956)	(132,560)
	(110,071)	(36,097)	(33,432)	(10,528)	—	—
\$	<u>509,084</u>	<u>\$ 849,979</u>	<u>\$ 871,648</u>	<u>\$ 416,482</u>	<u>\$ (2,320)</u>	<u>\$ 564,077</u>
\$	<u>(381,691)</u>	<u>\$ 644,599</u>	<u>\$ 909,870</u>	<u>\$ (41,837)</u>	<u>\$ (469,844)</u>	<u>\$ 283,445</u>

7.61% 8.97% 9.48% 8.72% 9.44% 9.11%

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

REVENUES BY SOURCE — ALL PROGRAMS
Last Ten Fiscal Years
(Thousands of dollars)

	2012		2013	
	Amount	Percent of Total	Amount	Percent of Total
Revenues:				
Property taxes	\$ 2,352,136	40.8%	\$ 2,211,568	41.1%
Replacement taxes	181,927	3.2%	185,884	3.4%
State aid	1,965,901	34.1%	1,815,798	33.7%
Federal aid	935,951	16.2%	845,796	15.7%
Interest and investment earnings	20,760	0.4%	7,303	0.1%
Other	303,744	5.3%	322,128	6.0%
Total revenues	<u>\$ 5,760,419</u>	<u>100.0%</u>	<u>\$ 5,388,477</u>	<u>100.0%</u>

	2017		2018	
	Amount	Percent of Total	Amount	Percent of Total
Revenues:				
Property taxes	\$ 2,714,956	46.6%	\$ 2,897,870	44.5%
Replacement taxes	227,920	3.9%	168,254	2.6%
State aid	1,708,865	29.3%	2,196,956	33.7%
Federal aid	783,943	13.5%	767,928	11.8%
Interest and investment earnings	5,443	0.1%	19,022	0.3%
Other	387,045	6.6%	461,692	7.1%
Total revenues	<u>\$ 5,828,172</u>	<u>100.0%</u>	<u>\$ 6,511,722</u>	<u>100.0%</u>

NOTES:

This schedule was prepared using the modified accrual basis of accounting.

2014 (as restated)		2015		2016	
Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
\$ 2,204,252	40.5%	\$ 2,304,656	42.4%	\$ 2,408,416	45.7%
188,041	3.5%	202,148	3.7%	161,535	3.1%
1,840,805	33.9%	1,847,069	34.0%	1,552,325	29.4%
907,241	16.7%	798,931	14.7%	808,999	15.3%
15,596	0.3%	(92,825)	(1.7%)	(95,650)	(1.8%)
286,472	5.3%	377,286	6.9%	437,042	8.3%
<u>\$ 5,442,407</u>	<u>100.0%</u>	<u>\$ 5,437,265</u>	<u>100.0%</u>	<u>\$ 5,272,667</u>	<u>100.0%</u>

2019		2020		2021	
Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
\$ 2,984,026	44.9%	\$ 3,074,091	44.3%	\$ 3,157,474	42.4%
187,232	2.8%	202,451	2.9%	282,075	3.8%
2,182,942	32.9%	2,239,807	32.3%	2,289,188	30.7%
705,355	10.6%	747,356	10.8%	1,148,945	15.4%
47,250	0.7%	47,514	0.7%	2,883	—%
536,349	8.1%	622,101	9.0%	573,898	7.7%
<u>\$ 6,643,154</u>	<u>100.0%</u>	<u>\$ 6,933,320</u>	<u>100.0%</u>	<u>\$ 7,454,463</u>	<u>100.0%</u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

EXPENDITURES BY FUNCTION — ALL PROGRAMS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Thousands of dollars)

	2012		2013	
	Amount	Percent of Total	Amount	Percent of Total
Expenditures:				
Current:				
Instruction	\$ 2,992,481	51.3%	\$ 3,034,509	52.0%
Pupil support services	469,366	8.0%	454,240	7.9%
General support services	967,692	16.6%	941,270	16.1%
Food services	213,115	3.7%	215,739	3.7%
Community services	39,794	0.7%	39,656	0.7%
Teachers' pension and retirement benefits	183,499	3.1%	227,766	3.9%
Other	8,115	0.1%	7,043	0.1%
Capital outlay	591,148	10.1%	519,604	8.9%
Debt service	374,494	6.4%	390,409	6.7%
Total expenditures	<u>\$ 5,839,704</u>	<u>100.0%</u>	<u>\$ 5,830,236</u>	<u>100.0%</u>

	2017		2018	
	Amount	Percent of Total	Amount	Percent of Total
Expenditures:				
Current:				
Instruction	\$ 2,859,105	47.5%	\$ 3,108,443	48.0%
Pupil support services	441,324	7.3%	453,389	7.0%
General support services	984,943	16.3%	888,314	13.7%
Food services	199,944	3.3%	207,042	3.2%
Community services	39,607	0.7%	40,047	0.6%
Teachers' pension and retirement benefits	708,941	11.7%	762,816	11.8%
Other	12,691	0.2%	10,016	0.2%
Capital outlay	217,303	3.6%	352,028	5.4%
Debt service	569,694	9.4%	651,405	10.1%
Total expenditures	<u>\$ 6,033,552</u>	<u>100.0%</u>	<u>\$ 6,473,500</u>	<u>100.0%</u>

2014 (as restated)		2015		2016	
Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
\$ 3,126,689	48.8%	\$ 3,253,484	49.9%	\$ 2,970,553	48.1%
457,939	7.1%	459,672	7.1%	448,254	7.3%
987,048	15.4%	972,526	14.9%	1,044,740	17.0%
193,642	3.0%	197,084	3.0%	201,377	3.3%
37,460	0.6%	38,003	0.6%	37,497	0.6%
593,225	9.3%	676,078	10.4%	664,123	10.8%
6,134	0.1%	6,319	0.1%	7,388	0.1%
534,980	8.4%	391,953	6.0%	308,091	5.0%
467,904	7.3%	533,493	8.0%	481,419	7.8%
<u>\$ 6,405,021</u>	<u>100.0%</u>	<u>\$ 6,528,612</u>	<u>100.0%</u>	<u>\$ 6,163,442</u>	<u>100.0%</u>

2019		2020		2021	
Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
\$ 3,263,334	45.9%	\$ 3,247,193	43.8%	\$ 3,444,901	44.5%
486,490	6.9%	537,732	7.3%	551,884	7.1%
1,025,546	14.4%	1,231,120	16.5%	1,387,216	17.9%
219,159	3.1%	227,422	3.1%	175,183	2.3%
42,919	0.6%	43,985	0.6%	62,993	0.8%
787,183	11.1%	835,399	11.3%	844,054	10.9%
15,322	0.2%	17,689	0.2%	12,304	0.2%
625,306	8.8%	599,122	8.3%	592,336	7.7%
636,214	9.0%	661,182	8.9%	664,224	8.6%
<u>\$ 7,101,473</u>	<u>100.0%</u>	<u>\$ 7,400,844</u>	<u>100.0%</u>	<u>\$ 7,735,095</u>	<u>100.0%</u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
DETAILED SCHEDULE OF REVENUE AND EXPENDITURES
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020
(Modified Accrual Basis of Accounting)
(Thousands of Dollars)

	Fiscal Year 2021	Fiscal Year 2020	2021 Over (Under) 2020
Revenues:			
Local taxes:			
Property taxes	\$ 3,097,307	\$ 3,014,452	\$ 82,855
Replacement taxes	242,643	139,729	102,914
Total revenue from local taxes	<u>\$ 3,339,950</u>	<u>\$ 3,154,181</u>	<u>\$ 185,769</u>
Local nontax revenue:			
Interest and investment earnings	\$ 584	\$ 6,000	\$ (5,416)
Lunchroom operations	867	2,268	(1,401)
Other	469,514	467,060	2,454
Total nontax revenue	<u>\$ 470,965</u>	<u>\$ 475,328</u>	<u>(4,363)</u>
Total local revenue	<u>\$ 3,810,915</u>	<u>\$ 3,629,509</u>	<u>\$ 181,406</u>
State grants and subsidies:			
Evidence based funding	\$ 1,203,827	\$ 1,274,067	\$ (70,240)
Other	346,555	314,596	31,959
CTPF - Pension contribution	266,893	257,349	9,544
Total state grants & subsidies	<u>\$ 1,817,275</u>	<u>\$ 1,846,012</u>	<u>\$ (28,737)</u>
Federal grants and subsidies:			
Elementary and Secondary Education Act (ESEA)	\$ 319,938	\$ 244,027	\$ 75,911
School lunch program	105,672	182,033	(76,361)
Individuals with Disabilities Education Act (IDEA)	110,091	94,352	15,739
Other	580,642	202,008	378,634
Total federal grants and subsidies	<u>\$ 1,116,343</u>	<u>\$ 722,420</u>	<u>\$ 393,923</u>
Total revenues	<u><u>\$ 6,744,533</u></u>	<u><u>\$ 6,197,941</u></u>	<u><u>\$ 546,592</u></u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
DETAILED SCHEDULE OF REVENUE AND EXPENDITURES (continued)
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020
(Modified Accrual Basis of Accounting)
(Thousands of Dollars)

	Fiscal Year 2021	Fiscal Year 2020	2021 Over (Under) 2020
Expenditures:			
Instruction:			
Salaries	\$ 2,042,852	\$ 1,925,495	\$ 117,357
Commodities	66,841	73,749	(6,908)
Services	748,136	742,929	5,207
Equipment - educational	25,843	22,500	3,343
Building and sites	1,458	1,747	(289)
Fixed charges	559,771	480,773	78,998
Total instruction	<u>\$ 3,444,901</u>	<u>\$ 3,247,193</u>	<u>\$ 197,708</u>
Pupil support services:			
Salaries	\$ 288,272	\$ 283,663	\$ 4,609
Commodities	12,539	5,919	6,620
Services	150,601	155,582	(4,981)
Equipment - educational	1,024	695	329
Building and sites	763	1,222	(459)
Fixed charges	98,685	90,651	8,034
Total pupil support services	<u>\$ 551,884</u>	<u>\$ 537,732</u>	<u>\$ 14,152</u>
Administrative support services:			
Salaries	\$ 123,081	\$ 93,669	\$ 29,412
Commodities	27,599	18,434	9,165
Services	216,684	184,880	31,804
Equipment - educational	7,773	11,514	(3,741)
Building and sites	436	722	(286)
Fixed charges	33,039	27,634	5,405
Total administrative support services	<u>\$ 408,612</u>	<u>\$ 336,853</u>	<u>\$ 71,759</u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
DETAILED SCHEDULE OF REVENUE AND EXPENDITURES (continued)
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020
(Modified Accrual Basis of Accounting)
(Thousands of Dollars)

	Fiscal Year 2021	Fiscal Year 2020	2021 Over (Under) 2020
Facilities support services:			
Salaries.....	\$ 38,306	\$ 35,416	\$ 2,890
Commodities.....	83,475	73,250	10,225
Services.....	353,322	323,765	29,557
Equipment - educational.....	2,960	1,555	1,405
Building and sites.....	22,476	33,213	(10,737)
Fixed charges.....	39,296	36,287	3,009
Total facilities support services.....	<u>\$ 539,835</u>	<u>\$ 503,486</u>	<u>\$ 36,349</u>
Instructional support services:			
Salaries.....	\$ 280,185	\$ 263,526	\$ 16,659
Commodities.....	30,932	14,542	16,390
Services.....	35,780	35,412	368
Equipment - educational.....	16,014	9,014	7,000
Building and sites.....	2,019	2,286	(267)
Fixed charges.....	73,839	66,001	7,838
Total instructional support services.....	<u>\$ 438,769</u>	<u>\$ 390,781</u>	<u>\$ 47,988</u>
Food services:			
Salaries.....	\$ 67,624	\$ 78,078	\$ (10,454)
Commodities.....	51,372	93,952	(42,580)
Services.....	3,310	4,377	(1,067)
Equipment - educational.....	482	2,703	(2,221)
Fixed charges.....	52,395	48,311	4,084
Total food services.....	<u>\$ 175,183</u>	<u>\$ 227,421</u>	<u>\$ (52,238)</u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
DETAILED SCHEDULE OF REVENUE AND EXPENDITURES (continued)
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020
(Modified Accrual Basis of Accounting)
(Thousands of Dollars)

	Fiscal Year 2021	Fiscal Year 2020	2021 Over (Under) 2020
Community services:			
Salaries	\$ 13,528	\$ 13,916	\$ (388)
Commodities	9,954	1,186	8,768
Services	28,773	24,597	4,176
Equipment - educational	6,340	236	6,104
Building and sites	—	4	(4)
Fixed charges	4,398	4,046	352
Total community services	<u>\$ 62,993</u>	<u>\$ 43,985</u>	<u>\$ 19,008</u>
Teacher's Pension:			
Fixed charges	\$ 844,054	\$ 835,399	\$ 8,655
Total teachers' pension	<u>\$ 844,054</u>	<u>\$ 835,399</u>	<u>\$ 8,655</u>
Capital outlay:			
Salaries	\$ 3,601	\$ 3,147	\$ 454
Commodities	8,031	1,901	6,130
Services	4,045	3,074	971
Equipment - educational	666	167	499
Building and sites	9,083	6,403	2,680
Fixed charges	1,215	1,052	163
Total capital outlay	<u>\$ 26,641</u>	<u>\$ 15,744</u>	<u>\$ 10,897</u>
Debt service:			
Fixed charges	\$ 2,682	\$ 7,364	\$ (4,682)
Total debt service	<u>\$ 2,682</u>	<u>\$ 7,364</u>	<u>\$ (4,682)</u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
DETAILED SCHEDULE OF REVENUE AND EXPENDITURES (continued)
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020
(Modified Accrual Basis of Accounting)
(Thousands of Dollars)

	Fiscal Year 2021	Fiscal Year 2020	2021 Over (Under) 2020
Other:			
Fixed charges	\$ 12,304	\$ 17,690	\$ (5,386)
Total other	\$ 12,304	\$ 17,690	\$ (5,386)
Total expenditures	\$ 6,507,858	\$ 6,163,647	\$ 344,211

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CHICAGO PUBLIC SCHOOLS
 Chicago Board of Education

OTHER FINANCING SOURCES AND (USES)
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)
 (Thousands of dollars)

	2012	2013	2014	2015
General operating fund:				
Insurance proceeds	\$ —	\$ —	\$ —	\$ —
Transfers in/(out)	62	439	161	(12,915)
Total general operating fund	<u>\$ 62</u>	<u>\$ 439</u>	<u>\$ 161</u>	<u>\$ (12,915)</u>
All other governmental funds:				
Gross amounts from debt issuances	\$ 592,510	\$ 982,720	\$ 131,600	\$ 561,880
Premiums on bonds issued	1,229	47,271	—	—
Issuance of refunding debt	—	—	—	—
Premiums on refunding bonds issued	—	—	—	—
Sales of general capital assets	—	723	7,301	37,504
Payment to refunded bond escrow agent	(190,100)	(480,597)	—	(386,710)
Transfers in/(out)	(62)	(439)	(161)	12,915
Discounts on bonds issued	—	—	—	(12,502)
Total all other governmental funds	<u>\$ 403,577</u>	<u>\$ 549,678</u>	<u>\$ 138,740</u>	<u>\$ 213,087</u>

2016	2017	2018	2019	2020	2021
\$ —	\$ 224	\$ —	\$ 33	\$ —	\$ —
50,162	58,350	286,828	475	11,010	—
<u>\$ 50,162</u>	<u>\$ 58,574</u>	<u>\$ 286,828</u>	<u>\$ 508</u>	<u>\$ 11,010</u>	<u>\$ —</u>
\$ 724,999	\$ 879,580	\$ 2,152,150	\$ 849,395	\$ —	\$ 450,000
—	—	65,353	33,366	—	113,020
—	—	—	—	349,079	107,505
—	—	—	—	50,391	26,112
15,012	6,273	9,442	1,251	166	—
(120,856)	—	(1,321,865)	(457,035)	(401,956)	(132,560)
(50,162)	(58,350)	(286,828)	(475)	(11,010)	—
(110,071)	(36,097)	(33,432)	(10,528)	—	—
<u>\$ 458,922</u>	<u>\$ 791,406</u>	<u>\$ 584,820</u>	<u>\$ 415,974</u>	<u>\$ (13,330)</u>	<u>\$ 564,077</u>

Statistical Section — Financial Trends

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

RATIO OF DEBT SERVICE TO NON-CAPITAL EXPENDITURES Last Ten Fiscal Years (Modified Accrual Basis of Accounting) (Thousands of dollars)

Fiscal Year	Debt Service	Non-Capital	Ratio (1)
2012	\$ 374,494	\$ 5,521,890	0.07 : 1
2013	390,409	5,385,859	0.07 : 1
2014	467,904	6,079,578	0.08 : 1
2015	533,493	6,208,609	0.09 : 1
2016	481,419	5,910,440	0.08 : 1
2017	569,694	5,886,744	0.10 : 1
2018	651,405	6,208,226	0.10 : 1
2019	636,214	6,870,816	0.09 : 1
2020	661,182	6,941,728	0.10 : 1
2021	664,224	7,273,175	0.09 : 1

NOTES:

1) Ratio of total debt service is calculated as Total Debt Service Expenditures, calculated as the sum of principal and interest expenditures, divided by total non-capital expenditures which are calculated as the difference between total expenditures and capitalized capital outlay expenditures, as per GASB S44; 12b.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years
(Rate per \$100 of equalized assessed valuation)

<u>School Direct Rates</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Education	\$ 2.671	\$ 3.309	\$ 3.519	\$ 3.409
Worker's and Unemployment Compensation/Tort Immunity	0.133	0.031	0.067	0.169
Public Building Commission	0.071	0.082	0.085	0.082
Capital Improvement	—	—	—	—
Teacher Pension	—	—	—	—
Bonds & Interest (A)	—	—	—	—
Total direct rate	<u>\$ 2.875</u>	<u>\$ 3.422</u>	<u>\$ 3.671</u>	<u>\$ 3.660</u>
City of Chicago	\$ 1.229	\$ 1.425	\$ 1.496	\$ 1.473
Chicago City Colleges	0.165	0.190	0.199	0.193
Chicago Park District	0.346	0.395	0.420	0.415
Metropolitan Water Reclamation District	0.320	0.370	0.417	0.430
Cook County	0.462	0.531	0.560	0.568
Cook County Forest Preserve	0.058	0.063	0.069	0.069
Total for all governments	<u>\$ 5.455</u>	<u>\$ 6.396</u>	<u>\$ 6.832</u>	<u>\$ 6.808</u>

Source: Cook County Clerk's Office

NOTES:

A) Beginning in fiscal year 2018, CPS issued a Bond Resolution Series Levy.

