SPECIAL EDUCATION DISTRICT OF LAKE COUNTY
SEJA DISTRICT NO. 825
STATE OF ILLINOIS

ANNUAL FINANCIAL REPORT

JUNE 30, 2024

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STRATEGIC BUSINESS SOLUTIONS

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY
SEJA DISTRICT NO. 825

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SEJA DISTRICT NO. 825

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INDEPENDENT AUDITOR'S OPINION

To the Executive Board
Special Education District of Lake County
SEJA District No. 825
Gages Lake, Illinois

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of

Special Education District of Lake County
SEDA District No. 825 (SEDOL)

as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise SEDOL's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of SEDOL as of June 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SEDOL and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise SEDOL's basic financial statements. The supplementary information, 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.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated December 18, 2025 on our consideration of SEDOL's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 SEDOL's internal control over financial reporting and compliance.

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McHenry, Illinois
December 18, 2025

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

To the Executive Board
Special Education District of Lake County
SEJA District No. 825
Gages Lake, Illinois

We have audited, 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, the financial statements of the governmental activities and each major fund of

Special Education District of Lake County
SEJA District No. 825 (SEDOL)

as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise SEDOL's basic financial statements, and have issued our report thereon dated December 18, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may

exist that were not identified. We identified certain deficiencies in internal control, described in a separate management letter, that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

Special Education District of Lake County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the SEDOL's response to the findings identified in our audit and described in the separately issued management letter. SEDOL's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

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Strategic Business Solutions

McHenry, Illinois
December 18, 2025

REQUIRED SUPPLEMENTARY INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

As management of Special Education District of Lake County, SEJA District No. 825 (SEDOL), we offer readers of SEDOL's statements this narrative overview and analysis of the financial activities of SEDOL for the fiscal year ended June 30, 2024.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to SEDOL's basic financial statements. SEDOL's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. This Management's Discussion and Analysis is intended to explain the significant changes in financial position and differences in operation between the current and prior years.

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

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

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

Both of the government-wide financial statements distinguish functions of SEDOL that are principally supported by tuition and intergovernmental revenues (governmental activities). The governmental activities of SEDOL include instruction, supporting services, operation and maintenance of facilities, transportation services, and certain other activities and expenses such as payments to other districts and governmental units, interest and fees, and unallocated depreciation.

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. SEDOL, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of SEDOL are 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. 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 SEDOL's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

SEDOL maintains five individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Operations and Maintenance Fund, Debt Services Fund, Transportation Fund, and Illinois Municipal Retirement/Social Security Fund, all of which are considered to be major funds.

SEDOL adopts an annual budget for each of the funds listed above. A budgetary comparison statement, which is Required Supplementary Information, has been provided for the General Fund and each major Special Revenue Fund to demonstrate compliance with this budget.

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

Other information - In addition to the basic financial statements, accompanying notes, and Required Supplementary Information this report also presents certain supplemental information concerning SEDOL's progress in meeting its obligation to provide as fully adequate as possible services to its students.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of SEDOL, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $42,826,096 at June 30, 2024.

A large portion of SEDOL's net position ($40,342,304) reflects its investment in capital assets (e.g., land, construction in progress, buildings, improvements other than buildings, vehicles, and equipment other than transportation/food service). SEDOL uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although SEDOL's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of SEDOL's net position ($2,707,876) represents resources that are subject to external restrictions on how they may be used.

Special Education District of Lake County's Net Position

	Governmental Activities	
	6/30/2024	6/30/2023
Assets		
Current and Other Assets	$ 30,527,349	$ 31,190,177
Long-Term Assets Outstanding	1,499,492	2,011,776
Capital Assets	40,491,406	37,315,032
Total Assets	$ 72,518,247	$ 70,516,985
Deferred Outflows of Resources		
Defeasance Asset, net of amortization	$ 160,224	$ 195,829
Pension and OPEB Expense	6,396,896	8,102,421
Total Deferred Outflows of Resources	$ 6,557,120	$ 8,298,250
Liabilities		
Other Liabilities	$ 10,032,641	$ 6,851,711
Long-Term Liabilities Outstanding	9,724,486	14,059,683
Total Liabilities	$ 19,757,127	$ 20,911,394
Deferred Inflows of Resources		
Unavailable Revenue - Grants	$ 678,916	$ -
Pension and OPEB Revenue	15,813,228	18,861,355
Total Deferred Inflows of Resources	$ 16,492,144	$ 18,861,355
Net Position		
Invested in Capital Assets, net of related debt	$ 40,342,304	$ 37,132,796
Restricted	2,707,876	2,269,575
Unrestricted	(224,084)	(359,885)
Total Net Position	$ 42,826,096	$ 39,042,486