	2016	2017	2018(A)	2019	2020	2021
\$	3.205	\$ 3.115	\$ 3.161	\$ 2.845	\$ 2.893	\$ 2.929
	0.111	0.107	0.039	0.093	0.090	0.094
	0.075	0.072	0.069	0.036	—	—
	0.064	0.065	0.011	0.011	0.011	0.011
	—	0.367	0.551	0.511	0.565	0.562
	—	—	0.059	0.056	0.060	0.060
\$	3.455	\$ 3.726	\$ 3.890	\$ 3.552	\$ 3.620	\$ 3.656
\$	1.806	\$ 1.880	\$ 1.894	\$ 1.812	\$ 1.893	\$ 1.886
	0.177	0.169	0.164	0.147	0.149	0.151
	0.382	0.368	0.358	0.330	0.326	0.329
	0.426	0.406	0.402	0.396	0.389	0.378
	0.552	0.533	0.496	0.489	0.454	0.453
	0.069	0.063	0.062	0.060	0.059	0.058
\$	6.867	\$ 7.145	\$ 7.266	\$ 6.786	\$ 6.890	\$ 6.911

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(Thousands of dollars)

Tax Year of Levy (C/D)	Fiscal Year of Extension	Total Tax Extension	Collected within the Fiscal Year of Extension (A)		Collections in Subsequent Years	Total Collections to Date (B)	
			Amount	Percentage of Extension		Amount	Percentage of Extension
2011	2012	\$ 2,159,586	\$ 1,083,667	50.18%	\$ 1,026,592	\$ 2,110,259	97.72%
2012	2013	2,232,684	1,090,274	48.83%	1,045,103	2,135,377	95.64%
2013	2014	2,289,250	1,134,859	49.57%	1,087,378	2,222,237	97.07%
2014	2015	2,375,822	1,177,370	49.56%	1,134,538	2,311,908	97.31%
2015	2016	2,451,566	1,230,423	50.19%	1,110,836	2,341,259	95.50%
2016	2017	2,757,651	1,242,377	42.05%	1,449,481	2,691,858	97.61%
2017	2018	2,988,432	1,453,350	48.63%	1,469,218	2,922,568	97.80%
2018	2019	3,066,309	1,574,691	51.35%	1,446,735	3,021,426	98.54%
2019	2020	3,178,626	1,600,502	50.35%	1,545,905	3,146,407	98.99%
2020	2021	3,272,336	1,687,838	51.58%	—	—	

NOTES:

- A) The amount does not represent a full year's tax collection.
- B) The total amount collected to date is net of refunds.
- C) Tax Year 2015 contains Capital Improvement Tax amounts that were not levied in prior years.
- D) Tax Year 2016 contains CTPF (Chicago Teacher Pension Fund) amounts that were not levied in prior years.



Statistical Section — Revenue Capacity

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY Last Ten Fiscal Years (Thousands of dollars)

		<u>Assessed Values (A)</u>						
<u>Tax Year Levy</u>	<u>Fiscal Year</u>	<u>Class 2 (B)</u>	<u>Class 3 (C)</u>	<u>Class 5 (D)</u>	<u>Other (E)</u>	<u>Total</u>		
2011	2012	\$ 17,976,208	\$ 1,161,634	\$ 10,411,363	\$ 544,416	\$	30,093,621	
2012	2013	15,560,876	1,252,635	10,201,554	454,593		27,469,658	
2013	2014	15,440,622	1,282,342	10,137,795	453,201		27,313,960	
2014	2015	15,416,908	1,345,482	10,096,651	487,529		27,346,570	
2015	2016	17,319,503	1,589,995	11,240,864	541,183		30,691,545	
2016	2017	17,219,809	1,863,312	11,316,868	562,402		30,962,391	
2017	2018	17,196,902	1,905,033	11,370,329	497,856		30,970,120	
2018	2019	19,759,176	2,329,709	13,321,105	626,755		36,036,745	
2019	2020	19,705,845	2,552,750	13,908,306	666,850		36,833,751	
2020	2021	17,874,896	2,657,697	13,139,430	660,097		34,332,120	

NOTES:

- A. *Source:* Cook County Assessor's Office
- B. Residential, six units and under
- C. Residential, seven units and over and mixed-use
- D. Industrial/Commercial
- E. Vacant, not-for-profit and industrial/commercial incentive class
- F. *Source:* Cook County Clerk's Office
- G. *Source:* Cook County Clerk's Office - Total equalized assessed value is net of exemptions and includes assessment of pollution control facilities. Excludes DuPage County Valuation.
- H. *Source:* Cook County Clerk's Office - Property in the City of Chicago is reassessed once every three years. Tax rates are per \$100 of equalized assessed value.
- I. *Source:* The Civic Federation - Excludes railroad property. This data was delayed for fiscal year 2020 and was unavailable at the time of publishing.

N/A: Not available at publishing.

State Equalization Factor (F)	Total Equalized Assessed Value (G)	Total Direct Tax Rate (H)	Total Estimated Fair Cash Value (I)	Total Equalized Assessed Value as a Percentage of Total Estimated Fair Cash Value (%)
2.9706	\$ 75,122,914	2.875	\$ 222,856,064	33.71%
2.8056	65,250,387	3.422	206,915,723	31.53%
2.6621	62,363,876	3.671	236,695,475	26.35%
2.7253	64,908,057	3.660	255,639,792	25.39%
2.6685	70,963,289	3.455	278,076,449	25.52%
2.8032	74,016,506	3.726	293,121,793	25.25%
2.9627	76,765,303	3.890	306,074,351	25.08%
2.9109	86,326,179	3.552	323,128,274	26.72%
2.9160	87,816,177	3.620	N/A	N/A
3.2234	89,514,969	3.656	N/A	N/A

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

PRINCIPAL PROPERTY TAX PAYERS, BASED ON EQUALIZED ASSESSED VALUATION
Prior Fiscal Year and Nine Years Ago
(Thousands of dollars)

Property	2020		
	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation
Willis Tower	\$561,677	1	0.63%
Prudential Plaza	315,893	2	0.35%
HCSC Blue Cross	314,458	3	0.35%
400 W Lake St.	308,831	4	0.35%
AON Building	288,604	5	0.32%
Merchandise Mart - 222 Mer Mart Plaza	261,224	6	0.29%
300 LaSalle LLC	259,586	7	0.29%
Merchandise Mart - 320 N Wells	259,550	8	0.29%
Franklin Center	259,137	9	0.29%
Citigroup Center	252,970	10	0.28%
Water Tower Place	—	—	—%
Chase Tower	—	—	—%
Citadel Center	—	—	—%
Northwestern Memorial Hospital	—	—	—%
	<u>\$ 3,081,930</u>		<u>3.44%</u>

Property	2011		
	Equalized Assessed Valuation	Rank	Percentage of Total Equalized Assessed Valuation
Willis Tower	\$445,590	1	0.59%
Prudential Plaza	272,345	3	0.36%
HCSC Blue Cross	206,343	6	0.27%
400 W Lake St.	—	—	—%
AON Building	302,124	2	0.40%
Merchandise Mart - 222 Mer Mart Plaza	207,942	5	0.28%
300 LaSalle LLC	—	—	—%
Merchandise Mart - 320 N Wells	190,005	10	0.25%
Franklin Center	—	—	—%
Citigroup Center	—	—	—%
Water Tower Place	197,944	8	0.26%
Chase Tower	204,229	7	0.27%
Citadel Center	197,183	9	0.26%
Northwestern Memorial Hospital	243,609	4	0.32%
	<u>\$ 2,467,314</u>		<u>3.26%</u>

Source: Cook County Treasurer's Office and Cook County Assessor's Office



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHEDULE OF REPLACEMENT TAX DATA
Last Ten Fiscal Years

Calendar Year	Invested Capital Tax Collections	Statewide Replacement Tax Data (A)			Total Replacement Tax Allocations to Local Govts.	Board Percent (E)
		Business Income Tax Collections (Net of Refunds)	Net Adjustments (C)			
2012 (A)	\$ 203,045,899	\$ 1,091,345,367	\$ (93,077,866)	\$ 1,201,313,400	14.00%	
2013 (A)	210,557,060	1,293,732,061	(172,528,019)	1,331,761,102	14.00%	
2014 (A)	208,039,618	1,243,163,624	(80,317,444)	1,370,885,798	14.00%	
2015 (A)(F)	257,022,234	1,483,335,576	(279,011,561)	1,461,346,249	14.00%	
2016 (F) (H) (I)	201,320,237	1,273,378,669	(179,819,398)	1,294,879,508	14.00%	
2017 (F) (H) (I)	225,978,196	1,313,576,023	(213,645,696)	1,325,908,524	14.00%	
2018(F)	215,967,153	1,329,867,705	(302,697,315)	1,243,137,542	14.00%	
2019(F)	252,232,576	1,574,405,797	(281,114,723)	1,545,523,650	14.00%	
2020 (F)	177,854,220	1,253,192,231	(99,726,402)	1,331,320,048	14.00%	
2021 (F)	182,659,103	1,990,655,391	121,294,116	2,294,608,610	14.00%	

NOTES:

- A) Source: Illinois Department of Revenue
- B) Source: Board of Education of the City of Chicago
- C) Consists of adjustments for administrative fees, interest earned on deposits, interfund transfers, timing of collections and payments and related items.
- D) Reflects reductions to pay applicable Statutory Claims. All Statutory Claims with respect to debt service have been paid and, under the Statute Revenue Sharing Act, no future Statutory Claims with respect to the debt service will be paid and, under the Statute Revenue Sharing Act, no future Statutory Claims with respect to the debt service will arise or need to be paid.
- E) Percentage rounded.
- F) Replacement tax collection for calendar year indicated within chart, beginning January 1, 20XX – December 31, 20XX, respectively. Note that these amounts may change over time as taxes are collected subsequent to issuance of this report. As such, tax collection is finalized and updated by the Illinois Department of Revenues and the table is updated, as required.
- G) Total allocations to the Board of Education in the month of December are unavailable at the time of issuance for each calendar year provided. As the total allocations are not available, an estimate is calculated for this value, based upon historic allocations over the prior 9 years. As this amount is an estimate, updates to these values may occur over time.
- H) The Statewide Replacement Tax Data for calendar years 2016 and 2017 was not made available from the Illinois Department of Revenue (IDOR) at time of publishing; Data is obtained from the Illinois' Office of the Comptroller online ledger. The data for total distributions to local governments is retrieved from IDOR monthly tax distributions online database.
- I) As noted above, the values within this table relate to payments made on statutory claims. As such, some values may require periodic update as statutory claims relating to previous calendar years are settled and paid.

Board Replacement Tax Data (B)

Allocations To Board	Pro-Forma Pledged Revenues (D)	Fiscal Year Recorded Revenue
\$ 168,231,989	\$ 168,231,989	\$ 181,926,998
186,499,892	186,499,892	185,883,929
191,978,921	191,978,921	188,040,647
204,647,028	204,647,028	202,147,157
181,335,025	181,335,025	161,535,119
191,493,223	191,493,223	227,920,163
174,089,034	174,089,034	168,253,658
216,435,135	216,435,135	187,232,486
194,276,084	194,276,084	202,451,572
329,393,479	329,393,479	282,074,815

Monthly Summary of the Total Allocations to the Board of Education

Year	January	March	April	May	July	August	October	December (G)	Total
2012	\$25,024,841	\$ 6,995,224	\$38,430,380	\$25,676,518	\$33,182,244	\$ 4,009,471	\$25,251,856	\$ 9,661,455	\$168,231,989
2013	25,661,184	8,031,048	40,687,665	36,710,938	35,870,312	3,762,361	26,213,949	9,562,435	186,499,892
2014	32,365,778	9,605,194	42,927,880	31,682,731	31,920,320	3,433,503	31,625,454	8,418,061	191,978,921
2015	28,059,669	8,010,311	49,024,542	40,392,319	33,183,298	4,472,067	33,357,743	8,147,079	204,647,028
2016	26,524,204	10,652,765	37,937,134	30,650,698	33,320,166	3,878,948	30,306,843	8,064,267	181,335,025
2017	29,970,202	19,251,991	49,042,057	31,582,995	32,296,122	1,489,085	22,047,768	5,813,003	191,493,223
2018	19,792,771	17,558,226	36,093,602	36,791,094	28,668,109	2,897,394	25,943,635	6,344,203	174,089,034
2019	21,270,279	8,389,907	41,715,300	50,715,636	29,956,132	3,593,551	52,136,107	8,658,223	216,435,135
2020	31,659,279	6,293,914	43,458,906	27,784,353	28,867,239	21,331,766	27,042,714	7,837,913	194,276,084
2021	33,287,342	12,026,626	56,195,179	72,420,237	52,771,907	6,710,885	87,925,010	8,056,293	329,393,479

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

CITY OF CHICAGO TAX INCREMENT FINANCING (TIF) DISTRICTS
For the Fiscal Year Ended June 30, 2021

TIF District	Date TIF Initiated	Date TIF Matures	Initial EAV \$	2020 EAV \$	% Change in EAV (for 2020)
Addison South	5/9/2007	2031	\$ 70,940,232	\$ 170,296,909	140.1 %
Archer Courts	5/12/1999	2023	85,326	6,955,671	8,051.9 %
Archer/Central	5/17/2000	2024	37,646,911	46,772,720	24.2 %
Archer/Western	2/11/2009	2033	117,506,250	140,125,532	19.2 %
Armitage/Pulaski	6/13/2007	2031	17,643,508	20,392,991	15.6 %
Austin/Commercial	9/27/2007	2031	72,287,864	95,501,164	32.1 %
Avalon Park/South Shore	7/31/2002	2026	22,180,151	36,572,810	64.9 %
Avondale	7/29/2009	2033	40,425,634	42,712,210	5.7 %
Belmont/Central	1/12/2000	2024	137,304,682	221,603,579	61.4 %
Belmont/Cicero	1/12/2000	2024	33,673,880	53,405,256	58.6 %
Bronzeville	11/4/1998	2022	46,166,304	137,645,854	198.2 %
Bryn Mawr/Broadway	12/11/1996	2032	17,829,852	61,610,856	245.5 %
California/Foster	4/2/2014	2038	15,399,717	14,547,739	(5.5)%
Canal/Congress	11/12/1998	2022	36,872,487	737,757,896	1,900.8 %
Central West	2/16/2000	2024	85,481,254	574,500,545	572.1 %
Chicago/Central Park	2/27/2002	2026	84,789,947	190,859,743	125.1 %
Chicago/Kingsbury	4/12/2000	2024	38,520,706	584,947,738	1,418.5 %
Cicero/Archer	5/17/2000	2024	19,629,324	33,589,110	71.1 %
Clark/Montrose	7/7/1999	2023	15,101,363	63,887,042	323.1 %
Cortland/Chicago River	4/10/2019	2043	87,383,901	148,106,184	69.5 %
Clark/Ridge	9/29/1999	2023	34,381,831	74,430,294	116.5 %
Commercial Ave.	11/13/2002	2026	40,748,652	70,013,003	71.8 %
Devon/Sheridan	3/31/2004	2028	45,541,834	68,975,400	51.5 %
Devon/Western	11/3/1999	2023	71,430,503	128,852,238	80.4 %
Diversey/Narragansett	2/5/2003	2027	34,746,231	79,428,184	128.6 %
Diversey/Chicago River	10/5/2016	2040	—	6,834,417	— %
Division/Homan	6/27/2001	2025	24,683,716	56,327,407	128.2 %
Edgewater/Ashland	10/1/2003	2027	1,875,282	12,877,147	586.7 %
Elston/Armstrong Industrial Corridor	7/19/2007	2031	45,742,226	61,395,006	34.2 %
Englewood Mall	11/29/1989	2025	3,868,736	15,354,599	296.9 %
Englewood Neighborhood	6/27/2001	2025	56,079,946	112,783,459	101.1 %
Ewing Avenue	3/10/2010	2034	52,994,264	49,918,250	(5.8)%
Foster/Edens	2/28/2018	2042	25,904,768	47,687,084	84.1 %
Fullerton/Milwaukee	2/16/2000	2024	85,157,390	302,892,459	255.7 %
Galewood/Armitage Industrial	7/7/1999	2023	48,056,697	176,393,502	267.1 %
Goose Island	7/10/1996	2032	13,676,187	141,051,258	931.4 %
Greater Southwest (West)	4/12/2000	2024	115,603,413	81,918,510	(29.1)%
Harrison/Central	7/26/2006	2030	43,430,700	47,309,110	8.9 %
Hollywood/Sheridan	11/7/2007	2031	158,696,916	178,968,890	12.8 %
Homan/Arthington	2/5/1998	2022	2,658,362	12,924,930	386.2 %
Humbolt Park Commercial	6/27/2001	2025	32,161,252	114,608,484	256.4 %
Jefferson Park	9/9/1998	2022	23,970,085	51,261,886	113.9 %
Jefferson/Roosevelt	8/30/2000	2024	52,292,656	230,450,447	340.7 %

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

CITY OF CHICAGO TAX INCREMENT FINANCING (TIF) DISTRICTS (continued)
For the Fiscal Year Ended June 30, 2021

TIF District	Date TIF Initiated	Date TIF Matures	Initial EAV \$	2020 EAV \$	% Change in EAV (for 2020)
Kennedy/Kimball	3/12/2008	2032	\$ 72,841,679	\$ 94,126,882	29.2 %
Kinzie Industrial Corridor	6/10/1998	2022	144,961,719	1,177,921,789	712.6 %
Lake Calumet	12/13/2000	2024	172,789,519	242,100,257	40.1 %
Lakefront	3/27/2002	2026	—	7,780,568	— %
LaSalle/Central	11/15/2006	2030	4,192,597,468	6,354,556,775	51.6 %
Lawrence/Broadway	6/27/2001	2025	38,499,977	131,239,256	240.9 %
Lawrence/Kedzie	2/16/2000	2024	110,395,843	241,104,194	118.4 %
Lawrence/Pulaski	2/27/2002	2026	43,705,743	79,294,984	81.4 %
Lincoln Avenue	11/3/1999	2023	63,741,191	119,118,140	86.9 %
Little Village East	4/22/2009	2033	44,751,945	40,734,157	(9.0)%
Little Village Industrial Corridor	6/13/2007	2031	88,054,895	108,068,235	22.7 %
Madden/Wells	11/6/2002	2026	1,333,582	26,260,292	1,869.2 %
Madison/Austin Corridor	9/29/1999	2023	48,748,259	100,622,186	106.4 %
Michigan Ave/Cermak	9/13/1989	2025	5,858,634	59,865,674	921.8 %
Midway Ind. Corridor	2/16/2000	2024	48,652,950	112,615,260	131.5 %
Midwest	5/17/2000	2036	216,733,898	480,060,907	121.5 %
Montclare	8/30/2000	2024	792,770	6,346,185	700.5 %
Montrose/Clarendon	6/30/2010	2034	—	26,628,756	— %
Near North	7/30/1997	2021	41,373,938	607,016,354	1,367.1 %
North Ave./Cicero	7/30/1997	2021	5,658,542	36,170,607	539.2 %
North Branch/North	7/2/1997	2021	23,295,672	154,739,983	564.2 %
North Branch/South	2/5/1998	2022	27,606,885	174,701,678	532.8 %
North Pullman	6/30/2009	2033	44,582,869	102,020,713	128.8 %
NW Industrial Corridor	12/2/1998	2022	146,115,991	309,753,567	112.0 %
Ogden/Pulaski	4/9/2008	2032	221,709,034	209,284,317	(5.6)%
Ohio/Wabash	6/7/2000	2024	1,278,143	32,539,543	2,445.8 %
Peterson/Cicero	2/16/2000	2024	1,116,653	10,287,883	821.3 %
Peterson/Pulaski	2/16/2000	2024	40,112,395	67,039,534	67.1 %
Pilsen Industrial Corridor	6/10/1998	2022	111,394,217	483,838,624	334.3 %
Portage Park	9/9/1998	2022	65,084,552	120,987,747	85.9 %
Pratt/Ridge Industrial Park Conservation Area	6/23/2004	2028	16,414,897	25,374,173	54.6 %
Pulaski Industrial Corridor	6/9/1999	2023	82,778,075	185,962,675	124.7 %
Randolph/Wells	6/9/2010	2034	72,140,805	274,279,814	280.2 %
River South	7/30/1997	2021	53,597,202	423,139,368	689.5 %
River West	1/10/2001	2025	50,463,240	479,101,211	849.4 %
Roosevelt/Cicero Industrial Corridor	2/5/1998	2022	45,179,428	123,776,496	174.0 %
Roosevelt/Racine (DOH)	11/4/1998	2034	6,992,428	47,777,853	583.3 %
Roosevelt/Union	5/12/1999	2023	4,369,258	111,663,378	2,455.7 %
Roosevelt/Clark	4/10/2019	2043	83,236,930	114,345,101	37.4 %
Roseland/Michigan	1/16/2002	2026	29,627,768	40,562,045	36.9 %
Sanitary Draig & Ship	7/24/1991	2027	10,722,329	28,931,392	169.8 %
South Chicago	4/12/2000	2024	14,775,992	36,409,598	146.4 %
Stevenson/Brighton Park	4/11/2007	2031	216,330,994	300,298,232	38.8 %

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

CITY OF CHICAGO TAX INCREMENT FINANCING (TIF) DISTRICTS (continued)
For the Fiscal Year Ended June 30, 2021

TIF District	Date TIF Initiated	Date TIF Matures	Initial EAV \$	2020 EAV \$	% Change in EAV (for 2020)
Stockyards-Southeast Quadrant Industrial	2/26/1992	2028	\$ 27,527,305	\$ 62,486,231	127.0 %
Stony Island Commercial/Burnside Industrial	6/10/1998	2034	46,058,038	116,476,053	152.9 %
Southwest Ind. Corridor	3/10/1999	2023	17,662,923	38,759,584	119.4 %
Touhy/Western	9/13/2006	2030	55,187,828	65,717,650	19.1 %
Washington Park	10/8/2014	2038	72,073,855	99,861,828	38.6 %
West Irving Park	1/12/2000	2024	36,446,831	59,031,294	62.0 %
West Woodlawn	5/12/2010	2034	127,750,505	111,624,060	(12.6)%
Western Ave. South	1/12/2000	2024	69,504,372	240,882,201	246.6 %
Western Ave. North	1/12/2000	2024	71,260,546	238,296,537	234.4 %
Western/Ogden	2/5/1998	2021	41,536,306	224,131,032	439.6 %
Western/Rock Island	2/8/2006	2030	102,358,411	121,610,503	18.8 %
Wilson Yard	6/27/2001	2025	56,194,225	222,282,926	295.6 %
Woodlawn	1/20/1999	2023	28,865,833	101,378,014	251.2 %
105th/Vincennes	10/3/2001	2025	108,828,811	120,833,702	11.0 %
107th/Halsted	4/2/2014	2038	122,435,316	116,135,960	(5.1)%
111th/Kedzie	9/29/1999	2023	14,456,141	27,874,703	92.8 %
116th/Avenue O	10/31/2018	2042	3,144,479	11,786,580	274.8 %
119th/Halsted	2/6/2002	2026	63,231,728	78,201,161	23.7 %
119th/I-57	11/6/2002	2026	100,669,561	138,407,034	37.5 %
24th/Michigan	7/21/1999	2023	15,874,286	90,679,217	471.2 %
26th/King Drive	1/11/2006	2030	—	14,551,339	— %
35th/Halsted	1/14/1997	2021	81,212,182	256,444,031	215.8 %
35th/State	1/14/2004	2028	3,978,955	40,453,614	916.7 %
35th/Wallace	12/15/1999	2023	9,047,402	32,132,561	255.2 %
43rd/Cottage Grove	7/8/1998	2022	13,728,931	76,926,239	460.3 %
47th/Ashland	3/27/2002	2026	53,606,185	98,014,759	82.8 %
47th/Halsted	5/29/2002	2026	39,164,012	103,031,795	163.1 %
47th/King Drive	3/27/2002	2026	61,269,066	228,264,269	272.6 %
47th/State	7/21/2004	2028	19,279,360	66,123,707	243.0 %
51st/Archer	5/17/2000	2024	29,522,751	58,171,629	97.0 %
51st/Lake Park	11/15/2012	2036	2,320,971	22,952,610	888.9 %
53rd St.	1/10/2001	2025	20,916,553	111,861,637	434.8 %
63rd/Ashland	3/29/2006	2030	47,496,362	65,407,209	37.7 %
63rd/Pulaski	5/17/2000	2024	56,171,856	87,813,256	56.3 %
67th/Cicero	10/2/2002	2026	—	6,972,989	— %
67th/Wentworth	5/4/2011	2035	210,005,927	171,306,514	(18.4)%
71st/Stony Island	10/7/1998	2022	53,336,063	115,503,328	116.6 %
73rd/University	9/13/2006	2030	16,998,947	26,577,476	56.3 %

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

CITY OF CHICAGO TAX INCREMENT FINANCING (TIF) DISTRICTS (continued)
For the Fiscal Year Ended June 30, 2021

TIF District	Date TIF Initiated	Date TIF Matures	Initial EAV \$	2020 EAV \$	% Change in EAV (for 2020)
79th Street Corridor	7/8/1998	2022	\$ 21,576,305	\$ 38,397,591	78.0 %
79th/Cicero	6/8/2005	2029	8,018,405	17,304,833	115.8 %
79th/SW Highway	10/3/2001	2025	36,347,823	66,720,363	83.6 %
79th/Vincennes	9/27/2007	2031	32,132,472	37,823,966	17.7 %
83rd/Stewart	3/31/2004	2028	10,618,689	29,512,848	177.9 %
87th/Cottage Grove	11/13/2002	2026	53,959,824	90,689,958	68.1 %
95th/Western	7/13/1995	2031	16,035,773	37,429,028	133.4 %
			<u>\$10,798,801,363</u>	<u>\$23,599,737,715</u>	

NOTES:

State law empowers cities to create Tax Increment Financing Districts (TIFs) to finance redevelopment of blighted areas or areas at risk of blight. Taxes subsequently generated by new development and increases in property values in TIF districts are reinvested for further development. Increased tax revenues pay for general improvements such as roadways, viaducts, sewers, and sidewalk replacements or for financial assistance for developers.

State law requires the City to call a meeting of the Joint Review Board in order for the City to legally create any TIF.

The Chicago Public Schools serves on this committee.

Source: Office of The County Clerk Tax Increment Agency

Total 2020 EAV for the City of Chicago is \$89,514,969,314 - Source: The Cook County Report

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHEDULE OF NEW PROPERTY EAV AS A PERCENTAGE OF OVERALL EAV
Last Ten Fiscal Years
(Thousands of dollars)

Tax Year Levy	Fiscal Year	Agency Overall Equalized Assessed Value (A)	Components of New Property by Tax Levy Year (B)			Total New Property (A)	New Property percentage of overall EAV
			New Property	Recovered Tax Increment Value	Expired Incentives		
2011	2012	\$75,127,913	\$ 344,503	\$ —	\$ 2,420	\$ 346,923	0.46%
2012	2013	65,257,093	213,120	41,499	19,845	274,464	0.42%
2013	2014	62,370,205	279,426	244,388	10,066	533,880	0.86%
2014	2015	64,913,774	414,558	1,040,246	9,912	1,464,716	2.26%
2015	2016	70,968,533	339,649	21,038	16,432	377,119	0.53%
2016	2017	74,020,998	397,527	39,040	10,667	447,234	0.60%
2017	2018	76,768,955	624,331	17,836	9,144	651,311	0.85%
2018	2019	86,335,882	555,209	320,198	82,544	957,952	1.11%
2019	2020	87,825,670	848,073	307,773	11,780	1,167,627	1.33%
2020	2021	89,524,130	712,787	74,752	71,657	859,196	0.96%

NOTES:

A) Source: Cook County Clerk's Office - Agency Tax Rate Report.

B) Source: Cook County Clerk's Office - PTELL New Property, Annexed Property, Disconnected Property, Recovered Tax Increment Report by Town Within Agency.

Statistical Section — Revenue Capacity

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

Tax Increment Financing (TIF) Agreements in Support of Chicago Public Schools Capital Intergovernmental Agreements as of June 30, 2021

School	Total Benefit To CPS From IGA with Interest	Total Benefit Received By CPS	Amounts Pending To Be Paid To CPS	Parent TIF
Modern Schools Across Chicago Program Additional Agreements				
Al Raby	\$ 631,434	\$ —	\$ —	Chicago/ Central Park
Brighton Park II Elementary	25,420,000	7,737,740	17,682,260	Stevenson/ Brighton
Laura Ward Project (Westinghouse High School)	9,181,143	—	2,924,670	Chicago/ Central Park
MSAC Subtotal	\$ 35,232,577	\$ 7,737,740	\$ 20,606,930	
Other Capital Intergovernmental Agreements				
Amundsen Athletic Field	\$ 1,400,000	\$ —	\$ 1,400,000	Western Ave. North
Farnsworth Rehabilitation and Improvements	400,000	—	—	Elston/Armstrong
Foreman Renovation and Improvements	1,842,000	—	1,379,177	Belmont/Cicero
Hibbard/Albany Park/Edison Regional Gifted Playground and Improvements	3,500,000	—	—	Lawrence/Kedzie
Jones/NTA Turf Field	4,600,000	4,116,907	—	Michigan/Cermak
McClellan Rehabilitation and Improvements	4,000,000	1,277,567	—	35th/Wallace
New South Loop School Escrow	48,333,000	48,333,000	—	River South
New South Loop School	10,667,000	9,136,000	—	River South
Peterson Athletic Field	1,000,000	—	127,176	Lawrence/Kedzie
Schurz Athletic Field	2,700,000	1,860,678	—	Portage Park
Senn Rehabilitation and Improvements	3,000,000	3,000,000	—	Clark Street/Ridge Avenue
Vaughn Rehabilitation and Improvements	55,000	—	55,000	West Irving Park
Whitney Young Athletic Field	4,300,000	4,300,000	—	Central West
Other Capital IGA Subtotal	\$ 85,797,000	\$ 72,024,152	\$ 2,961,353	
Grand Total	\$ 121,029,577	\$ 79,761,892	\$ 23,568,283	

NOTES:

Based on intergovernmental agreements approved by City Council and executed by the City of Chicago and Chicago Public Schools as of June 30, 2021.

*City of Chicago refunded bonds to cover future principal and interest payments, no additional amounts to be paid to CPS.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

BOND ISSUES OUTSTANDING RELATED TO THE CHICAGO PUBLIC SCHOOLS
For the Fiscal Year Ended June 30, 2021
(Thousands of dollars)

Series	Debt Type	Pledged Revenue Source	Issued
1998 B-1	Unlimited Tax G.O. Bonds	IGA	10/28/1998
1999A	Unlimited Tax G.O. Bonds	PPRT/IGA	2/25/1999
2005A	Unlimited Tax G.O. Bonds	State Aid	6/27/2005
2006A	Qualified Zone Academy G.O. Bonds	State Aid	6/7/2006
2006B	Unlimited Tax G.O. Bonds	State Aid	9/27/2006
2009D	Unlimited Tax G.O. Bonds	State Aid	7/30/2009
2009E	Unlimited Tax G.O. Build America Bonds	State Aid/Federal Subsidy	9/24/2009
2009G	Qualified School Construction G.O. Bonds	State Aid	12/17/2009
2010C	Qualified School Construction G.O. Bonds	State Aid/Federal Subsidy	11/2/2010
2010D	Unlimited Tax G.O. Build America Bonds	State Aid/Federal Subsidy	11/2/2010
2010F	Unlimited Tax G.O. Bonds	State Aid	11/2/2010
2011A	Unlimited Tax G.O. Bonds	State Aid	11/1/2011
2012A	Unlimited Tax G.O. Bonds	State Aid	8/21/2012
2012B	Unlimited Tax G.O. Bonds	State Aid	12/21/2012
2015C	Unlimited Tax G.O. Bonds	State Aid	4/29/2015
2015E	Unlimited Tax G.O. Bonds	State Aid	4/29/2015
2016A	Unlimited Tax G.O. Bonds	State Aid	2/8/2016
2016B	Unlimited Tax G.O. Bonds	State Aid	7/29/2016
2016CIT	Capital Improvement Tax	CIT Levy	1/4/2017
2017CIT	Capital Improvement Tax	CIT Levy	11/30/2017
2017A	Unlimited Tax G.O. Bonds	State Aid	11/30/2017
2017B	Unlimited Tax G.O. Bonds	State Aid	11/30/2017
2017C	Unlimited Tax G.O. Bonds	State Aid	11/30/2017
2017D	Unlimited Tax G.O. Bonds	State Aid	11/30/2017
2017E	Unlimited Tax G.O. Bonds	PPRT	11/30/2017
2017F	Unlimited Tax G.O. Bonds	IGA	11/30/2017
2017G	Unlimited Tax G.O. Bonds	PPRT/State Aid	11/30/2017
2017H	Unlimited Tax G.O. Bonds	PPRT/IGA/State Aid	11/30/2017
2018A	Unlimited Tax G.O. Bonds	State Aid	6/1/2018
2018B	Unlimited Tax G.O. Bonds	State Aid	6/1/2018
2018C	Unlimited Tax G.O. Bonds	State Aid	12/13/2018
2018D	Unlimited Tax G.O. Bonds	PPRT/State Aid	12/13/2018
2018CIT	Capital Improvement Tax	CIT Levy	12/13/2018
2019A	Unlimited Tax G.O. Bonds	IGA	9/12/2019
2019B	Unlimited Tax G.O. Bonds	State Aid	9/12/2019
2021A	Unlimited Tax G.O. Bonds	State Aid/IGA	2/11/2021
2021B	Unlimited Tax G.O. Bonds	State Aid	2/11/2021
Grand Total Direct Debt			

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

BOND ISSUES OUTSTANDING RELATED TO THE CHICAGO PUBLIC SCHOOLS
For the Fiscal Year Ended June 30, 2021
(Thousands of dollars)

Final Maturity	Interest Rate	Outstanding at June 30, 2020 (A)	Issued or (Redeemed)	Outstanding at June 30, 2021 (A)
12/1/2031	4.55%-5.22%	\$ 210,846	\$ (20,686)	\$ 190,160
12/1/2031	4.30%-5.3%	299,053	(31,661)	267,392
12/1/2031	5.00%-5.50%	143,665	(8,755)	134,910
6/1/2021	0.00%	6,853	(6,853)	—
12/1/2036	4.25%-5.00%	22,005	(22,005)	—
12/1/2023	1.00%-5.00%	9,650	(7,650)	2,000
12/1/2039	4.682%-6.14%	497,545	(7,340)	490,205
12/15/2025	1.75%	254,240	—	254,240
11/1/2029	6.32%	257,125	—	257,125
3/1/2036	6.52%	125,000	—	125,000
12/1/2031	5.00%	119,495	(119,495)	—
12/1/2041	5.00%-5.50%	402,410	—	402,410
12/1/2042	5.00%	468,915	—	468,915
12/1/2034	5.00%	109,825	—	109,825
12/1/2039	5.25%-6.00%	280,000	—	280,000
12/1/2039	5.13%	20,000	—	20,000
12/1/2044	7.00%	725,000	—	725,000
12/1/2046	6.50%	150,000	—	150,000
4/1/2046	5.75%-6.10%	729,580	—	729,580
4/1/2046	5.00%	64,900	—	64,900
12/1/2046	7.00%	285,000	—	285,000
12/1/2042	6.75%-7.00%	215,000	—	215,000
12/1/2034	5.00%	328,875	(22,945)	305,930
12/1/2031	5.00%	74,035	(5,445)	68,590
12/1/2021	5.00%	22,180	—	22,180
12/1/2024	5.00%	147,450	(24,760)	122,690
12/1/2044	5.00%	126,500	—	126,500
12/1/2046	5.00%	280,000	—	280,000
12/1/2035	4.00%-5.00%	552,030	(21,995)	530,035
12/1/2022	4.00%-5.00%	10,220	(945)	9,275
12/1/2032	5.00%	442,580	(6,750)	435,830
12/1/2046	5.00%	313,280	—	313,280
4/1/2046	5.00%	86,000	—	86,000
12/1/2030	2.89%-5.00%	225,284	—	225,284
12/1/2033	5.00%	123,795	—	123,795
12/1/2041	5.00%	—	450,000	450,000
12/1/2036	5.00%	—	107,505	107,505
		\$ 8,128,336	\$ 250,220	\$ 8,378,556

NOTES:

A. Excludes total accreted interest in the following series:

Series	Accreted Interest
1998B-1.....	\$ 421,236
1999A.....	256,296
2019A.....	2,367
Total.....	\$ 679,899

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

TOTAL AUTHORIZED BOND ISSUANCES
As of June 30, 2021
(Thousands of dollars)

Bond Authorization	Amount Authorized	Amount Issued	Lien Closed	Retired	Principal Outstanding June 30, 2021¹	Remaining Authorization²
1997 Alternate Bond Authorization	\$ 1,500,000	\$ 1,497,703	\$ —	\$1,040,151	\$ 457,552 (A)	\$ 2,297
2006 Alternate Bond Authorization	750,000	634,258	—	632,258	2,000 (B)	115,742
2008 Alternate Bond Authorization	1,900,000	1,899,990	—	1,155,545	744,445 (C)	10
2009 Alternate Bond Authorization	2,300,000	1,906,180	—	652,730	1,253,450 (D)	393,820
2012 Alternate Bond Authorization	750,000	709,825	—	300,000	409,825 (E)	40,175
2015 Alternate Bond Authorization	1,160,000	1,160,000	—	—	1,160,000 (F)	—
2016 Alternate Bond Authorization	945,000	945,000	—	945	944,055 (G)	—
2019 Alternate Bond Authorization	1,900,000	557,505	—	—	557,505 (H)	1,342,495
TOTAL	\$11,205,000	\$ 9,310,461	\$ —	\$3,781,629	\$ 5,528,832	\$ 1,894,539

¹ Debt Reform Act Section 15 of the State of Illinois states that Alternate bonds may, upon meeting certain requirements of the Debt Reform Act, be issued to refund previously issued Alternate Bonds without utilizing additional authorization. CPS currently has outstanding nine series of refunding bonds which met these requirements: \$193,585 Series 2005A, of which \$134,910 is outstanding; \$351,485 Series 2017C, of which \$305,930 is outstanding; \$79,325 Series 2017D, of which \$68,590 is outstanding; \$22,180 Series 2017E, of which all is outstanding; \$165,510 Series 2017F, of which \$122,690 is outstanding; \$552,030 Series 2018A, of which \$530,035 is outstanding; \$450,115 Series 2018C, of which \$435,830 is outstanding; \$225,284 Series 2019A, of which all is outstanding; and \$123,795 Series 2019B, of which all is outstanding. These series are not included in the authorization table above. Total principal amount issued including these series is \$15,845,330. Principal outstanding on CPS Alternate Bonds only is \$7,498,076.