Governmental activities - Governmental activities in the current year increased net position by $3,783,610. Key elements of this increase are as follows:

Special Education District of Lake County's Change in Net Position

	Governmental Activities	
	FY 2024	FY 2023
Revenues:		
Program Revenues		
Charges for Services	$ 45,903,448	$ 45,406,703
Operating Grants and Contributions	17,209,650	17,150,364
General Revenues:		
Unrestricted Investment Earnings	1,298,565	614,624
Gain/(Loss) on Sale of Capital Assets	502,843	900
Total Revenues	$ 64,914,506	$ 63,172,591
Expenses:		
Instruction	$ 34,970,004	$ 32,796,215
Support Services	22,633,368	22,291,292
Community Services	15,309	279,003
Intergovernmental Payments	1,958,076	1,161,107
Interest and Fees on Long-Term Debt	57,073	75,222
Depreciation - Unallocated	1,497,066	1,423,498
Total Expenses	$ 61,130,896	$ 58,026,337
Increase/(Decrease) in Net Position	$ 3,783,610	$ 5,146,254
Net Position - Beginning	39,042,486	33,401,225
Net Position Adjustment	-	495,007
Net Position - Ending	$ 42,826,096	$ 39,042,486

- The increase in Investment Earnings is consistent with improved investment performance and higher cash and investment balances due to timing of cash flows. The gain on sale of capital assets resulted mainly from the sale of South School and a small amount from selling various maintenance equipment.

- The total expenses increased due to overall increases in services across most functions, with a significant portion being salaries and benefits as the staffing level increased to meet the level of need. In addition, there were additional payments made to other districts and government units for an increase in Medicaid flow-through amounts, partially due to receiving previous year cost settlement amounts from the state.

FINANCIAL ANALYSIS OF SEDOL'S FUNDS

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

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

The General Fund's fund balance decreased by $3,191,530. This was primarily due to an increase in Instruction and support services expenditures. In addition, there was a fund transfer of $1,500,000 to the Operations and Maintenance Fund.

The Operations and Maintenance Fund's fund balance decreased by $1,800,833, mainly due to capital outlay expenditures related to planned projects.

The Debt Services Fund experienced net revenues and expenditures that remained relatively consistent with the prior year.

The Transportation Fund's fund balance decreased by $278,519 . This is due to transportation claim revenues offset by an increase in purchased services based on need.

The Illinois Municipal Retirement/Social Security Fund's fund balance increased by $728,301 due to a decrease in the IMRF rate over the last three calendar years.

GENERAL FUND BUDGETARY HIGHLIGHTS

SEDOL's budget was not amended in fiscal year 2024. Significant differences between the budget and the actual revenues and expenditures are summarized as follows:

- The difference between the estimated revenues and the actual revenues was ($2,721,191) (unfavorable). This difference was due to on-behalf state retirement contributions being overestimated.
- The difference between the estimated expenditures and the actual expenditures was $1,450,479 (favorable) . The largest component of this amount is a $4,988,479 favorable variance related to on-behalf state retirement contributions. Without considering that portion, total expenditures showed an unfavorable difference of ($3,538,000), including a ($1,422,023) variance in private tuition paid and ($1,877,883) variance in overall support services expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets - SEDOL's investment in capital assets for its governmental activities as of June 30, 2024 amounts to $40,491,406 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements other than buildings, vehicles, and equipment other than transportation/food service. The total increase in SEDOL's investment in capital assets for the year ended June 30, 2024 was 9%.