² Remaining authorization not used to issue alternate bonds within three years expires and is no longer available.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

TOTAL AUTHORIZED BOND ISSUANCES (continued)
As of June 30, 2021
(Thousands of dollars)

NOTES:

A. The total issued and outstanding debt for the 1997 Authorization is the issuance as outlined below:

	Date Issued	Amount Issued	Principal Outstanding
Unlimited Tax GO Bonds Series 1997A	12/3/1997	\$ 499,995	\$ —
Unlimited Tax GO Bonds Series 1998	9/24/1998	14,000	—
Unlimited Tax GO Bonds Series 1998 B-1	10/28/1998	328,714	190,160
Unlimited Tax GO Bonds Series 1999A	2/25/1999	532,554	267,392
Unlimited Tax GO Bonds, IDFA Series 1999A	12/22/1999	12,000	—
Unlimited Tax GO Bonds, Series 2000D	9/7/2000	101,000	—
Unlimited Tax GO Bonds, Series 2001B	10/24/2001	9,440	—
		<u>\$ 1,497,703</u>	<u>\$ 457,552</u>

B. The total issued and outstanding debt for the 2006 Authorization is the issuance as outlined below:

	Date Issued	Amount Issued	Principal Outstanding
Unlimited Tax GO Bonds, Series 2006B	9/27/2006	\$ 54,488	\$ —
Unlimited Tax GO Refunding Bonds, Series 2007A	9/5/2007	162,785	—
Unlimited Tax GO Refunding Bonds, Series 2007C	9/5/2007	6,870	—
Unlimited Tax GO Bonds, Series 2007D	12/13/2007	238,720	—
Unlimited Tax GO Refunding Bonds, Series 2009B	6/25/2009	75,410	—
Unlimited Tax GO Refunding Bonds, Series 2009C	6/25/2009	20,265	—
Unlimited Tax GO Refunding Bonds, Series 2009D	7/30/2009	75,720	2,000
		<u>\$ 634,258</u>	<u>\$ 2,000</u>

C. The total issue and outstanding debt for the 2008 Authorization is the issuance as outlined below:

	Date Issued	Amount Issued	Principal Outstanding
Unlimited Tax GO Refunding Bonds, Series 2008A	5/13/2008	\$ 262,785	\$ —
Unlimited Tax GO Refunding Bonds, Series 2008B	5/13/2008	240,975	—
Unlimited Tax GO Refunding Bonds, Series 2008C	5/1/2008	464,655	—
Unlimited Tax GO Refunding Bonds, Series 2009A	3/18/2009	130,000	—
Unlimited Taxable GO Bonds, Series 2009E	9/24/2009	518,210	490,205
Unlimited Tax GO Bonds, Series 2009F	9/24/2009	29,125	—
Unlimited Tax GO Bonds, Series 2009G	12/17/2009	254,240	254,240
		<u>\$ 1,899,990</u>	<u>\$ 744,445</u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

TOTAL AUTHORIZED BOND ISSUANCES (continued)
As of June 30, 2021
(Thousands of dollars)

D. The total issued and outstanding debt for the 2009 Authorization is the issuance as outlined below:

	Date Issued	Amount Issued	Principal Outstanding
Unlimited Tax GO Refunding Bonds, Series 2010A	2/17/2010	\$ 48,910	\$ —
Unlimited Tax GO Refunding Bonds, Series 2010B	2/17/2010	157,055	—
Unlimited Tax GO Bonds, Series 2010C	11/2/2010	257,125	257,125
Unlimited Tax GO Bonds, Series 2010D	11/2/2010	125,000	125,000
Unlimited Tax GO Refunding Bonds, Series 2010F	11/2/2010	183,750	—
Unlimited Tax GO Refunding Bonds, Series 2010G	11/2/2010	72,915	—
Unlimited Tax GO Bonds, Series 2011A	11/1/2011	402,410	402,410
Unlimited Tax GO Refunding Bonds, Series 2011C	12/20/2012	95,100	—
Unlimited Tax GO Refunding Bonds, Series 2011D	12/16/2011	95,000	—
Unlimited Tax GO Bonds, Series 2012A	8/21/2012	468,915	468,915
		<u>\$ 1,906,180</u>	<u>\$ 1,253,450</u>

E. The total issued and outstanding debt for the 2012 Authorization is the issuance as outlined below:

	Date Issued	Amount Issued	Principal Outstanding
Unlimited Tax GO Refunding Bonds, Series 2012B	12/21/2012	\$ 109,825	\$ 109,825
Unlimited Tax GO Short-term Line of Credit, Series 2013B	12/20/2013	150,000	—
Unlimited Tax GO Short-term Line of Credit, Series 2013C	12/20/2013	150,000	—
Unlimited Tax GO Bonds, Series 2015C	4/29/2015	280,000	280,000
Unlimited Tax GO Bonds, Series 2015E	4/29/2015	20,000	20,000
		<u>\$ 709,825</u>	<u>\$ 409,825</u>

F. The total issued and outstanding debt for the 2015 Authorization is the issuance as outlined below:

	Date Issued	Amount Issued	Principal Outstanding
Unlimited Tax GO Bonds, Series 2016A	2/8/2016	\$ 725,000	\$ 725,000
Unlimited Tax GO Bonds, Series 2016B	7/29/2016	150,000	150,000
Unlimited Tax GO Bonds, Series 2017A	7/11/2017	285,000	285,000
		<u>\$ 1,160,000</u>	<u>\$ 1,160,000</u>

G. The total issued and outstanding debt for the 2016 Authorization is the issuance as outlined below:

	Date Issued	Amount Issued	Principal Outstanding
Unlimited Tax GO Bonds, Series 2017B	11/30/2017	\$ 215,000	\$ 215,000
Unlimited Tax GO Bonds, Series 2017G	11/30/2017	126,500	126,500
Unlimited Tax GO Bonds, Series 2017H	11/30/2017	280,000	280,000
Unlimited Tax GO Bonds, Series 2018B	6/1/2018	10,220	9,275
Unlimited Tax GO Bonds, Series 2018D	12/13/2018	313,280	313,280
		<u>\$ 945,000</u>	<u>\$ 944,055</u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

TOTAL AUTHORIZED BOND ISSUANCES (continued)
As of June 30, 2021
(Thousands of dollars)

H. The total issued and outstanding debt for the 2019 Authorization is the issuance as outlined below:

	<u>Date Issued</u>	<u>Amount Issued</u>	<u>Principal Outstanding</u>
Unlimited Tax G.O. Bonds, Series 2021A	2/11/2021	\$ 450,000	\$ 450,000
Unlimited Tax G.O. Bonds, Series 2021B	2/11/2021	107,505	107,505
		<u>\$ 557,505</u>	<u>\$ 557,505</u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

OUTSTANDING DEBT PER CAPITA

Last Ten Fiscal Years

As of June 30, 2021

(Thousands of dollars, except per capita)

Fiscal Year	General Obligation Bonds	Premium / (Discount)	Capital Improvement Tax Bonds	Accretion of Capital Improvement Bonds	Leases Securing PBC Bonds	Capital Leases	Total Primary Government
2012	\$ 5,593,686	\$ 91,263	\$ —	\$ 555,856	\$ 299,780	\$ 1,925	\$ 6,542,510
2013	6,058,398	125,768	—	581,787	267,330	1,750	7,035,033
2014	5,944,516	115,684	—	601,702	232,940	1,575	6,896,417
2015	6,073,049	93,117	—	619,171	196,470	1,400	6,983,207
2016	6,578,983	(26,250)	—	634,157	157,780	1,225	7,345,895
2017	7,198,734	(65,492)	729,580	646,787	116,850	1,050	8,627,509
2018	7,281,448	(46,486)	794,480	667,795	73,520	875	8,771,632
2019	7,475,068	(36,309)	880,480	687,718	27,675	700	9,035,332
2020	7,247,856	8,187	880,480	692,306	—	525	8,829,354
2021	7,498,076	131,674	880,480	679,899	—	—	9,190,129

NOTES:

(A) Starting in FY2013, CPS will include information about accumulated resources that are restricted to repaying the principal of outstanding general bonded debt. These accumulated resources will be subtracted from the total primary government amount in order to calculate a net total primary amount.

(B) For all years prior to FY2013, the total net outstanding debt per capita ratio is the total primary government amount divided by population.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

OUTSTANDING DEBT PER CAPITA

Last Ten Fiscal Years

As of June 30, 2021

(Thousands of dollars, except per capita)

Accumulated Resources Restricted to Repaying the Principal of General Bonded Debt	Net Total Primary Government	Percentage of Personal Income	Percentage of Actual Taxable Value of Property	Population	Total Net General Bonded Debt Per Capita	Total General Obligation Debt Per Capita
N/A	\$ 6,542,510	4.47%	21.46%	2,695,598	\$ 2,187.04	\$ 2,075.12
144,852	6,890,181	4.62%	22.64%	2,695,598	2,293.60	2,247.52
167,270	6,729,147	4.35%	21.98%	2,695,598	2,230.21	2,205.27
167,270	6,815,937	4.01%	19.89%	2,695,598	2,264.30	2,252.95
97,695	7,248,200	4.30%	21.45%	2,695,598	2,463.38	2,440.64
124,217	8,503,292	4.92%	25.58%	2,716,450	2,916.31	2,650.05
158,585	8,613,047	4.75%	26.61%	2,705,994	2,953.35	2,690.86
171,755	8,863,577	4.67%	22.30%	2,693,976	3,048.34	2,774.73
169,462	8,659,892	4.14%	23.18%	2,746,388	3,153.19	2,639.05
190,553	8,999,576	N/A	N/A	N/A	N/A	N/A

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
As of June 30, 2021
(Thousands of dollars)

	Fiscal Year			
	2012	2013	2014	2015
Debt limit	\$ 10,367,652	\$ 9,005,479	\$ 8,607,088	\$ 8,958,101
General obligation	394,793	342,830	290,849	238,820
Less: amount set aside for repayment of bonds	(29,917)	(34,790)	(35,201)	(34,684)
Total net debt applicable to limit (A)	\$ 364,876	\$ 308,040	\$ 255,648	\$ 204,136
Legal debt margin	\$ 10,002,776	\$ 8,697,439	\$ 8,351,440	\$ 8,753,965
Total net debt applicable to the limit as a percentage of debt limit	3.52 %	3.42 %	2.97 %	2.28 %

(A) Pursuant to Section 15 of the Debt Reform Act, this table does not reflect the following alternate bonds because these bond series do not count against the debt limit until the tax levy supporting them is extended for collection:

\$328.7 million Series 1998B-1	\$215.0 million Series 2017B
\$532.5 million Series 1999A	\$351.5 million Series 2017C
\$193.5 million Series 2005A	\$79.3 million Series 2017D
\$75.7 million Series 2009D	\$22.2 million Series 2017E
\$547.3 million Series 2009E	\$165.5 million Series 2017F
\$254.2 million Series 2009G	\$126.5 million Series 2017G
\$257.1 million Series 2010C	\$280.0 million Series 2017H
\$125.0 million Series 2010D	\$552.0 million Series 2018A
\$402.4 million Series 2011A	\$10.2 million Series 2018B
\$468.9 million Series 2012A	\$450.1 million Series 2018C
\$109.8 million Series 2012B	\$313.3 million Series 2018D
\$280.0 million Series 2015C	\$225.3 million Series 2019A
\$20.0 million Series 2015E	\$123.8 million Series 2019B
\$725.0 million Series 2016A	\$450.0 million Series 2021A
\$150.0 million Series 2016B	\$107.5 million Series 2021B
\$285.0 million Series 2017A	

(B) Per Illinois School Code Section 19-1, no school districts maintaining grades K through 12 shall become indebted in any manner or for any purpose to an amount, including existing indebtedness, in the a taxable property aggregate exceeding 13.8% on the value of the taxable property therein to be incurring of such indebtedness, ascertained by the last assessment for State and county taxes or, until January 1, 1983, if greater, the sum that is produced by incurred by such indebtedness.

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 9,793,658	\$ 10,214,898	\$ 10,594,116	\$ 11,914,352	\$ 12,119,942	\$ 12,354,330
186,823	134,803	82,734	30,636	—	—
(34,866)	(32,761)	(35,452)	(23,173)	—	—
\$ 151,957	\$ 102,042	\$ 47,282	\$ 7,463	\$ —	\$ —
<u>\$ 9,641,701</u>	<u>\$ 10,112,856</u>	<u>\$ 10,546,834</u>	<u>\$ 11,906,889</u>	<u>\$ 12,119,942</u>	<u>\$ 12,354,330</u>
1.55 %	1.00 %	0.45 %	0.06 %	0.00 %	0.00 %

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2021
(Thousands of Dollars)

<u>Governmental Unit</u>	<u>Debt Outstanding (A)</u>	<u>Estimated Percentage Applicable (B)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
City of Chicago	\$ 6,707,120	100.00 %	\$ 6,707,120
City Colleges of Chicago	309,014	100.00 %	309,014
Chicago Park District	807,420	100.00 %	807,420
Cook County	2,596,352	51.49 %	1,336,862
Forest Preserve District	139,880	51.49 %	72,024
Water Reclamation District	2,659,018	52.38 %	1,392,794
Subtotal, overlapping debt			<u>\$ 10,625,234</u>
Chicago Public School Direct Debt			<u>\$ 9,190,129</u>
Total Direct and Overlapping Debt			<u><u>\$ 19,815,363</u></u>

(A) Debt outstanding data provided by each governmental unit.

(B) Assessed value data used to estimate applicable percentage is provided by the Office of the Cook County Clerk. Percentages are calculated by dividing each taxing district's 2020 tax extension within the City of Chicago by the total 2020 Cook County extension for the district.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

CPS' DEBT RATING HISTORY
Fiscal Year Ending June 30, 2021

General Obligation Bonds

The following table presents the changes in general obligation credit rating for Chicago Board of Education for the last five years:

	Sept. 2016*	Nov. 2016*	Dec. 2016*	Oct. 2017*	July 2018*	June 2019	June 2020	June 2021
S&P	B+	B	B	B	B+	B+	BB-	BB
Moody's	B3	B3	B3	B3	B2	B2	B1	Ba3
Fitch	B+	B+	B+	BB-	BB-	BB-	BB	BB
Kroll*	BBB-	BBB-	BBB-	BBB-	BBB-	BBB-	BBB-	BBB-

Security Structure: All of CPS' general obligation debt that has been issued as alternate revenue bonds are secured by at least one other revenue stream in addition to the Board's unlimited tax general obligation pledge. CPS has pledged revenues from Personal Property Replacement Taxes (PPRT), revenues from an Intergovernmental Agreement (IGA) with the City of Chicago, revenues from City Notes and Intergovernmental Agreements with the City of Chicago, federal subsidies, and both State Aid and State Grant revenues as alternate revenue sources.

NOTES: *The rating provided by Kroll for CPS general obligation series issued from 2016 through 2019 is BBB. The underlying rating for all other issues is BBB-.

Capital Improvement Tax Bonds

The following table presents the changes in the dedicated revenue capital improvement tax credit rating for Chicago Board of Education since inception beginning in December 2016:

	June 2017	June 2018	June 2019	June 2020	June 2021
Fitch	A	A	A	A	A-
Kroll	BBB	BBB	BBB	BBB	BBB

Security Structure: In Fiscal Year 2017, CPS structured an entirely new capital improvement tax (CIT) long term bond credit that is separate from the existing CPS general obligation credit. The CIT Bonds are limited obligations of the Board payable from and secured by a revenues derived and to be derived by the Board from the levy of a capital improvement tax. The Capital Improvement Tax Levy is outside of the Board's property tax cap limitation and may increase by the rate of inflation in future years. The statute authorizing the CIT allows the levy to be used for either expenditures on capital projects or to pay for debt service on bonds that are used to finance capital projects such as the CIT Bonds issued in fiscal year 2017 and 2018.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

CITY OF CHICAGO PRINCIPAL EMPLOYERS (NON-GOVERNMENT)
Prior Year and Nine Years Ago

Employer	2020 (1)			2011 (3)		
	Number of Employees	Rank	Percentage of Total City Employment (2)	Number of Employees	Rank	Percentage of Total City Employment (2)
Advocate Aurora Health	26,335	1	2.26%	—	—	—%
Northwestern Memorial Healthcare	21,999	2	1.89%	—	—	—%
University of Chicago	18,732	3	1.61%	—	—	—%
Walmart Inc.	16,711	4	1.43%	—	—	—%
Amazon.com Inc.	16,610	5	1.43 %	—	—	—%
Amita Health	14,282	6	1.23 %	—	—	—%
J.P. Morgan & Co. (5)	13,750	7	1.18 %	7,993	1	0.77%
Walgreens Boots Alliance Inc.	13,377	8	1.15 %	4,429	7	0.43%
United Continental Holdings Inc. (4)	11,059	9	0.95%	6,366	2	0.62%
Jewel-Osco, Inc (6)	10,754	10	0.92%	4,799	5	0.46%
Northern Trust	—	—	—%	5,485	3	0.53%
Accenture LLP.	—	—	—%	5,014	4	0.48%
Bank of America NT & SA (7)	—	—	—%	4,557	6	0.44%
CVS Corporation	—	—	—%	4,159	8	0.40%
ABM Janitorial Midwest, Inc.	—	—	—%	3,629	9	0.35%
Ford Motor Company	—	—	—%	3,410	10	0.33%

NOTES:

- 1) Source: Reprinted with permission from the February 22, 2021 issue of Crain’s Chicago Business. © 2021 Crain Communications Inc. All Rights Reserved.
- 2) Source: Bureau of Labor Statistics data used in calculation of Total City Employment.
- 3) Source: City of Chicago, Department of Revenue, Employer’s Expense Tax Returns. Prior to 2014, the source for information was the City of Chicago, Bureau of Revenue-Tax Division report, which is no longer available.
- 4) United Continental Holdings Inc. formerly known as United Airlines.
- 5) JP Morgan & Co. formerly known as J.P. Morgan Chase.
- 6) Jewel-Osco formerly known as Jewel Food Stores, Inc.
- 7) Bank of America NT & SA formerly known as Bank of America NT.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years

Year	City of Chicago Population (A)	Personal Income (\$000's)	Per Capita Income (B)	Median Age (C)	Number of Households (C)
2011	2,695,598	\$ 126,523,283	\$ 46,937	33.20	1,045,666
2012	2,695,598	131,930,653	48,943	33.10	1,030,076
2013	2,695,598	133,866,092	49,661	33.30	1,028,746
2014	2,695,598	138,230,265	51,280	33.40	1,028,829
2015	2,695,598	152,220,419	56,470	33.70	1,035,436
2016	2,695,598	154,417,331	57,285	33.90	1,042,579
2017	2,716,450	160,917,065	59,238	34.10	1,046,789
2018	2,705,994	168,326,357	62,205	34.90	1,077,886
2019	2,693,976	175,932,797	65,306	35.20	1,080,345
2020	2,746,388	192,068,645	69,935	N/A	N/A

NOTES:

A) *Source* : U.S. Census Bureau. The census is conducted decennially at the start of each decade.

B) *Source* : Bureau of Economic Analysis. These rates are for Cook County.

C) *Source* : World Business Chicago Website.

D) *Source* : Illinois Workforce Info Center Website

N/A: Not available at publishing.