Special Education District of Lake County's Capital Assets
(net of depreciation)

	Governmental Activities	
	6/30/2024	6/30/2023
Land	$ 2,490,625	$ 1,260,625
Construction in Progress	2,574,413	314,656
Buildings	30,516,967	30,717,900
Improvements Other than Buildings	3,817,988	4,111,283
Vehicles	59,127	69,322
Equipment Other than Transportation/Food Service	1,032,286	841,246
Total	$ 40,491,406	$ 37,315,032

Long-term debt - At June 30, 2024, SEDOL had total debt outstanding of $1,029,102.

Special Education District of Lake County's Outstanding Debt

	Governmental Activities	
	6/30/2024	6/30/2023
Special Education Bonds	$ 880,000	$ 1,290,000
Unamortized Bond Premium	149,102	182,236
Total	$ 1,029,102	$ 1,472,236

Significant debt activity for the year ended June 30, 2024 was as follows:

- Principal payments on all debt totaled $410,000.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

General Fund – SEDOL continued to utilize the funds from the American Rescue Plan (ESSER III) to offset learning loss and to fund summer school programs for our students. SEDOL also had a Community Partnership Grant that was used to develop partnerships with community agencies and consultants to ease the learning loss that was a result of COVID.

Fiscal Year 2024-2025 – Tuition rates were increased by 5% in response to increased staffing and operating expenses. Except for the COVID-related funding, all other revenues and expenses are expected to remain fairly constant in comparison with fiscal year 2023-2024.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of SEDOL's finances for all those with an interest in SEDOL's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Special Education District of Lake County, 18160 Gages Lake Road, Gages Lake, Illinois 60030-1819.

BASIC FINANCIAL STATEMENTS

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	$ 19,675,860
Investments, at Fair Value	7,819,455
Tuition Billing Receivable, net of allowance of $0	2,742,128
Miscellaneous Billings Receivable, net of allowance of $0	410
Due from Other Governments, net of allowance of $0	278,496
Interest Receivable	11,000
Notes Receivable (Note 4)	1,499,492
Capital Assets (Note 5):	
Land	2,490,625
Construction in Progress	2,574,413
Depreciable Buildings, Property, and Equipment, net of depreciation	35,426,368
Total Assets	$ 72,518,247
DEFERRED OUTFLOWS OF RESOURCES	
Defeasance Asset, net of amortization	$ 160,224
Pension Expense - IMRF	5,958,653
Pension Expense - TRS	119,878
OPEB Expense - THIS	218,427
OPEB Expense - IMRF/TRS	99,938
Total Deferred Outflows of Resources	$ 6,557,120
LIABILITIES	
Accounts Payable and Accrued Expenditures	$ 1,486,906
Payroll Liabilities	5,520,625
Employee Health Insurance Account Liability	2,636,004
Flexible Spending Account Liability	389,106
Non-Current Liabilities	
Due Within One Year	365,459
Due in More Than One Year	755,968
Net Pension Liability - IMRF	2,378,797
Net Pension Liability - TRS	1,423,669
OPEB Liability - THIS	4,475,971
OPEB Liability - IMRF/TRS	324,622
Total Liabilities	$ 19,757,127
DEFERRED INFLOWS OF RESOURCES	
Unavailable Revenue - Grants	$ 678,916
Pension Revenue - TRS	373,163
OPEB Revenue - THIS	15,242,165
OPEB Revenue - IMRF/TRS	197,900
Total Deferred Inflows of Resources	$ 16,492,144
NET POSITION	
Net Investment in Capital Assets	$ 40,342,304
Restricted for:	
Grants and Contributions	2,707,876
Unrestricted/(Deficit)	(224,084)
Total Net Position	$ 42,826,096

The Notes to Financial Statements are an integral part of this statement.