Civilian Labor Force (D)		Employment (D)		
Number	Percent of Population	Number	Percent of Population	Unemployment Rate
1,259,055	46.71%	1,116,216	41.41%	11.30%
1,273,805	47.26%	1,144,896	42.47%	10.10%
1,277,649	47.40%	1,143,944	42.44%	10.50%
1,369,656	50.81%	1,264,234	46.90%	7.70%
1,361,418	50.51%	1,273,727	47.25%	6.40%
1,374,148	50.98%	1,285,806	47.70%	6.40%
1,364,817	50.24%	1,289,325	47.46%	5.50%
1,345,740	49.73%	1,288,755	47.63%	4.20%
1,339,469	49.72%	1,286,484	47.75%	4.00%
1,324,384	48.22%	1,165,441	42.44%	12.00%

CHICAGO PUBLIC SCHOOLS
 Chicago Board of Education

METROPOLITAN CHICAGO TOP PUBLIC COMPANIES RANKED BY 2020 NET REVENUES
 (Millions of dollars)

Company Name	2020 Net Revenues	Number of Employees (1)
Walgreens Boots Alliance Inc.	\$ 139,537.0	277,000
Archer-Daniels-Midland Co.	64,355.0	38,332
Boeing Co.	58,158.0	141,000
Abbvie Inc.	45,804.0	47,000
Allstate Corp.	44,791.0	42,010
Caterpillar Inc.	41,748.0	97,300
Deere & Co.	35,540.0	69,634
Abbott Laboratories	34,608.0	109,000
Exelon Corp.	33,039.0	32,340
Mondelez International Inc.	26,581.0	79,000
Kraft Heinz Co.	26,185.0	38,000
US Foods Holding Corp.	22,885.0	26,000
McDonald's Corp.	19,207.8	200,000
CDW Corp.	18,467.5	10,000
Jones Lang Lasalle Inc.	16,589.9	90,800
Tenneco Inc.	15,379.0	73,000
United Airlines Holdings Inc.	15,355.0	74,400
Discover Financial Services	12,953.0	17,600
Illinois Tool Works Inc.	12,574.0	43,000
W.W Grainger Inc.	11,797.0	22,450

Source: Crain's Chicago Business, "Chicago's Largest Public Companies", from May 17, 2021 issue. Copyright 2021 Crain Communications Inc.

NOTES:

- 1) Most recent employee count available

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND NET CHANGES IN FUND BALANCE
FINAL APPROPRIATIONS AND ACTUAL
For the Fiscal Year Ended June 30, 2021
With Comparative Amounts for the Fiscal Year Ended June 30, 2020
(Thousands of Dollars)

	Approved Budget	Transfers In/(Out)	Final Appropriations	Fiscal Year 2021 Actual	Over/ (Under) Budget	Fiscal Year 2020 Actual	2021 Over (under) 2020
Revenues:							
Property taxes	\$ 3,203,960	\$ —	\$ 3,203,960	\$ 3,097,307	\$ (106,653)	\$ 3,014,452	\$ 82,855
Replacement taxes	155,475	—	155,475	242,643	87,168	139,729	102,914
State aid	1,845,888	—	1,845,888	1,817,275	(28,613)	1,846,012	(28,737)
Federal aid	1,301,791	—	1,301,791	1,116,343	(185,448)	722,420	393,924
Interest and investment earnings	500	—	500	584	84	6,000	(5,416)
Other	386,356	—	386,356	470,381	84,025	469,328	1,053
Total revenues	\$ 6,893,970	\$ —	\$ 6,893,970	\$ 6,744,533	\$ (149,437)	\$ 6,197,941	\$ 546,592
Expenditures:							
Teachers' salaries	\$ 2,224,491	\$ —	\$ 2,224,491	\$ 2,133,813	\$ (90,678)	\$ 1,990,348	\$ 143,465
Career service salaries	782,405	—	782,405	723,876	(58,529)	706,758	17,118
Energy	69,436	—	69,436	63,294	(6,142)	70,935	(7,641)
Food	136,904	—	136,904	51,663	(85,241)	94,333	(42,670)
Textbook	86,905	—	86,905	65,859	(21,046)	57,664	8,195
Supplies	136,279	—	136,279	109,334	(26,945)	60,024	49,310
Other	769	—	769	609	(160)	229	380
Professional and special services	737,000	—	737,000	540,289	(196,711)	506,269	34,020
Charter Schools	810,983	—	810,983	820,187	9,204	768,328	51,859
Transportation	119,372	—	119,372	67,948	(51,424)	103,693	(35,745)
Tuition	76,214	—	76,214	68,264	(7,950)	64,063	4,201
Telephone and telecommunications	17,856	—	17,856	27,752	9,896	16,581	11,171
Other	27,420	—	27,420	18,787	(8,633)	25,508	(6,721)
Equipment - educational	90,135	—	90,135	61,102	(29,033)	48,384	12,718
Repair and replacements	39,417	—	39,417	36,222	(3,195)	45,592	(9,370)
Capital outlay	—	—	—	12	12	6	6
Teachers' pension	1,015,297	—	1,015,297	1,003,935	(11,362)	968,083	35,852
Career service pension	177,803	—	177,803	221,022	43,219	188,977	32,045
Hospitalization and dental insurance	396,312	—	396,312	398,385	2,073	347,073	51,312
Medicare	45,896	—	45,896	40,797	(5,099)	38,702	2,095
Unemployment compensation	9,362	—	9,362	1,490	(7,872)	5,452	(3,962)
Workers compensation	22,905	—	22,905	17,619	(5,286)	22,602	(4,983)
Rent	19,948	—	19,948	17,151	(2,797)	17,350	(199)
Debt service	20,562	—	20,562	8,527	(12,035)	7,364	1,163
Other	(147,701)	—	(147,701)	9,921	157,622	9,329	592
Total expenditures	\$ 6,915,970	\$ —	\$ 6,915,970	\$ 6,507,858	\$ (408,112)	\$ 6,163,647	\$ 344,211
Revenues in excess of (less than) expenditures	\$ (22,000)	\$ —	\$ (22,000)	\$ 236,675	\$ 258,675	\$ 34,294	\$ 202,381
Other financing sources (uses):							
Transfers in / (out)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 11,010	\$ (11,010)
Total other financing sources (uses)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 11,010	\$ (11,010)
Net change in fund balances	\$ (22,000)	\$ —	\$ (22,000)	\$ 236,675	\$ 258,675	\$ 45,304	\$ 191,371
Fund balances, beginning of period as restated	567,093	—	567,093	567,093	—	471,766	148,002
Fund balances, end of period	\$ 545,093	\$ —	\$ 545,093	\$ 803,768	\$ 258,675	\$ 517,070	\$ 339,373

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
SCHEDULE OF REVENUE - BY PROGRAM
For the Fiscal Year Ended June 30, 2021
(Modified Accrual Basis of Accounting)
(Thousands of dollars)

	Educational Program	CTPF Pension Levy	School Internal Accounts	Individuals with Disabilities Education Act (IDEA) Program	Other Government Funded Program
Revenues:					
Property taxes	\$ 2,563,305	\$ 489,345	\$ —	\$ —	\$ —
Replacement taxes	242,643	—	—	—	—
State aid	1,070,062	—	—	—	337,887
Federal aid	50,003	—	—	110,091	87,348
Interest and investment income	574	8	—	—	—
Other	410,916	25,488	17,167	—	8,241
Total revenues	<u>\$ 4,337,503</u>	<u>\$ 514,841</u>	<u>\$ 17,167</u>	<u>\$ 110,091</u>	<u>\$ 433,476</u>

Statistical Section — Operating Information

Elementary and Secondary Education Act (ESEA) Program	School Lunch Program	Workers' and Unemployment Compensation/ Tort Immunity Program	Public Building Commission Operations and Maintenance Program	Elementary and Secondary School Emergency Relief	Total
\$ —	\$ —	\$ 44,657	\$ —	\$ —	\$ 3,097,307
—	—	—	—	—	242,643
—	867	—	408,459	—	1,817,275
248,740	104,918	—	—	515,243	1,116,343
—	—	2	—	—	584
—	333	—	8,236	—	470,381
<u>\$ 248,740</u>	<u>\$ 106,118</u>	<u>\$ 44,659</u>	<u>\$ 416,695</u>	<u>\$ 515,243</u>	<u>\$ 6,744,533</u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

GENERAL OPERATING FUND
SCHEDULE OF EXPENDITURES - BY PROGRAM
For the Fiscal Year Ended June 30, 2021
(Modified Accrual Basis of Accounting)
(Thousands of dollars)

	Educational Program	CTPF Pension Levy	Internal School Accounts	Workers' Unemployment Comp / Tort Program
Teachers' salaries	\$ 1,623,773	\$ —	\$ —	\$ 104
Career service salaries	491,231	—	—	55,223
Energy	157	—	—	—
Food	317	—	—	—
Textbooks	56,747	—	—	—
Supplies	45,356	—	—	24
Other commodities	592	—	—	—
Professional fees	136,628	—	9,750	1,593
Charter schools	769,801	—	—	—
Transportation	67,084	—	—	7
Tuition	62,371	—	—	—
Telephone and telecommunications	27,588	—	—	5
Other services	13,305	—	—	2,123
Equipment - educational	42,313	—	—	46
Repairs and replacements	6,614	—	—	579
Capital outlay	12	—	—	—
Teachers' pension	400,163	524,948	—	23
Career service pension	141,131	—	—	20,216
Hospitalization and dental insurance	280,122	—	—	12,688
Medicare	30,298	—	—	919
Unemployment compensation	1,100	—	—	27
Workers' compensation	13,023	—	—	322
Rent	680	—	—	—
Debt Service	8,527	—	—	—
Other fixed charges	(63,489)	—	—	—
Total expenditures	<u>\$ 4,155,444</u>	<u>\$ 524,948</u>	<u>\$ 9,750</u>	<u>\$ 93,899</u>

Statistical Section — Operating Information

Individuals with Disabilities Education Act (IDEA) Program	Public Building Commission Operations and Maintenance Program	School Lunch Program	Elementary and Secondary School Emergency Relief (ESSER)	Elementary and Secondary Education Act (ESEA) Program	Other Government Funded Programs	Total
\$ 79,075	\$ —	\$ —	\$ 225,128	\$ 104,451	\$ 101,281	\$ 2,133,812
1,389	37,517	8,028	73,080	13,706	43,701	723,875
—	63,137	—	—	—	—	63,294
—	—	39,009	11,408	14	915	51,663
2	170	—	1,413	3,088	4,439	65,859
96	245	34	52,137	4,626	6,816	109,334
—	—	—	—	6	11	609
2,290	247,759	4,208	17,613	21,213	99,237	540,291
—	—	—	—	41,273	9,113	820,187
—	80	(4)	7	(777)	1,552	67,949
5,240	—	—	—	—	653	68,264
—	—	3	—	156	—	27,752
20	895	27	442	172	1,803	18,787
10	117	629	11,366	1,454	5,167	61,102
—	28,446	—	516	9	59	36,223
—	—	—	—	—	—	12
12,152	—	—	34,313	16,953	15,384	1,003,936
215	13,672	2,448	27,557	3,926	11,855	221,020
9,961	8,026	1,570	51,666	15,330	19,021	398,384
1,107	515	112	4,165	1,663	2,018	40,797
44	21	4	159	64	71	1,490
517	243	45	1,885	753	831	17,619
—	15,853	2	—	—	616	17,151
—	—	—	—	—	—	8,527
1,673	—	2,599	61,337	4,513	3,288	9,921
\$ 113,791	\$ 416,696	\$ 58,714	\$ 574,192	\$ 232,593	\$ 327,831	\$ 6,507,858

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

ANALYSIS OF COMPOUNDED GROWTH OF REVENUES - ALL FUNDS
Last Ten Fiscal Years and 2022 Budget
(Modified Accrual Basis of Accounting)
(Thousands of Dollars)

	2012	2013	2014 (as restated)	2015	2016	2017
Local revenue:						
Property taxes	\$ 2,352,136	\$ 2,211,568	\$ 2,204,252	\$ 2,304,656	\$ 2,408,416	\$ 2,714,956
Replacement taxes	181,927	185,884	188,041	202,148	161,535	227,921
Investment income	20,760	7,303	15,596	(92,825)	(95,650)	5,442
Other	303,744	322,128	286,472	377,286	437,042	387,045
Total local	<u>\$ 2,858,567</u>	<u>\$ 2,726,883</u>	<u>\$ 2,694,361</u>	<u>\$ 2,791,265</u>	<u>\$ 2,911,343</u>	<u>\$ 3,335,364</u>
State revenue:						
Evidence based funding	\$ 1,136,472	\$ 1,094,732	\$ 1,089,673	\$ 1,014,395	\$ 971,642	\$ 1,074,021
Teachers' pension	10,449	10,931	11,903	62,145	12,105	1,016
Capital	—	—	—	—	—	—
Other	818,980	710,135	739,229	770,529	568,578	633,828
Total state	<u>\$ 1,965,901</u>	<u>\$ 1,815,798</u>	<u>\$ 1,840,805</u>	<u>\$ 1,847,069</u>	<u>\$ 1,552,325</u>	<u>\$ 1,708,865</u>
Federal revenue:						
Elementary and Secondary Education Act (ESEA)	\$ 283,681	\$ 264,600	\$ 342,915	\$ 253,514	\$ 150,477	\$ 278,136
Individuals with Disabilities Education Act (IDEA)	84,385	106,902	100,092	103,899	93,483	93,096
School lunchroom	182,836	190,093	181,902	200,412	202,943	198,440
Medicaid	92,736	41,523	44,801	42,524	34,806	37,108
Other	292,313	242,678	237,531	198,582	327,290	177,163
Total federal	<u>\$ 935,951</u>	<u>\$ 845,796</u>	<u>\$ 907,241</u>	<u>\$ 798,931</u>	<u>\$ 808,999</u>	<u>\$ 783,943</u>
Total revenue	<u>\$ 5,760,419</u>	<u>\$ 5,388,477</u>	<u>\$ 5,442,407</u>	<u>\$ 5,437,265</u>	<u>\$ 5,272,667</u>	<u>\$ 5,828,172</u>
Change in revenue from previous year	\$ 100,422	\$ (371,942)	\$ 53,930	\$ (5,142)	\$ (164,598)	\$ 555,505
Percent change in revenue	1.8 %	(6.5)%	1.0 %	(0.1)%	(3.0)%	10.5 %

Note - General State Aid changed to Evidence Based Funding in FY18.

Statistical Section — Operating Information

2018	2019	2020	2021	Budget 2022	Ten Year Compounded Growth Rate	Five Year Compounded Growth Rate
\$ 2,897,870	\$ 2,984,026	\$ 3,074,091	\$ 3,157,474	\$ 3,384,200	3.7 %	4.5 %
168,254	187,232	202,451	282,075	234,900	2.6 %	0.6 %
19,022	47,250	47,514	2,883	500	(31.1)%	(135.0)%
461,692	536,349	622,101	573,898	553,500	6.2 %	7.4 %
<u>\$ 3,546,838</u>	<u>\$ 3,754,857</u>	<u>\$ 3,946,157</u>	<u>\$ 4,016,330</u>	<u>\$ 4,173,100</u>	3.9 %	4.6 %
\$ 1,540,295	\$ 1,605,783	\$ 1,579,631	\$ 1,549,592	\$ 1,665,800	3.9 %	9.2 %
232,992	238,869	257,349	266,893	266,900	38.3 %	204.7 %
6,908	—	10,741	17,463	47,300	— %	N/A
416,761	338,290	392,086	455,240	350,877	(8.1)%	(11.2)%
<u>\$ 2,196,956</u>	<u>\$ 2,182,942</u>	<u>\$ 2,239,807</u>	<u>\$ 2,289,188</u>	<u>\$ 2,330,877</u>	1.7 %	6.4 %
\$ 259,691	\$ 229,952	\$ 285,457	\$ 290,131	\$ 252,231	(1.2)%	(1.9)%
92,655	93,185	94,434	110,091	108,870	2.6 %	3.2 %
198,304	198,294	183,073	104,918	244,495	2.9 %	4.3 %
32,392	34,975	32,847	34,417	35,200	(9.2)%	(1.1)%
184,886	148,949	151,545	609,388	1,497,555	17.7 %	53.3 %
<u>\$ 767,928</u>	<u>\$ 705,355</u>	<u>\$ 747,356</u>	<u>\$ 1,148,945</u>	<u>\$ 2,138,351</u>	8.6 %	22.2 %
<u>\$ 6,511,722</u>	<u>\$ 6,643,154</u>	<u>\$ 6,933,320</u>	<u>\$ 7,454,463</u>	<u>\$ 8,642,328</u>	4.1 %	8.2 %
\$ 683,550	\$ 131,432	\$ 290,166	\$ 521,143	\$ 1,187,865		
11.7 %	2.0 %	4.4 %	7.5 %	15.9 %		

Statistical Section — Operating Information

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

ANALYSIS OF COMPOUNDED GROWTH OF EXPENDITURES - ALL FUNDS Last Ten Fiscal Years and 2022 Budget (Modified Accrual Basis of Accounting) (Thousands of dollars)

	2012	2013	2014	2015	2016	2017
Compensation:						
Teacher salaries	\$ 2,026,832	\$ 1,942,007	\$ 1,921,969	\$ 1,953,938	\$ 1,869,683	\$ 1,815,309
ESP salaries	618,265	633,489	619,462	622,591	605,817	581,665
Total salaries	\$ 2,645,097	\$ 2,575,496	\$ 2,541,431	\$ 2,576,529	\$ 2,475,500	\$ 2,396,974
Teacher pension	335,657	374,567	740,419	826,304	811,051	853,474
ESP pension	100,026	102,342	101,885	102,012	102,762	99,428
Hospitalization	324,918	319,792	343,308	357,124	348,083	306,871
Medicare	34,900	36,404	35,951	36,557	34,824	33,658
Unemployment insurance	17,141	9,134	16,426	8,138	9,438	7,040
Workers' compensation	26,042	23,967	25,646	25,926	20,337	20,531
Total benefits	\$ 838,684	\$ 866,206	\$ 1,263,635	\$ 1,356,061	\$ 1,326,495	\$ 1,321,002
Total compensation	\$ 3,483,781	\$ 3,441,702	\$ 3,805,066	\$ 3,932,590	\$ 3,801,995	\$ 3,717,976
Non-compensation:						
Energy	\$ 73,409	\$ 76,559	\$ 87,547	\$ 74,516	\$ 70,227	\$ 69,067
Food	104,245	106,650	96,816	99,573	98,777	94,911
Textbooks	49,147	68,969	52,871	55,254	54,856	43,255
Supplies	45,521	52,925	55,223	50,571	47,085	44,040
Commodities - other	583	408	648	474	294	221
Professional fees	412,072	398,064	441,667	395,221	314,732	357,258
Charter schools	424,423	498,162	580,652	662,553	704,981	668,412
Transportation	109,368	106,861	104,430	103,891	104,450	95,974
Tuition	55,001	54,626	66,396	90,901	61,028	53,668
Telephone and telecommunications	23,451	23,642	30,297	28,061	24,579	21,998
Services - other	11,010	12,438	14,126	14,133	16,471	13,814
Equipment	40,938	59,654	62,757	60,962	45,407	30,967
Repairs and replacements	33,912	26,449	31,679	27,291	18,853	18,319
Capital outlays	576,925	493,532	486,986	374,758	294,446	205,852
Rent	11,745	10,547	12,164	13,030	16,012	14,638
Debt service	374,494	390,409	467,904	523,113	480,288	569,694
Other	9,679	8,639	7,792	11,340	8,961	13,488
Total non-compensation	\$ 2,355,923	\$ 2,388,534	\$ 2,599,955	\$ 2,585,642	\$ 2,361,447	\$ 2,315,576
Total expenditures	\$ 5,839,704	\$ 5,830,236	\$ 6,405,021	\$ 6,518,232	\$ 6,163,442	\$ 6,033,552
Change in expenditures from previous year	\$ 34,270	\$ (9,468)	\$ 574,785	\$ 113,211	\$ (354,790)	\$ (129,890)
Percent change in expenditures	0.6%	(0.2)%	9.8%	1.8%	(5.4)%	(2.1)%

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2018	2019	2020	2021	Budget 2022	Ten Year Compounded Growth Rate	Five Year Compounded Growth Rate
\$ 1,841,295	\$ 1,928,020	\$ 1,990,348	\$ 2,133,813	\$ 2,267,962	1.1 %	4.6 %
595,467	620,004	706,758	723,876	803,984	2.7 %	6.7 %
\$ 2,436,762	\$ 2,548,024	\$ 2,697,106	\$ 2,857,689	\$ 3,071,946	1.5 %	5.1 %
900,791	924,209	968,083	1,003,935	1,109,185	12.7 %	5.4 %
113,882	143,486	188,977	221,022	125,568	2.3 %	4.8 %
319,344	304,917	347,073	398,385	419,417	2.6 %	6.4 %
34,601	36,294	38,702	40,797	46,405	2.9 %	6.6 %
6,604	4,146	5,452	1,490	8,656	(6.6)%	4.2 %
23,546	23,973	22,602	17,619	22,015	(1.7)%	1.4 %
\$ 1,398,768	\$ 1,437,025	\$ 1,570,889	\$ 1,683,248	\$ 1,731,246	7.5 %	5.6 %
\$ 3,835,530	\$ 3,985,049	\$ 4,267,995	\$ 4,540,937	\$ 4,803,192	3.3 %	5.3 %
\$ 60,813	\$ 75,408	\$ 70,935	\$ 63,294	\$ 70,335	(0.4)%	0.4 %
94,512	100,030	94,333	51,663	106,989	0.3 %	2.4 %
50,296	98,607	55,380	65,859	52,588	0.7 %	4.0 %
46,683	56,202	60,024	109,334	39,095	(1.5)%	(2.4)%
301	301	229	609	965	5.2 %	34.3 %
410,175	480,301	499,520	540,289	447,948	0.8 %	4.6 %
703,124	736,530	768,328	820,187	908,286	7.9 %	6.3 %
106,021	107,373	103,693	67,948	120,459	1.0 %	4.6 %
50,181	55,333	64,063	68,264	73,881	3.0 %	6.6 %
23,718	20,447	16,581	27,752	19,977	(1.6)%	(1.9)%
26,819	35,483	25,508	18,787	34,882	12.2 %	20.4 %
35,214	49,973	48,384	61,102	17,648	(8.1)%	(10.6)%
13,214	8,995	45,592	36,222	34,675	0.2 %	13.6 %
340,482	613,138	592,418	565,708	704,797	2.0 %	27.9 %
16,840	16,691	17,350	17,151	21,036	6.0 %	7.5 %
652,532	638,830	661,182	670,068	774,747	7.5 %	6.3 %
7,045	22,782	9,329	9,921	1,060,147	59.9 %	139.4 %
\$ 2,637,970	\$ 3,116,424	\$ 3,132,849	\$ 3,194,158	\$ 4,488,455	6.7 %	14.2 %
\$ 6,473,500	\$ 7,101,473	\$ 7,400,844	\$ 7,735,095	\$ 9,291,647	4.8 %	9.0 %
\$ 439,948	\$ 627,973	\$ 299,371	\$ 334,251	\$ 1,556,552		
7.3 %	9.7 %	4.2 %	4.5 %	20.1 %		

Statistical Section — Operating Information

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) - ALL FUNDS Last Ten Fiscal Years and 2022 Budget (Modified Accrual Basis of Accounting) (Thousands of dollars)

	2012	2013	2014 (as restated)	2015	2016
Revenues:					
Local	\$2,858,567	\$2,726,883	\$2,694,361	\$2,791,265	\$2,911,343
State	1,965,901	1,815,798	1,840,805	1,847,069	1,552,325
Federal	935,951	845,796	907,241	798,931	808,999
Total revenues	\$5,760,419	\$5,388,477	\$5,442,407	\$5,437,265	\$5,272,667
Total expenditures	5,839,704	5,830,236	6,405,021	6,518,232	6,163,442
Revenues less expenditures	\$ (79,285)	\$ (441,759)	\$ (962,614)	\$ (1,080,967)	\$ (890,775)
Other Financing Sources (Uses):					
Bond proceeds	\$ 592,510	\$ 982,720	\$ 131,600	\$ 561,880	\$ 724,999
Net premiums/discounts	1,229	47,271	—	(12,502)	(110,071)
Insurance proceeds	—	—	—	—	—
Sales of general capital assets	—	723	7,301	37,504	15,012
Payment to bond escrow agent	(190,100)	(480,597)	—	(397,090)	(120,856)
Total other financing sources (Uses)	\$ 403,639	\$ 550,117	\$ 138,901	\$ 189,792	\$ 509,084
Change in fund balance	\$ 324,354	\$ 108,358	\$ (823,713)	\$ (891,175)	\$ (381,691)
Fund balance - beginning of period	1,426,320	1,750,674	2,546,502	1,722,789	831,614
Fund balance - end of period	\$1,750,674	\$1,859,032	\$1,722,789	\$ 831,614	\$ 449,923
Revenues as a percent of expenditures	98.6%	92.4%	85.0%	83.4%	85.5%
Composition of fund balance:					
Nonspendable	\$ 9,003	\$ 6,108	\$ 429	\$ 429	\$ 429
Restricted for grants and donations	69,873	63,434	61,022	64,155	64,854
Restricted for workers' comp/tort immunity	92,680	64,985	19,838	41,373	35,116
Restricted for capital improvement program	88,762	169,368	—	—	107,248
Restricted for debt service	332,517	466,966	491,552	545,383	535,116
Restricted for teacher' pension contributions service	—	—	—	—	—
Restricted for school internal accounts	—	—	—	—	—
Assigned for appropriated fund balance	348,900	562,682	267,652	79,225	—
Assigned for debt service	254,967	269,167	193,877	57,057	—
Assigned for commitments and contracts	110,397	105,664	87,067	73,101	—
Unassigned	443,575	150,658	(91,953)	(29,109)	(292,840)
Total fund balance	\$1,750,674	\$1,859,032	\$1,029,484	\$ 831,614	\$ 449,923
Unreserved/Unassigned fund balance as a percentage of revenues	7.7 %	2.8 %	(1.7)%	(0.5)%	(5.6)%
Total fund balance as a percentage of revenues	30.4 %	34.5 %	18.9 %	15.3 %	8.5 %

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2017	2018	2019	2020	2021	Budget 2022
\$3,335,364	\$3,546,838	\$3,754,857	\$3,946,157	\$4,016,330	\$4,172,702
1,708,865	2,196,956	2,182,942	2,239,807	2,289,188	2,331,275
783,943	767,928	705,355	747,356	1,148,945	2,107,856
\$5,828,172	\$6,511,722	\$6,643,154	\$6,933,320	\$7,454,463	\$8,611,833
6,033,552	6,473,500	7,101,473	7,400,844	7,735,095	9,291,647
<u>\$(205,380)</u>	<u>\$ 38,222</u>	<u>\$(458,319)</u>	<u>\$(467,524)</u>	<u>\$(280,632)</u>	<u>\$(679,814)</u>
\$ 879,580	\$2,152,150	\$ 849,395	\$ 349,079	\$ 557,505	\$ 450,000
(36,097)	31,921	22,871	50,391	139,132	—
223	—	—	—	—	—
6,273	9,442	1,251	166	—	—
—	(1,321,865)	(457,035)	(401,956)	(132,560)	—
<u>\$ 849,979</u>	<u>\$ 871,648</u>	<u>\$ 416,482</u>	<u>\$ (2,320)</u>	<u>\$ 564,077</u>	<u>\$ 450,000</u>
\$ 644,599	\$ 909,870	\$ (41,837)	\$(469,844)	\$ 283,445	
449,923	1,094,522	2,004,392	1,962,555	1,542,734	
<u>\$1,094,522</u>	<u>\$2,004,392</u>	<u>\$1,962,555</u>	<u>\$1,492,711</u>	<u>\$1,826,179</u>	
96.6%	100.6%	93.5%	93.7%	96.4%	
\$ 2,785	\$ 429	\$ 429	\$ 429	\$ 429	
51,858	52,333	16,183	13,518	12,143	
27,344	—	—	—	—	
792,586	895,111	716,747	182,101	188,819	
660,501	785,176	753,962	747,627	769,537	
—	9,287	14,125	14,324	4,217	
—	—	—	—	48,230	
—	—	—	—	—	
—	341	20,080	45,913	64,055	
—	18,044	94,733	109,944	135,314	
(440,552)	243,671	346,296	378,855	603,435	
<u>\$1,094,522</u>	<u>\$2,004,392</u>	<u>\$1,962,555</u>	<u>\$1,492,711</u>	<u>\$1,826,179</u>	
(7.6)%	3.7 %	5.2 %	5.5 %	8.1 %	
18.8 %	30.8 %	29.5 %	21.5 %	24.5 %	

Statistical Section — Operating Information

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

ANALYSIS OF COMPOUNDED GROWTH OF GENERAL OPERATING FUND REVENUES Last Ten Fiscal Years and 2022 Budget (Modified Accrual Basis of Accounting) (Thousands of Dollars)

	2012	2013	2014 (as restated)	2015	2016
Local revenue:					
Property taxes	\$ 2,295,178	\$ 2,157,777	\$ 2,152,753	\$ 2,252,828	\$ 2,313,470
Replacement taxes	126,786	128,212	131,075	143,867	115,961
Investment income	4,363	2,207	4,458	198	1,347
Other	142,160	132,717	156,115	165,819	271,858
Total local	<u>\$ 2,568,487</u>	<u>\$ 2,420,913</u>	<u>\$ 2,444,401</u>	<u>\$ 2,562,712</u>	<u>\$ 2,702,636</u>
State Revenue:					
General state aid	\$ 989,943	\$ 945,651	\$ 972,572	\$ 847,420	\$ 857,601
Teacher pension	10,449	10,931	11,903	62,145	12,105
Capital	—	—	—	—	—
Other	756,774	642,842	645,417	669,759	529,148
Total state	<u>\$ 1,757,166</u>	<u>\$ 1,599,424</u>	<u>\$ 1,629,892</u>	<u>\$ 1,579,324</u>	<u>\$ 1,398,854</u>
Federal revenue:					
Elementary and Secondary Education Act (ESEA)	\$ 283,681	\$ 264,600	\$ 342,915	\$ 253,514	\$ 293,302
Individuals with Disabilities Education Act (IDEA)	84,385	106,902	100,092	103,899	93,483
School lunch program	182,836	190,093	189,336	200,412	202,943
Medicaid	92,736	41,523	40,879	42,524	34,806
Other	247,349	202,865	194,290	167,199	151,743
Total federal	<u>\$ 890,987</u>	<u>\$ 805,983</u>	<u>\$ 867,512</u>	<u>\$ 767,548</u>	<u>\$ 776,277</u>
Total revenue	<u>\$ 5,216,640</u>	<u>\$ 4,826,320</u>	<u>\$ 4,941,805</u>	<u>\$ 4,909,584</u>	<u>\$ 4,877,767</u>
Change in revenue from previous year	\$ 100,753	\$ (390,320)	\$ 115,485	\$ (32,221)	\$ (31,817)
Percentage change in revenue	2.0 %	(7.5)%	2.4 %	(0.7)%	(0.6)%

Statistical Section — Operating Information

2017	2018	2019	2020	2021	Budget 2022	Ten Year Compounded Growth Rate	Five Year Compounded Growth Rate
\$2,613,889	\$2,794,613	\$2,896,823	\$3,014,452	\$3,097,307	\$3,318,089	3.8%	4.9%
169,637	109,997	152,319	139,729	242,643	195,458	4.4%	2.9%
1,964	6,099	6,798	6,000	584	100	-31.4%	-44.9%
265,099	332,323	383,654	469,328	470,381	397,243	10.8%	8.4%
<u>\$3,050,589</u>	<u>\$3,243,032</u>	<u>\$3,439,594</u>	<u>\$3,629,509</u>	<u>\$3,810,915</u>	<u>\$3,910,890</u>	4.3%	5.1%
\$ 683,008	\$1,216,940	\$1,323,126	\$1,274,067	\$1,203,827	\$1,225,348	2.2%	12.4%
1,016	232,992	238,869	257,349	266,893	277,497	38.8%	207.1%
—	6,908	—	—	—	—	—%	—%
603,678	402,742	324,775	314,596	346,555	324,745	-8.1%	-11.7%
<u>\$1,287,702</u>	<u>\$1,859,582</u>	<u>\$1,886,770</u>	<u>\$1,846,012</u>	<u>\$1,817,275</u>	<u>\$1,827,590</u>	0.4%	7.3%
\$ 357,715	\$ 320,005	\$ 231,693	\$ 244,027	\$ 319,938	\$ 257,200	-1.0%	-6.4%
93,096	92,655	93,185	94,352	110,091	108,800	2.6%	3.2%
198,440	196,495	196,553	182,033	105,672	214,000	1.6%	1.5%
37,108	32,392	34,975	32,847	34,417	35,400	-9.2%	-0.9%
65,936	81,885	123,584	169,161	546,225	1,457,724	19.4%	85.7%
<u>\$ 752,295</u>	<u>\$ 723,432</u>	<u>\$ 679,990</u>	<u>\$ 722,420</u>	<u>\$1,116,343</u>	<u>\$2,073,124</u>	8.8%	22.5%
<u>\$5,090,586</u>	<u>\$5,826,046</u>	<u>\$6,006,354</u>	<u>\$6,197,941</u>	<u>\$6,744,533</u>	<u>\$7,811,604</u>	4.1%	8.9%
\$ 212,819	\$ 735,460	\$ 180,308	\$ 191,587	\$ 546,592	\$1,067,071		
4.4%	14.4%	3.1%	3.2%	8.8%	15.8%		

Statistical Section — Operating Information

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

ANALYSIS OF COMPOUNDED GROWTH OF GENERAL OPERATING FUND EXPENDITURES Last Ten Fiscal Years and 2022 Budget (Modified Accrual Basis of Accounting) (Thousands of dollars)

	2012	2013	2014 (as restated)	2015	2016	2017
Compensation:						
Teachers' salaries	\$2,026,832	\$1,942,007	\$ 1,921,969	\$1,953,938	\$1,869,683	\$1,815,309
ESP salaries	618,265	633,489	619,462	622,591	605,817	581,665
Total salaries	<u>\$2,645,097</u>	<u>\$2,575,496</u>	<u>\$ 2,541,431</u>	<u>\$2,576,529</u>	<u>\$2,475,500</u>	<u>\$2,396,974</u>
Teachers' pension	\$ 335,657	\$ 374,567	\$ 740,419	\$ 826,304	\$ 811,051	\$ 853,474
ESP pension	100,026	102,342	101,885	102,012	102,762	99,428
Hospitalization	324,918	319,792	343,308	357,124	348,083	306,871
Medicare	34,900	36,404	35,951	36,557	34,824	33,658
Unemployment insurance	17,141	9,134	16,426	8,138	9,438	7,040
Workers' compensation	26,042	23,967	25,646	25,926	20,337	20,531
Total benefits	<u>\$ 838,684</u>	<u>\$ 866,206</u>	<u>\$ 1,263,635</u>	<u>\$1,356,061</u>	<u>\$1,326,495</u>	<u>\$1,321,002</u>
Total compensation	<u>\$3,483,781</u>	<u>\$3,441,702</u>	<u>\$ 3,805,066</u>	<u>\$3,932,590</u>	<u>\$3,801,995</u>	<u>\$3,717,976</u>
Non-compensation:						
Energy	\$ 73,409	\$ 76,559	\$ 87,547	\$ 74,516	\$ 70,227	\$ 69,067
Food	104,245	106,650	96,816	99,573	98,777	94,911
Textbooks	49,147	68,969	52,871	55,254	54,856	43,255
Supplies	45,521	52,925	55,223	50,571	47,085	44,040
Commodities - other	583	408	648	474	294	221
Professional fees	412,072	398,064	441,667	395,221	314,732	357,258
Charter schools	424,423	498,162	580,652	662,553	704,981	668,412
Transportation	109,368	106,861	104,430	103,891	104,450	95,974
Tuition	55,001	54,626	66,396	90,901	61,028	53,668
Telephone and telecommunications	23,451	23,642	30,297	28,061	24,579	21,998
Services - other	11,010	12,438	14,126	14,133	16,471	13,814
Equipment	40,938	59,654	62,757	60,962	45,407	30,967
Repairs and replacements	33,912	26,449	31,679	27,291	18,853	18,319
Capital outlays	43	75	—	5	1,135	1,017
Rent	11,745	10,547	12,164	13,030	16,012	14,638
Debt service	—	—	—	—	25,003	38,735
Other	9,679	8,639	7,792	11,340	8,961	13,487
Total non-compensation	<u>\$1,404,547</u>	<u>\$1,504,668</u>	<u>\$ 1,645,065</u>	<u>\$1,687,776</u>	<u>\$1,612,851</u>	<u>\$1,579,781</u>
Total expenditures	<u>\$4,888,328</u>	<u>\$4,946,370</u>	<u>\$ 5,450,131</u>	<u>\$5,620,366</u>	<u>\$5,414,846</u>	<u>\$5,297,757</u>
Change in expenditures from previous year	\$ (21,624)	\$ 58,042	\$ 503,761	\$ 170,235	\$(205,520)	\$(117,089)
Percent change in expenditures	(0.4)%	1.2 %	10.2 %	3.1 %	(3.7)%	(2.2)%

NOTES:

1) As base year 2011 had no expenditures relating to debt service, the Ten-Year Compounded Growth Rate is not able to be calculated for debt service for the fiscal year.