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities				
Instruction				
Special Education Programs	$ 21,004,940	$ 19,641,239	$ 1,792,598	$ 428,897
Other Instructional Programs	3,453,543	2,866,802	475,552	(111,189)
State Retirement Contributions	10,511,521	-	10,511,521	-
Support Services				
Pupils	11,821,655	11,638,285	1,429,637	1,246,267
Instructional Staff	1,646,082	1,181,950	155,292	(308,840)
General Administration	2,224,295	1,615,552	270,781	(337,962)
School Administration	2,480,691	1,802,796	197,553	(480,342)
Business	719,054	548,147	57,263	(113,644)
Operations and Maintenance	2,535,871	5,251,311	251,948	2,967,388
Transportation	684,244	491,398	444,741	251,895
Food Services	487,295	363,653	291,277	167,635
Central	34,181	27,216	2,722	(4,243)
Community Services	15,309	10,849	11,934	7,474
Intergovernmental Payments				
Payments to Other Districts and Governmental Units	1,958,076	-	1,316,831	(641,245)
Interest and Fees on Long-Term Debt	57,073	464,250	-	407,177
Depreciation - Unallocated	1,497,066	-	-	(1,497,066)
Total Governmental Activities	$ 61,130,896	$ 45,903,448	$ 17,209,650	$ 1,982,202
General Revenues				
Unrestricted Investment Earnings				$ 1,298,565
Gain/(Loss) on Sale of Capital Assets				502,843
Total General Revenues				$ 1,801,408
Change in Net Position				$ 3,783,610
Net Position - July 1, 2023				39,042,486
Net Position - June 30, 2024				$ 42,826,096

The Notes to Financial Statements are an integral part of this statement.

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
FUND FINANCIAL STATEMENTS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	$ 10,457,525	$ 5,043,091	$ 200,947	$ 713,338	$ 3,260,959	$ 19,675,860
Investments, at Fair Value	7,819,455	-	-	-	-	7,819,455
Tuition Billing Receivable, net of allowance of $0	2,742,128	-	-	-	-	2,742,128
Miscellaneous Billings Receivable, net of allowance of $0	-	-	-	-	410	410
Due from Other Governments, net of allowance of $0	278,496	-	-	-	-	278,496
Total Assets	$ 21,297,604	$ 5,043,091	$ 200,947	$ 713,338	$ 3,261,369	$ 30,516,349
LIABILITIES						
Current Liabilities						
Accounts Payable and Accrued Expenditures	$ 217,723	$ 1,257,940	$ -	$ 243	$ -	$ 1,475,906
Other Payables	-	-	-	-	-	-
Payroll Liabilities	5,423,342	19,872	-	15,423	61,988	5,520,625
Employee Health Insurance Account Liability	2,636,004	-	-	-	-	2,636,004
Flexible Spending Account Liability	389,106	-	-	-	-	389,106
Total Current Liabilities	$ 8,666,175	$ 1,277,812	$ -	$ 15,666	$ 61,988	$ 10,021,641
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue - Grants	$ 678,916	$ -	$ -	$ -	$ -	$ 678,916
Total Deferred Inflows of Resources	$ 678,916	$ -	$ -	$ -	$ -	$ 678,916
FUND BALANCE						
Restricted						
Grants and Contributions	$ 2,657,876	$ 50,000	$ -	$ -	$ -	$ 2,707,876
Assigned						
Operations and Maintenance	-	3,715,279	-	-	-	3,715,279
Debt Service	-	-	200,947	-	-	200,947
Transportation	-	-	-	697,672	-	697,672
Illinois Municipal Retirement	-	-	-	-	3,199,381	3,199,381
Unassigned	9,294,637	-	-	-	-	9,294,637
Total Fund Balance	$ 11,952,513	$ 3,765,279	$ 200,947	$ 697,672	$ 3,199,381	$ 19,815,792
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 21,297,604	$ 5,043,091	$ 200,947	$ 713,338	$ 3,261,369	$ 30,516,349

The Notes to Financial Statements are an integral part of this statement.