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2018	2019	2020	2021	Budget 2022	Ten Year Compounded Growth Rate	Five Year Compounded Growth Rate
\$ 1,841,295	\$ 1,928,020	\$ 1,990,348	\$ 2,133,813	\$ 2,267,962	1.1%	4.6%
595,467	620,004	706,758	723,876	802,537	2.6%	6.6%
<u>\$ 2,436,762</u>	<u>\$ 2,548,024</u>	<u>\$ 2,697,106</u>	<u>\$ 2,857,689</u>	<u>\$ 3,070,499</u>	1.5%	5.1%
\$ 900,791	\$ 924,209	\$ 968,083	\$ 1,003,935	\$ 1,109,185	12.7%	5.4%
113,882	143,486	188,977	221,022	125,388	2.3%	4.7%
319,344	304,917	347,073	398,385	419,285	2.6%	6.4%
34,601	36,294	38,702	40,797	46,384	2.9%	6.6%
6,604	4,146	5,452	1,490	8,651	-6.6%	4.2%
23,546	23,973	22,602	17,619	22,002	-1.7%	1.4%
<u>\$ 1,398,768</u>	<u>\$ 1,437,025</u>	<u>\$ 1,570,889</u>	<u>\$ 1,683,248</u>	<u>\$ 1,730,895</u>	7.5%	5.6%
<u>\$ 3,835,530</u>	<u>\$ 3,985,049</u>	<u>\$ 4,267,995</u>	<u>\$ 4,540,937</u>	<u>\$ 4,801,394</u>	3.3%	5.2%
\$ 60,813	\$ 75,408	\$ 70,935	\$ 63,294	\$ 70,335	-0.4%	0.4%
94,512	100,030	94,333	51,663	106,989	0.3%	2.4%
50,296	98,607	57,664	65,859	52,588	0.7%	4.0%
46,683	56,202	60,024	109,334	39,095	-1.5%	-2.4%
301	301	229	609	965	5.2%	34.3%
410,175	480,301	506,269	540,289	447,948	0.8%	4.6%
703,124	736,530	768,328	820,187	908,286	7.9%	6.3%
106,021	107,373	103,693	67,948	120,459	1.0%	4.6%
50,181	55,333	64,063	68,264	73,881	3.0%	6.6%
23,718	28,784	16,581	27,752	19,977	-1.6%	-1.9%
26,819	27,146	25,508	18,787	34,382	12.1%	20.0%
35,214	49,973	48,384	61,102	17,648	-8.1%	-10.6%
13,214	8,995	45,592	36,222	34,675	0.2%	13.6%
1,293	80	6	12	—	-100.0%	-100.0%
16,840	16,691	17,350	17,151	21,036	6.0%	7.5%
32,101	9,275	7,364	8,527	11,800	—%	-21.2%
7,045	22,782	9,329	9,921	1,060,146	59.9%	139.4%
<u>\$ 1,678,350</u>	<u>\$ 1,873,811</u>	<u>\$ 1,895,652</u>	<u>\$ 1,966,921</u>	<u>\$ 3,020,210</u>	8.0%	13.8%
<u>\$ 5,513,880</u>	<u>\$ 5,858,860</u>	<u>\$ 6,163,647</u>	<u>\$ 6,507,858</u>	<u>\$ 7,821,604</u>	4.8%	8.1%
\$ 216,123	\$ 344,980	\$ 295,755	\$ 344,211	\$ 1,313,746		
4.1%	6.3%	5.0%	5.6%	20.2%		

Statistical Section — Operating Information

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

GENERAL OPERATING FUND REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES (USES) Last Ten Fiscal Years and 2022 Budget (Modified Accrual Basis of Accounting) (Thousands of dollars)

	2012	2013	2014 (as restated)	2015	2016
Revenues:					
Local	\$2,568,487	\$2,420,913	\$2,444,401	\$2,562,712	\$2,702,635
State	1,757,166	1,599,424	1,629,892	1,579,324	1,398,855
Federal	890,987	805,983	867,512	767,548	776,277
Total revenues	<u>\$5,216,640</u>	<u>\$4,826,320</u>	<u>\$4,941,805</u>	<u>\$4,909,584</u>	<u>\$4,877,767</u>
Total expenditures	4,888,328	4,946,370	5,450,131	5,620,366	5,414,846
Revenues less expenditures	\$ 328,312	\$ (120,050)	\$ (508,326)	\$ (710,782)	\$ (537,079)
Other financing sources (uses) less transfers	62	439	161	(12,915)	50,162
Change in fund balance	\$ 328,374	\$ (119,611)	\$ (508,165)	\$ (723,697)	\$ (486,917)
Fund balance - beginning of period	740,380	1,068,754	1,592,147	1,083,982	360,285
Fund balance - end of period	<u>\$1,068,754</u>	<u>\$ 949,143</u>	<u>\$1,083,982</u>	<u>\$ 360,285</u>	<u>\$ (126,632)</u>
Revenues as a percent of expenditures	106.7 %	97.6 %	90.7 %	87.4 %	90.1 %
Classification of fund balance:					
Nonspendable	\$ 3,329	\$ 1,720	\$ 429	\$ 429	\$ 429
Restricted for grants and donations	69,873	63,434	61,022	64,155	64,854
Restricted for workers' comp/tort immunity	92,680	64,985	19,838	41,373	35,116
Restricted for teachers' pension contributions ..	—	—	—	—	—
Restricted for school internal accounts	—	—	—	—	—
Assigned for appropriated fund balance	348,900	562,682	267,652	79,225	—
Assigned for commitments and contracts	110,397	105,664	87,067	73,101	—
Unassigned	443,575	150,658	—	102,002	(227,031)
Total fund balance	<u>\$1,068,754</u>	<u>\$ 949,143</u>	<u>\$ 436,008</u>	<u>\$ 360,285</u>	<u>\$ (126,632)</u>
Unreserved/unassigned fund balance as a percent of revenues	8.5 %	3.1 %	— %	2.1 %	(4.7)%
Total fund balance as a percentage of revenues ...	20.5 %	19.7 %	8.8 %	7.3 %	(2.6)%

NOTE:

The classification of fund balances for fiscal year 2011 was modified to comply with GASB 54, which was adopted in July 2010.

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	2017	2018	2019	2020	2021	Budget 2022
	\$ 3,050,589	\$ 3,243,032	\$ 3,439,594	\$ 3,629,509	\$ 3,810,915	\$ 3,910,904
	1,287,702	1,859,582	1,886,770	1,846,012	1,817,275	1,827,600
	752,295	723,432	679,990	722,420	1,116,343	2,073,100
	\$ 5,090,586	\$ 5,826,046	\$ 6,006,354	\$ 6,197,941	\$ 6,744,533	\$ 7,811,604
	5,297,758	5,513,880	5,858,860	6,163,647	6,507,858	7,821,604
	\$ (207,172)	\$ 312,166	\$ 147,494	\$ 34,294	\$ 236,675	\$ (10,000)
	58,574	286,828	508	11,010	—	
	\$ (148,598)	\$ 598,994	\$ 148,002	\$ 45,304	\$ 236,675	
	(126,632)	(275,230)	323,764	471,766	567,093	
	\$ (275,230)	\$ 323,764	\$ 471,766	\$ 517,070	\$ 803,768	
	96.1%	105.7%	102.5%	100.6%	103.6%	
	\$ 429	\$ 429	\$ 429	\$ 429	\$ 429	
	51,858	52,333	16,183	13,518	12,143	
	27,344	—	—	—	—	
	—	9,287	14,125	14,324	4,217	
	—	—	—	—	48,230	
	—	—	—	—	—	
	—	18,044	94,733	109,944	135,314	
	(354,861)	243,671	346,296	378,855	603,435	
	\$ (275,230)	\$ 323,764	\$ 471,766	\$ 517,070	\$ 803,768	
	-7.0%	4.2%	5.8%	6.1%	8.9%	
	-5.4%	5.6%	7.9%	8.4%	12.0%	

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHEDULE OF TORT EXPENDITURES
As Required Under Section 9-103 (a-5) of the Tort Immunity Act
For the Fiscal Year Ended June 30, 2021

Eligible Expenditures:

Other General Charges	\$	741,000
Physical Education - Athletic Claims		16,476
Summer School		3,660,592
Tort Claims - Admin Fee		590,110
Tort Claims - Major Settlements		1,567,076
Tort Claims - Casualty		415,844
General Liability Insurance		4,871,511
Property Damage Insurance		4,362,556
Property Loss Reserve Fund		2,913
Investigations - Admin		73,765
Telecom (Non E-Rate)		5,050
School Safety Services		4,764,522
School Security Personnel		71,945,896
Central Service Security		4,653,795
Security Services		5,294,595
Network Services (Non E-Rate)		170,455
Risk Management Administration		1,088
Total Eligible Expenditures	\$	<u>103,137,244</u>

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHEDULE OF STUDENT ACTIVITY FUNDS
For the Fiscal Year Ended June 30, 2021
CASH AND INVESTMENTS HELD FOR STUDENT ACTIVITIES

Checking:	Beginning Balance	Cash Receipts	Cash Disbursements	Amounts Held for Student Activities
Elementary Schools	\$ 24,387,714	\$ 2,229,155	\$ 3,793,667	\$ 22,823,202
High Schools	25,634,930	5,643,632	5,956,403	25,322,159
	<u>\$ 50,022,644</u>	<u>\$ 7,872,787</u>	<u>\$ 9,750,070</u>	<u>\$ 48,145,361</u>
 Investments:				
Elementary Schools				\$ 24,828
High Schools				59,771
Total Cash and Investments Held for Student Activities				<u>\$ 48,229,960</u>

STUDENT FEES

	Graduation Fees (A)	Student Activity Fees (B)	Total
Total Elementary School Fees	\$ 617,739	\$ 1,200,534	\$ 1,818,273
Total Elementary Students	204,899	204,899	204,899
Average Fee per Student	<u>\$ 3.01</u>	<u>\$ 5.86</u>	<u>\$ 8.87</u>
 Total High School Fees	 \$ 498,417	 \$ 6,023,272	 \$ 6,521,689
Total High School Students	84,395	84,395	84,395
Average Fee per Student	<u>\$ 5.91</u>	<u>\$ 71.37</u>	<u>\$ 77.28</u>

NOTES:

- A) Graduation fees are defined as all mandatory graduation fees, including cap and gown.
- B) Student activity fees are defined as fees collected from students to cover activities and items necessary to complete a given curriculum and fees collected from students to cover the cost of extra-curricular activities and items.

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CHICAGO PUBLIC SCHOOLS Chicago Board of Education

SCHEDULE OF INSURANCE AND INSURANCE SERVICES For the Fiscal Year Ended June 30, 2021

Type of Coverage	Provider Broker/Insurer/ TPA (A)	Annual Expense	Coverage Details Limits of Liability
BROKER SERVICES			
	Mesirow Insurance Services, Inc. an Alliant-owned company	\$ 126,250	Insurance placement and consultation. The contract with Mesirow for these services continues until Feb 28, 2022 with no further renewal options.
PROPERTY INSURANCE			
All Risk-Property Insurance layers	Various Carriers Listed Below		Total Bound Capacity \$100M subject to \$500,000 deductible/retention, including Layer
	Starr Surplus Lines Ins. Company	\$ 728,525	\$20,000,000 \$100M Primary
	Everest Indemnity Insurance Company	364,263	\$10,000,000 \$100M Primary
	Lexington Insurance Company	436,491	\$7,500,000 \$50M Primary
	Underwriters at Lloyd's (London)	1,147,739	\$7,500,000 \$25M Primary
	Underwriters at Lloyd's (Beazley)	382,580	\$2,500,000 \$25M Primary
	Indian Harbor Insurance Company (XL)	227,460	\$750,000 \$10M Primary
	Steadfast Insurance Company (Zurich)	222,460	\$750,000 \$10M Primary
	Ironshore Insurance Company	148,308	\$3,000,000 \$40M xs \$10M
	Princeton Excess & Surplus Lines Insurance Company (Munich)	148,308	\$3,000,000 \$40M xs \$10M
	Evanston Insurance Company (Markel)	61,144	\$2,500,000 \$25M xs \$25M
	RSUI Indemnity Company	117,500	\$5,000,000 \$25M xs \$25M
	Endurance Insurance Company (Sompo)	57,241	\$2,500,000 \$25M xs \$25M
	Mitsui Sumitomo Insurance Company of America	46,250	\$10,000,000 \$50M xs \$50M
	Underwriters at Lloyd's (London)	22,665	\$3,000,000 \$50M xs \$50M
	Hallmark Specialty	26,569	\$5,000,000 \$50M xs \$50M
	James River	130,187	\$17,000,000 \$50M xs \$50M
		<u>\$ 4,267,690</u>	
Boiler & Machinery Insurance	Federal Insurance Company (Chubb)	\$ 94,866	\$100M subject to \$50,000 deductible/retention
Total Property Program		<u>\$ 4,362,556</u>	Total Property, Boiler & Machinery for year end 06/30/21

NOTES:

- (A) Unless otherwise noted, the policies listed were active between July 1, 2020 and June 30, 2021.
 (B) This policy was active between August 4, 2020 and June 30, 2021.
 (C) This policy was active between January 1, 2021 and June 30, 2021.

Statistical Section — Operating Information

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

SCHEDULE OF INSURANCE AND INSURANCE SERVICES For the Fiscal Year Ended June 30, 2021

Type of Coverage	Provider Broker/Insurer/ TPA (A)	Annual Expense	Coverage Details Limits of Liability
LIABILITY INSURANCE			
General Liability Insurance Layers (GL, Auto, SBLL, EPL, Abuse)			
Excess Liability I	Gemini Insurance Co. (Berkeley)	\$ 676,620	\$5M excess \$10M Self Insured Retention
	Lexington Insurance Company	1,605,413	\$20M excess of \$15M Self Insured Retention (does not follow form of Gemini)
	AXIS Surplus Insurance Company	507,518	\$10M excess of \$20M excess of \$15M Self Insured Retention (follows form of Lexington)
	Westchester Fire Insurance Company	650,000	\$10M excess of \$30M excess of \$15M Self Insured Retention (follows form of Lexington)
Sexual Abuse & Molestation	Underwriters at Lloyd's (Non- Admitted)	326,261	\$10M xs \$20M xs \$15M SIR -vs \$15M xs \$15M retained limit - Lexington / \$5M xs \$20M xs \$15M retention - Axis
Employment Related Practices	RSUI	145,000	\$10M xs \$15M
	Nationwide	120,147	\$10M xs \$25M
	Ironshore	46,400	\$5M xs \$35M
		<u>\$ 4,077,359</u>	
Special Events CGL	National Casualty Insurance Company	\$ 52,499	\$1M/no deductible/\$5M Product Agg
Special Events Excess CGL	National Casualty Insurance Company	17,236	\$5M excess of \$5M no deductible
		<u>\$ 69,735</u>	
Fiduciary	National Union Fire Insurance Company of Pittsburgh, PA (AIG)	\$ 65,000	\$5 million \$25,000 deductible
Excess Fiduciary	Hudson Insurance Company	52,000	\$5,000,000 in Excess of \$5,000,000
		<u>\$ 117,000</u>	
Student Catastrophic	National Union Fire Insurance Company of Pittsburgh, PA (AIG)	\$ 91,472	\$6M Subject to \$25,000 deductible; received credit in the amount of \$15,512.83 for the 20/21 policy term due to cancellation of spring sports FY20
Foreign Travel	Insurance Company of the State of PA (AIG)	3,958	\$1M/deductible varies/\$4M master control program agg
Cyber Liability	Allied World Assurance Co (US) Inc	248,477	\$10 million (\$250,000 self insured retention)
Cyber/Privacy Excess	Endurance American Insurance Company	140,283	\$10 million excess of \$10 million (\$250,000 self insured retention)
		<u>\$ 388,760</u>	

NOTES:

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(C) This policy was active between January 1, 2021 and June 30, 2021.

Statistical Section — Operating Information

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

SCHEDULE OF INSURANCE AND INSURANCE SERVICES For the Fiscal Year Ended June 30, 2021

Type of Coverage	Provider Broker/Insurer/ TPA (A)	Annual Expense	Coverage Details Limits of Liability
Auto - Primary Student Travel	National Liability & Fire Insurance Company (B)	\$ 100,522	\$2 million dollar combined single limit for Board owned student travel vehicles
Cost		\$ 4,848,806	
Total Insurance Cost		<u>\$ 9,211,362</u>	
SELF INSURANCE PROGRAMS			
General Liability Self Insurance Claims	Cannon Cochran Management Services, Inc.	\$ 5,029,037	TOTAL: Claim administration services including investigation and adjustment of liability claims; interscholastic, medical costs, legal expenses and settlements
	Cannon Cochran Management Services, Inc.	600,000	Administration fees for Claims. The contract with CCMSI for these services continues until Dec 31, 2022 with no further renewal options.
Total General Liability Claims and Expenses		<u>5,629,037</u>	
Workers' Compensation Claims	Cannon, Cochran, Management Services, Inc.	988,000	Claim administration services including receipt and review for compensability all employee accident claims, review and apply PPO discount to medical claims, pay indemnity costs for compensable claims, determine case management needs, provide claim statistics and establish safety initiatives.
	Cannon Cochran Management Services, Inc.	17,219,838	Amounts paid through escrow accounts to claimants, attorneys, medical treatment and expenses.
Total Workers Compensation Claims and Expenses		<u>\$ 18,207,838</u>	
Total Self Insured Program		<u>\$ 23,836,875</u>	
HEALTH INSURANCE HMO/PPO			
Medical-Administrative Services	Blue Cross Blue Advantage HMO	\$ 55,614,429	HMO health care for eligible employees and dependents
	Blue Cross PPO	8,691,016	PPO health care for eligible employees and dependents
	Blue Cross PPO with HSA	1,145,972	PPO health care for eligible employees and dependents that includes a health savings account.

NOTES:

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(C) This policy was active between January 1, 2021 and June 30, 2021.

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CHICAGO PUBLIC SCHOOLS Chicago Board of Education

SCHEDULE OF INSURANCE AND INSURANCE SERVICES For the Fiscal Year Ended June 30, 2021

Type of Coverage	Provider Broker/Insurer/ TPA (A)	Annual Expense	Coverage Details Limits of Liability
	Blue Cross HMO Illinois	\$ (27,864)	HMO health care for eligible employees and dependents. This plan terminated as of December 31, 2016. The credit amount is due to adjustments for service occurring in previous years.
Medical Total Administrative Fees		\$ 65,423,553	
Medical PPO Claims	Blue Cross PPO and PPO with HSA	\$216,366,782	PPO and PPO with HSA health care for eligible employees and dependents
Medical Total PPO Claims		\$216,366,782	
Medical HMO Claims	Blue Cross Blue Advantage HMO	\$ 73,811,269	HMO health care for eligible employees and dependents and Claims and Physician Service Fees
	Blue Cross HMO Illinois	6,560	HMO health care for eligible employees and dependents and Claims and Physician Service Fees. This plan terminated as of December 31, 2016. Claims for services performed in 2016 are still being filed and paid in FY21.
Medical Total HMO Claims		\$ 73,817,829	
Medical Claims Total		\$290,184,611	
Health Savings Account	HSA Bank	\$ 2,641,819	CPS contributes funds for plan members and the plan allows employees to also make tax deferred contributions. Contributions go to an investment account under the control of the participating employee.
Medical Claims and Administration Total		\$358,249,983	
Flexible Spending Program	Benefits Express	\$ 220,794	Administration of the flexible spending program for employees. Contributions to the plan are made by employees.
COBRA Program	Payflex	164,875	Administration of the COBRA program for former employees continuing insurance coverage. COBRA contributions are made by former employees.
Prescription Drugs	Caremark	99,940,633	Pharmaceutical services for PPO and HMO eligible employees and dependents
Total Medical Expenses		\$458,576,285	

NOTES:

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(C) This policy was active between January 1, 2021 and June 30, 2021.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHEDULE OF INSURANCE AND INSURANCE SERVICES
For the Fiscal Year Ended June 30, 2021

Type of Coverage	Provider Broker/Insurer/ TPA (A)	Annual Expense	Coverage Details Limits of Liability
OTHER INSURANCE			
Dental Insurance	Delta Dental HMO	\$ 2,424,479	Dental HMO for eligible employees and dependents
	Delta Dental PPO	10,618,734	Dental PPO for eligible employees and dependents
Dental Insurance Total		<u>\$ 13,043,213</u>	
Vision Plan	EyeMed	\$ 3,072,776	Vision services for eligible employees and dependents
Term Life Insurance	Hartford Life Insurance	260,733	Life insurance policy at \$25,000 per eligible employee. Company name changed from Aetna to Hartford during FY20. As of 12/31/20 Hartford no longer provides life insurance services to CPS.
	Standard Insurance (C)	249,015	Standard Insurance began providing insurance services to CPS on 01/01/21
		<u>\$ 509,748</u>	
Total Dental/Vision/Life		<u>\$ 16,625,737</u>	
Total Health/Life Benefit Expenses		<u><u>\$475,202,022</u></u>	

NOTES:

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(C) This policy was active between January 1, 2021 and June 30, 2021.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHEDULE OF CAPITAL IMPROVEMENT PROGRAM — BY ACTIVITY
Last Ten Fiscal Years
For the Fiscal Year Ended June 30, 2021
(Millions of dollars)

	2012	2013 (B)	2014 (C)
Unexpended (over expended)	\$ 182.2	\$ 88.1	\$ 174.2
Proceeds available from bond issuance	402.4	508.9	131.3
Property taxes	—	—	—
State aid	1.3	6.9	37.8
Federal aid	18.1	13.6	14.9
Investment income	5.5	1.9	0.8
Other income	54.2	88.0	31.3
Total	<u>\$ 663.7</u>	<u>\$ 707.4</u>	<u>\$ 390.3</u>
Expenditures	576.8	493.4	482.2
Operating transfers in (out)	1.2	(41.6)	—
Unexpended	\$ 88.1	\$ 172.4	\$ (91.9)
Encumbrances	88.1	172.4	(91.9)
Available balance	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

NOTES:

- A) The above amounts do not include construction expenditures made by the Public Building Commission.
- B) Beginning in FY2013, the proceeds available from bond issuance includes both premiums and gross amounts from debt issuances.
- C) In FY2015, CPS changed its revenue recognition policy resulting in a restatement to FY2014 balances.