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
FUND FINANCIAL STATEMENTS
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Total Fund Balances - Governmental Funds		$ 19,815,792
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital Assets	$ 63,702,875	
Accumulated Depreciation on Capital Assets	(23,211,469)	
		40,491,406
Deferred pension/OPEB amounts in governmental activities are not financial resources and therefore are not reported in the funds.		
Deferred Outflows - IMRF	$ 5,958,653	
Deferred Outflows - TRS	119,878	
Deferred Inflows - TRS	(373,163)	
Deferred Outflows - OPEB THIS	218,427	
Deferred Inflows - OPEB THIS	(15,242,165)	
Deferred Outflows - OPEB IMRF/TRS	99,938	
Deferred Inflows - OPEB IMRF/TRS	(197,900)	
		(9,416,332)
Other assets/liabilities are not available to pay for current period expenditures and therefore are deferred inflows/outflows of resources in the funds.		
Interest Receivable	$ 11,000	
Notes Receivable	880,000	
Lease Termination Agreement Receivable	619,492	
		1,510,492
Deferred charges and credits for debt issue discounts or premiums and other debt issue costs are not financial resources and therefore are not reported in the funds.		
Defeasance Asset, net of related amortization	$ 160,224	
Bond Premiums, net of related amortization	(149,102)	
		11,122
Some assets/liabilities are not available/due and payable in the current period and therefore are not reported in the funds.		
Bonds Payable	$ (880,000)	
Accrued Interest	(11,000)	
Compensated Absences Payable	(92,325)	
Net Pension (Liability)/Asset - IMRF	(2,378,797)	
Net Pension Liability - TRS	(1,423,669)	
Net OPEB Liability - THIS	(4,475,971)	
Total OPEB Liability - IMRF/TRS	(324,622)	
		(9,586,384)
Net Position of Governmental Activities		$ 42,826,096

The Notes to Financial Statements are an integral part of this statement.

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
FUND FINANCIAL STATEMENTS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	General Fund	Operations and Maintenance Fund	Debt Services Fund	Transportation Fund	Illinois Municipal Retirement/ Social Security Fund	Total Governmental Funds
REVENUES						
Tuition	$ 33,725,332	$ -	$ -	$ -	$ -	$ 33,725,332
Earnings on Investments	1,118,811	30,208	20,259	22,496	106,791	1,298,565
Food Service	18,323	-	-	-	-	18,323
Other Local Sources	7,316,775	3,354,129	464,250	-	1,332,536	12,467,690
State Aid	3,954,626	50,000	-	390,250	-	4,394,876
Federal Aid	1,995,354	-	-	-	-	1,995,354
State Retirement Contributions	10,511,521	-	-	-	-	10,511,521
	$ 58,640,742	$ 3,434,337	$ 484,509	$ 412,746	$ 1,439,327	$ 64,411,661
EXPENDITURES						
Current						
Instruction						
Special Education Programs	$ 23,481,249	$ -	$ -	$ -	$ 320,261	$ 23,801,510
Other Instructional Programs	3,611,986	-	-	-	41,267	3,653,253
State Retirement Contributions	10,511,521	-	-	-	-	10,511,521
Support Services						
Pupils	12,902,837	-	-	-	217,347	13,120,184
Instructional Staff	1,690,371	-	-	-	8,231	1,698,602
General Administration	2,451,217	-	-	-	20,953	2,472,170
School Administration	2,781,506	-	-	-	23,911	2,805,417
Business	828,933	-	-	-	20,584	849,517
Operations and Maintenance	448	2,646,899	-	-	53,409	2,700,756
Transportation	-	-	-	691,265	3,466	694,731
Food Services	488,100	-	-	-	-	488,100
Central	40,677	-	-	-	1,597	42,274
Community Services	15,309	-	-	-	-	15,309
Intergovernmental Payments	1,445,792	-	-	-	-	1,445,792
Debt Service						
Principal	-	-	410,000	-	-	410,000
Interest and Fees	-	-	54,602	-	-	54,602
Capital Outlay	82,326	4,733,526	-	-	-	4,815,852
	$ 60,332,272	$ 7,380,425	$ 464,602	$ 691,265	$ 711,026	$ 69,579,590
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ (1,691,530)	$ (3,946,088)	$ 19,907	$ (278,519)	$ 728,301	$ (5,167,929)
OTHER FINANCING SOURCES (USES)						
Interfund Transfers	$ (1,500,000)	$ 1,500,000	$ -	$ -	$ -	$ -
Sale or Compensation for Fixed Assets	-	645,255	-	-	-	645,255
	$ (1,500,000)	$ 2,145,255	$ -	$ -	$ -	$ 645,255
NET CHANGE IN FUND BALANCES	$ (3,191,530)	$ (1,800,833)	$ 19,907	$ (278,519)	$ 728,301	$ (4,522,674)
FUND BALANCES - JULY 1, 2023	15,144,043	5,566,112	181,040	976,191	2,471,080	24,338,466
FUND BALANCES - JUNE 30, 2024	$ 11,952,513	$ 3,765,279	$ 200,947	$ 697,672	$ 3,199,381	$ 19,815,792

The Notes to Financial Statements are an integral part of this statement.

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
FUND FINANCIAL STATEMENTS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Total Governmental Funds		$ (4,522,674)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period.		
Depreciation Expense	$ (1,497,066)	
Capital Outlays	4,815,852	
		3,318,786
In the Statement of Activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the undepreciated balance of the capital assets sold.		
Gain/(Loss) on Sale of Capital Assets	$ 502,843	
Proceeds from Sale of Fixed Assets	(645,255)	
		(142,412)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Amortization of Bond Premiums/Debt Defeasance	$ (2,471)	
Pension Expense - IMRF	1,519,263	
Pension Expense - TRS	36,006	
OPEB Expense - IMRF/TRS	(31,969)	
OPEB Expense - THIS	2,758,519	
Compensated Absences	14,183	
		4,293,531
Receipt of long-term receivables increases current financial resources in the governmental funds and is therefore shown as revenue in the Statement of Revenues, Expenditures, and Changes in Fund Balance, but the receipt reduces long-term receivables in the Statement of Net Position and is therefore not reported in the Statement of Activities.		
Notes Receivable	$ (410,000)	
Lease Termination Agreement Receivable	(102,284)	
		(512,284)
Employer contributions are expensed in the fund financial statements but are treated as a reduction in the Net Position Liability on the government-wide financial statements.		
Employer Pension Contributions - IMRF	$ 631,963	
Employer Pension Contributions - TRS	109,082	
OPEB Contributions - IMRF/TRS	71,667	
OPEB Contributions - THIS	125,951	
		938,663
Repayment of long-term debt requires the use of current financial resources of governmental funds and is therefore shown as an expenditure in the Statement of Revenues, Expenditures, and Changes in Fund Balances, but the repayment reduces long-term liabilities in the Statement of Net Position and is therefore not reported in the Statement of Activities.		
Repayment of Long-Term Debt		410,000
Change in Net Position of Governmental Activities		$ 3,783,610

The Notes to Financial Statements are an integral part of this statement.

NOTE 1 - DESCRIPTION OF JOINT AGREEMENT

The Special Education District of Lake County, SEJA District No. 825 (SEDOL) is a joint agreement district organized under Section 10-22.31 of the Illinois School Code for the purpose of providing education and services for children with disabilities of its member school districts as defined and mandated by the provisions of the Illinois School Code. SEDOL is governed by provisions of the Illinois Code and the Articles of Joint Agreement of the Special Education District of Lake County.

Membership in SEDOL may be obtained upon application and must demonstrate the ability to comply with these Articles and the policies and procedures of the Governing Board and Executive Board. Membership is continuous except as provided in the Articles of Joint Agreement for removal or withdrawal.

The following Districts are members of SEDOL at June 30, 2024:

DISTRICT NO.
Winthrop Harbor District #1
Beach Park Community Consolidated School District #3
Zion School District #6
Millburn Community Consolidated School District #24
Emmons School District #33
Antioch Community Consolidated School District #34
Grass Lake School District #36
Gavin School District #37
Big Hollow School District #38
Lake Villa Community Consolidated School District #41
Grayslake Community Consolidated School District #46
Woodland Community Consolidated School District #50
Gurnee School District #56
Oak Grove School District #68
Libertyville School District #70
Rondout School District #72
Hawthorn Community Consolidated School District #73
Mundelein School District #75
Diamond Lake School District #76
Fremont School District #79
Aptakisic-Tripp Community Consolidated School District #102
Round Lake Community Unit School District #116
Community High School District #117
Wauconda Community Unit School District #118
Mundelein Consolidated High School District #120
Warren Township High School District #121
Grant Community High School District #124
Zion-Benton Township High School District #126
Grayslake Community High School District #127
Community High School District #128
North Chicago Community Unit School District #187