	2015	2016	2017	2018	2019	2020	2021
\$	(91.9)	\$ (157.1)	\$ 66.4	\$ 745.4	\$ 839.0	\$ 659.3	\$ 124.5
	148.5	364.0	775.5	355.4	356.6	—	532.2
	—	42.5	48.4	8.1	10.1	8.7	8.7
	31.6	39.4	30.1	14.0	13.5	10.7	17.5
	6.5	7.7	6.7	19.5	0.5	—	7.6
	0.4	0.1	2.0	7.3	16.9	12.8	1.1
	107.2	62.9	21.1	28.6	36.0	16.1	4.0
\$	202.3	\$ 359.5	\$ 950.2	\$ 1,178.3	\$ 1,272.6	\$ 707.7	\$ 695.6
	359.4	293.1	204.8	338.9	613.1	583.4	565.7
	—	—	—	(0.5)	(0.2)	0.2	1.3
\$	(157.1)	\$ 66.4	\$ 745.4	\$ 838.9	\$ 659.3	\$ 124.5	\$ 131.2
	(157.1)	66.4	745.4	838.9	659.3	124.5	131.2
\$	—	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

Statistical Section — Operating Information

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

SCHOOL FOOD SERVICE PROGRAM Last Five Fiscal Years (Thousands of dollars)

	2017	2018	2019	2020	2021
PUPIL LUNCHES SERVED:					
Paid lunches (regular)	25,308	39,434	21,943	71,521	—
Free lunches (regular)	40,402,957	38,924,836	37,007,190	31,732,827	12,158,970
TOTAL PUPIL LUNCHES SERVED	40,428,265	38,964,270	37,029,133	31,804,348	12,158,970
Change from Previous Year	2,006,771	(1,463,995)	(1,935,137)	(5,224,785)	(19,645,378)
PUPIL BREAKFASTS SERVED:					
Paid breakfasts (regular)	4,927	12,461	7,483	1,305	—
Free breakfasts (regular)	23,512,505	22,481,817	22,556,302	22,460,204	11,643,441
TOTAL PUPIL BREAKFASTS SERVED	23,517,432	22,494,278	22,563,785	22,461,509	11,643,441
Change from Previous Year	(1,482,466)	(1,023,154)	69,507	(102,276)	(10,818,068)
PUPIL SNACKS SERVED:					
Pupil snacks	650,894	621,297	600,251	349,283	—
Head Start snacks	717,815	656,869	516,915	—	2,917
Pre-K snacks	304,184	537,272	1,071,812	1,156,938	230,019
Ala-Carte items sold	1,351,788	1,780,051	1,851,589	869,746	—
Free Saturday snacks	10,536	2,547	5,539	2,205	—
TOTAL PUPIL SNACKS SERVED	3,035,217	3,598,036	4,046,106	2,378,172	232,936
Change from Previous Year	600,072	562,819	448,070	(1,667,934)	(2,145,236)
PUPIL AFTERSCHOOL MEALS:					
Free afterschool meals	2,012,991	2,165,111	2,228,225	1,529,385	5,082,608
Free Saturday meals	41,019	20,503	22,591	13,055	—
TOTAL PUPIL AFTERSCHOOL MEALS SERVED	2,054,010	2,185,614	2,250,816	1,542,440	5,082,608
Change from Previous Year	(175,644)	131,604	65,202	(708,376)	3,540,168
NUMBER OF ADULT MEALS:					
Number of adult breakfasts	499,578	490,476	444,524	152,220	58,630
Number of adult lunches	274,779	264,890	236,531	104,224	60,687
TOTAL NUMBER OF ADULT MEALS SERVED	774,357	755,366	681,055	256,444	119,317
Change from Previous Year	20,241	(18,991)	(74,311)	(424,611)	(137,127)
TOTAL MEALS SERVED:	69,809,281	67,997,564	66,570,895	58,442,913	29,237,272
Change from Previous Year	(3,044,568)	(1,811,717)	(1,426,669)	(8,127,982)	(29,205,641)

NOTES:

1) In recent years, CPS has begun providing additional meal services that were previously excluded from reporting, CPS determined it appropriate to break out these meals for fiscal years 2020 and beyond.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHOOL FOOD SERVICE PROGRAM (continued)
Last Five Fiscal Years
(Thousands of dollars)

	2017	2018	2019	2020	2021
REVENUE:					
Federal and State Sources	\$ 203,003	\$ 197,854	\$ 214,153	\$ 184,300	\$ 105,785
Local Sources	8,704	13,420	16,706	19,988	334
Total Revenue	<u>\$ 211,707</u>	<u>\$ 211,274</u>	<u>\$ 230,859</u>	<u>\$ 204,288</u>	<u>\$ 106,119</u>
EXPENDITURES:					
Career Service Salaries	\$ 62,551	\$ 67,015	\$ 70,461	\$ 72,171	\$ 8,028
Career Service Pension	11,359	13,678	18,688	23,864	2,447
Hospitalization	21,351	21,867	20,111	22,615	1,570
Food	92,500	91,099	96,833	91,837	39,009
Professional and Special Services	4,909	6,101	5,611	4,844	4,208
Administrative Allocation	9,205	6,657	5,834	5,287	852
Other	5,878	4,856	—	12,830	2,599
Total Expenditures	<u>\$ 207,753</u>	<u>\$ 211,273</u>	<u>\$ 217,538</u>	<u>\$ 233,448</u>	<u>\$ 58,714</u>
Revenues in excess of Expenditures	<u>\$ 3,954</u>	<u>\$ 1</u>	<u>\$ 13,321</u>	<u>\$ (29,160)</u>	<u>\$ 47,405</u>
PERCENTAGE CHANGE:					
Revenues	(2.0)%	(0.2)%	9.3 %	(11.5)%	(48.1)%
Expenditures	(1.0)%	1.7 %	3.0 %	7.3 %	(74.8)%

Statistical Section — Operating Information

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

ANALYSIS OF UTILITY CONSUMPTION For Fiscal Year Ended June 30, 2021 With Comparative Amounts for the Period Ended June 30, 2020

	2021 Schools	2021 Administrative Center	Total
<u>Electricity</u>			
Total Electricity Charges	\$ 42,376,802	\$ 118,567	\$ 42,495,369
Kilowatt Hours	499,764,967	1,046,104	500,811,071
Charge per Kilowatt Hour	<u>\$ 0.08479</u>	<u>\$ 0.11334</u>	<u>\$ 0.08485</u>
<u>Gas</u>			
Total Gas Charges	\$ 21,017,863	\$ —	\$ 21,017,863
Therms	30,982,863	—	30,982,863
Charge per Therm	<u>\$ 0.67837</u>	<u>\$ —</u>	<u>\$ 0.67837</u>

	2020 Schools	2020 Administrative Center	Total
<u>Electricity</u>			
Total Electricity Charges	\$ 48,475,666	\$ 142,889	\$ 48,618,555
Kilowatt Hours	488,793,698	1,255,577	490,049,275
Charge per Kilowatt Hour	<u>\$ 0.09917</u>	<u>\$ 0.11380</u>	<u>\$ 0.09921</u>
<u>Gas</u>			
Total Gas Charges	\$ 20,433,913	\$ —	\$ 20,433,913
Therms	31,035,291	—	31,035,291
Charge per Therm	<u>\$ 0.65841</u>	<u>\$ —</u>	<u>\$ 0.65841</u>

Statistical Section — Operating Information

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

PROPERTY SALES AND PURCHASES
For the Fiscal Year Ended June 30, 2021

Sales

<u>Unit Location</u>	<u>Date Acquired</u>	<u>Net Book Value</u>	<u>Gross/Sales Proceeds</u>	<u>Gain / (Loss) on Sale</u>
N/A		\$ —	\$ —	\$ —
		<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

Purchases

<u>Unit Location</u>	<u>Date Acquired</u>	<u>School</u>	<u>Purchase Cost</u>
Bridgeport Office at 501 W. 35th Street (TAMS)	2/17/2021	N/A	\$ 3,700,000
3001 W. 59th Street	6/2/2021	Vick Village Pre-K	620,000
Revere School Parking Lot- 7146 S. Ellis Avenue	1/1/2021	N/A	1
			<u>\$ 4,320,001</u>

NOTE:

***Date reflects retirement date

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

TEACHERS' BASE SALARIES
(Annual School Year Salary)
Last Ten Fiscal Years

Fiscal Year	Minimum Salary (A)	Median Salary	Maximum Salary (B)	Percent Change (C)
2012.....	\$ 47,268	\$ 68,474	\$ 89,680	— %
2013.....	48,686	70,644	92,602	3.00 %
2014.....	49,660	72,163	94,666	2.00 %
2015.....	50,653	73,706	96,759	2.00 %
2016.....	50,653	73,706	96,759	— %
2017.....	50,653	73,706	96,759	— %
2018.....	51,666	75,180	98,694	2.00 %
2019.....	52,958	77,060	101,161	2.50 %
2020.....	54,547	79,585	104,622	3.00 %
2021.....	56,183	81,972	107,761	3.00 %

NOTES:

- A) The minimum salary represents the minimum amount a CPS teacher with a bachelor’s degree may earn for regular classroom instruction during the school year according to the lane and step salary schedule dependent on education attainment and years of service. Minimum salary excludes pension and hospitalization benefits.
- B) The maximum salary represents the maximum amount a CPS teacher with a doctoral degree may earn for regular classroom instruction during the school year according to the lane and step salary schedule dependent on educational attainment and years of service. The majority of the Chicago Public Schools Teaching Staff receive the maximum salary due to the 16 years minimum needed to reach the highest pay scale dependent on years of service only. Maximum salary excludes pension and hospitalization benefits.
- C) The percent change is the official CTU (Chicago Teachers Union) agreed to minimum salary increase for that year, net of any changes to the salary schedule or step advances on the pay schedule.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

TEACHERS' PENSION FUNDING ANALYSIS
Last Five Fiscal Years
(Thousands of dollars)

Fiscal Year	Employer Contribution and Contribution On-Behalf of Employees	Net Assets of Plan (Actuarial Value of Assets)	Unfunded Obligation (Assets at Fair Value)	% Funded of Pension Obligation Fund at Year End (Assets at Fair Value)	% Unfunded (Assets at Fair Value)
2016.....	\$ 811,051	\$ 10,610,747	\$ 9,635,393	52.4 %	47.6 %
2017.....	853,474	10,933,032 (A)	10,888,979	50.1 %	49.9 %
2018 (B).....	900,791	10,969,086	11,953,907	47.9 %	52.1 %
2019.....	924,209	11,021,812	12,230,352	47.4 %	52.6 %
2020.....	968,083	11,240,208	12,833,275	46.7 %	53.3 %

NOTES:

- A) The actuarial value includes assets previously restricted for OPEB benefits.
- B) The actuarial assumption used for FY18 changed due to changes in the discount rate and mortality table.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

AVERAGE DAILY ATTENDANCE AND PER PUPIL COSTS
Last Five Fiscal Years

<u>Fiscal Year</u>	<u>School Year</u>	<u>Average Daily Attendance (A)</u>	<u>Operating Expenses Per Pupil (B)</u>	<u>Per Capita Tuition Charge (C)</u>
2017.....	2016-17	347,001	\$ 15,419	\$ 12,243
2018.....	2017-18	333,116	15,878	12,678
2019.....	2018-19	296,951	16,923	14,046
2020.....	2019-20	325,229	17,779	14,609
2021.....	2020-21	297,389	N/A	N/A

NOTES:

A) Source: Department of Finance, Grants Management.

B) Source: Illinois State Board of Education - Operating Expense Pupil is the total operating cost of regular K-12 programs divided by the nine-month average daily attendance. This measure excludes expenditures related to Pre-school, Summer School, Adult Education, Capital Expenditures, and Board Principal and Interest.

C) Source: Illinois State Board of Education - Per Capita Tuition Charge is the amount a local school district charges as tuition for non-resident students per Section 18-3 of the School Code. It is a reasonable measure of basic education program costs. Per Capita Tuition is calculated by deducting the costs of supplemental programs from operating expenses and dividing the result by the nine-month average daily attendance.

N/A: Not available at publishing.



CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

TOTAL STUDENT MEMBERSHIP
Last Ten Fiscal Years

	2012	2013	2014	2015	2016
Elementary					
Pre-Kindergarten	24,232	24,507	23,671	22,873	22,555
Kindergarten	29,594	30,936	30,166	28,978	27,651
Grades 1-3	92,302	91,880	92,251	92,526	91,347
Grades 4-6	87,630	86,966	86,244	86,066	85,391
Grades 7-8	56,520	56,773	56,184	54,233	54,174
Total Elementary	290,278	291,062	288,516	284,676	281,118
Secondary					
9th Grade	30,336	29,812	30,069	30,366	29,130
10th Grade	32,230	31,343	30,963	31,130	31,189
11th Grade	27,039	26,610	26,500	26,378	26,714
12th Grade	24,268	24,634	24,497	24,133	24,134
Total Secondary	113,873	112,399	112,029	112,007	111,167
Grand Total	404,151	403,461	400,545	396,683	392,285

Source: CPS Performance Website (<https://www.cps.edu/about/district-data/demographics/>)

2017	2018	2019	2020	2021
20,673	19,441	17,668	17,492	11,494
26,093	24,963	24,128	24,241	21,960
86,610	82,188	78,084	75,345	71,544
85,022	84,478	83,026	79,915	76,692
53,898	52,960	52,541	53,430	53,771
<u>272,296</u>	<u>264,030</u>	<u>255,447</u>	<u>250,423</u>	<u>235,461</u>
27,623	27,566	27,296	26,378	25,845
29,704	28,453	28,502	27,515	27,291
27,284	26,279	25,603	25,904	26,160
24,442	25,054	24,466	24,936	25,901
<u>109,053</u>	<u>107,352</u>	<u>105,867</u>	<u>104,733</u>	<u>105,197</u>
<u>381,349</u>	<u>371,382</u>	<u>361,314</u>	<u>355,156</u>	<u>340,658</u>

CHICAGO PUBLIC SCHOOL
Chicago Board of Education

TEACHER - TO - STUDENT RATIO
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Elementary	23.3	24.6	25.2	25.4	25.8	24.7	24.5	21.9	21.0	19.0
Secondary	19.2	19.8	21.5	21.9	20.3	23.7	24.4	22.0	20.6	21.0

Source: Illinois State Board of Education

NOTE:

The ratio includes Charter Schools.

CHICAGO PUBLIC SCHOOLS
Chicago Board of Education

SCHEDULE OF GOVERNMENT EMPLOYEES BY FUNCTION
Last Five Fiscal Years
As of June 30, 2021

Functions	2017	2018	2019	2020	2021
Instruction	25,044	24,010	24,509	24,853	25,943
Support services:					
Pupil support services	4,476	4,357	4,436	4,739	5,636
Administrative support services	821	925	1,081	1,226	1,322
Facilities support services	1,417	1,144	910	931	36
Instructional support services	2,671	2,515	2,616	2,571	2,564
Food services	2,712	2,700	2,718	2,734	2,745
Community services	204	197	184	192	187
Total government employees	<u>37,345</u>	<u>35,848</u>	<u>36,454</u>	<u>37,246</u>	<u>38,433</u>

CHICAGO PUBLIC SCHOOLS Chicago Board of Education

NUMBER OF SCHOOLS, SCHOOL ENROLLMENT AND HIGH SCHOOL GRADUATES Last Ten Fiscal Years

	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Number of Schools					
Elementary (A)	473	468	422	426	425
Special (C)	12	12	5	—	—
High School	103	98	109	121	122
Vocational/Technical (C)	8	8	—	—	—
Charter Schools	87	95	126	131	129
Kindergarten to H.S. (K-12) (C)	—	—	5	—	—
Total Schools	683	681	667	678	676
School Enrollment (B)					
Elementary (A)	263,540	261,638	254,864	251,554	247,487
Special (C)	1,839	1,961	907	—	—
High School	85,068	81,735	86,184	88,183	86,208
Vocational/Technical (C)	8,226	7,927	—	—	—
Charter Schools	45,478	50,200	54,572	56,946	58,590
Kindergarten to H.S. (K-12) (C)	—	—	4,018	—	—
Total School Enrollment	404,151	403,461	400,545	396,683	392,285
Number of High School Graduates	20,914	22,447	22,817	22,825	22,839

Source: Information & Technology Services_ Enterprise Data Strategy-Data Analytics

NOTES:

- A) Elementary schools include the traditional classification of middle schools.
- B) School enrollment includes the number of students in each type of school regardless of the students' grades.
- C) The governance and school types in fiscal year 2015 has changed compared to FY14 and prior years. As a result there is no longer a category for "Vocational/Technical", "Special" or "Kindergarten to H.S (K-12)" in fiscal year 2019.

<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>
424	424	424	423	423
—	—	—	—	—
118	115	113	102	101
—	—	—	—	—
122	121	120	117	114
—	—	—	—	—
<u>664</u>	<u>660</u>	<u>657</u>	<u>642</u>	<u>638</u>
239,606	231,470	223,571	224,829	204,899
—	—	—	—	—
83,739	82,511	80,686	78,355	84,395
—	—	—	—	—
58,004	57,401	57,057	51,972	51,364
—	—	—	—	—
<u>381,349</u>	<u>371,382</u>	<u>361,314</u>	<u>355,156</u>	<u>340,658</u>
<u>22,805</u>	<u>23,230</u>	<u>23,107</u>	<u>22,500</u>	<u>22,605</u>