The purpose of SEDOL is to provide for the administration to oversee the Special Education programs described in Article 14 of the School Code as programs for:

Orthopedic Impairment
Specific Learning Disability
Visual Impairment including Blindness
Deafness
Deaf/Blindness
Other Health Impairment
Developmental Delay
Autism
Traumatic Brain Injury
Multiple Disabilities
Emotional Disability
Hearing Impairment
Intellectual Disability

Excluded, however, are programs for the hospitalized, the homebound, and the speech/language disability which each district shall provide at its own expense. If additional mandatory categories are added to Article 14, SEDOL's Governing Board shall determine whether they shall be included in the programs operated by SEDOL. Member districts may employ services of support staff and itinerant teachers on a contractual basis through SEDOL.

SEDOL is under the direction of a governing board composed of one Board of Education member from each member district selected by the local Board of Education. Under the Articles of Joint Agreement, the Governing Board is responsible for the following:

1. Amendments to the Articles of Joint Agreement
2. Appointment of the Executive Board
3. Setting overall policies
4. Holding an annual budget hearing, approval of which shall be a majority vote of the entire Governing Board reflecting the decision of member school districts
5. Purchase or sale of property
6. Approval of bond issues

The Governing Board shall appoint an Executive Board consisting of nine members: four superintendents of SEDOL District Members, four members of the Governing Board, and the Lake County Regional Superintendent of Schools. The primary responsibilities of the Executive Board are as follows:

1. Preparation of the annual budget for submission to the Governing Board
2. Establishing policies of operation
3. Entering into agreements with other community or state agencies for the benefit of students in SEDOL programs
4. To let contracts for new construction
5. Employment of personnel

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

SEDOL's accounting policies conform to generally accepted accounting principles as applicable to local education agencies.

SEDOL's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental

accounting and financial reporting principles. The most significant accounting policies established by GAAP and used by SEDOL are discussed below.

A. *Reporting Entity*

The accompanying financial statements comply with the provisions of GASB Statements, in that the financial statements include all organizations, activities, and functions that comprise SEDOL. Component units are legally separate entities for which SEDOL (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) SEDOL's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, SEDOL. Using these criteria, SEDOL has no component units. In addition, SEDOL is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

B. *Basic Financial Statements – Government-Wide Statements*

SEDOL's basic financial statements include both government-wide (reporting SEDOL as a whole) and fund (reporting SEDOL's major funds) financial statements. Both the government-wide and fund financial statements categorize all of the primary activities of SEDOL as governmental activities. SEDOL does not have any business-type activities.

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

The government-wide Statement of Activities reports both the gross and net cost of each of SEDOL's functions. The functions are also supported by general government revenues (unrestricted investment earnings). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (special education programs, non-programmed services, etc.). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenue (unrestricted investment earnings).

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified. Interfund services provided and used are not eliminated in the process of consolidation

SEDOL does not allocate indirect costs.

This government-wide focus is more on the sustainability of SEDOL as an entity and the change in SEDOL's net position resulting from the current year's activities.

C. *Basic Financial Statements – Fund Financial Statements*

The financial transactions of SEDOL are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

The emphasis in fund financial statements is on the major funds. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of all governmental funds) for the determination of major funds. SEDOL electively made all governmental funds major funds.

The following fund types are used by SEDOL:

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

General Fund – The General Fund (Educational Fund) is the general operating fund of SEDOL. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – The Special Revenue Funds (Operations and Maintenance Fund, Transportation Fund, and Illinois Municipal Retirement/Social Security Fund) are used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes other than debt service or capital projects.

Debt Services Fund – The Debt Services Fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for the periodic payment of principal, interest and related fees on general long-term debt.

D. *Basis of Accounting*

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Nonexchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and revenues are available. Expenditures are recognized when the related liability is incurred. Exceptions to the general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

E. *Cash and Cash Equivalents and Investments*

Separate bank accounts are not maintained for all of SEDOL's funds. Instead, the funds maintain their cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

Occasionally certain funds participating in the common bank account will incur overdrafts (deficits) in the account. Such overdrafts in effect constitute cash borrowed from other SEDOL funds and are, therefore, interfund loans that have not been authorized by SEDOL Board action.

No SEDOL fund had a cash overdraft at June 30, 2024.

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value. Fair value is determined by quoted market prices. Gains or losses on the sale of investments are recognized as they are incurred.

F. *Receivables*

All receivables are reported net of estimated uncollectible amounts.

G. *Prepaid Items*

Prepaid items are for payments made by SEDOL in the current year for goods and services received in the subsequent fiscal year, and the reserve for prepaid items in the governmental funds has been recorded to signify that a portion of fund balance is not available for subsequent expenditures.

H. *Inventories*

It is SEDOL's policy to charge all purchases of items for resale or supplies to expenditures when purchased. No inventory accounts are maintained to reflect the values of resale or supply items on hand.

I. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

J. *Capital Assets*

Capital assets purchased or acquired with an original cost of $2,500 or more are reported at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	50 years
Improvements Other than Buildings	20 years
Vehicles	5 years
Equipment Other than Transportation/Food Service	3-10 years

K. *Deferred Outflows and Inflows of Resources*

In addition to assets and liabilities, the Balance Sheet and Statement of Net Position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent consumption of net position that applies to a future period and so will not be recognized as an outflow of resource until then. Deferred inflows of resources represent an

acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource until that time.

L. *Compensated Absences*

Vacation benefits are granted to employees in varying amounts up to specified maximums depending on tenure with SEDOL.

M. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are amortized over the life of the bonds on a straight-line basis. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as debt service expenditures in the year they occur.

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

N. *Lease and Subscription Based Information Technology Arrangements*

SEDOL recognizes right-to-use liabilities and assets for various leases and subscription-based information technology (IT) arrangements in the government-wide financial statements.

At the commencement of a lease or subscription-based IT agreement, SEDOL initially measures the right-to-use liability at the present value of the payments expected to be made during the agreement term. Subsequently, the right-to-use liability is reduced by the principal portion of the payments made. The right-to-use asset is initially measured as the initial amount of the right-to-use liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the right-to-use asset is amortized on a straight-line basis over the term of the lease or subscription-based IT agreement. Key estimates and judgements related to leases or subscription-based IT agreements include how SEDOL determines (1) the discount rate it uses to discount the expected payments to present value, (2) the term, and (3) payments.

SEDOL uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, SEDOL uses its estimated incremental borrowing rate as the discount rate for leases and subscription-based IT agreements.

The term includes the noncancellable period of the lease or subscription-based IT agreement. Payments included in the measurement of the right-to-use liability are composed of the fixed payments and purchase option prices that SEDOL is reasonably certain to exercise.

SEDOL monitors changes in circumstances that would require a remeasurement of its lease or subscription-based IT agreements and will remeasure the right-to-use asset and liability if certain changes occur that are expected to significantly affect the amount of the right-to-use liability. Right-to-use assets are reported with Capital Assets and right-to-use liabilities are reported with Long Term Liabilities on the Statement of Net Position.

SEDOL currently has no material leases or subscription-based IT agreements that fall under this type of arrangement.

O. *Government-Wide Fund Net Position*

Government-wide fund net position is divided into three components:

- Net Investment in Capital Assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted Net Position – consists of net position that is restricted by SEDOL's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted Net Position – all other net position is reported in this category.

P. *Governmental Fund Balances*

Governmental fund balances are divided between nonspendable and spendable.

Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact.

The spendable fund balances are arranged in a hierarchy based on spending constraints.

- Restricted – Restricted fund balances are restricted when constraints are placed on the use by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.
- Committed – Committed fund balances are amounts that can only be used for specific purposes as a result of a resolution of the Executive Board. Committed amounts cannot be used for any other purpose unless the Executive Board removes those constraints by way of resolution. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- Assigned – Assigned fund balances are amounts that are constrained by SEDOL's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by an appointed body (e.g. a budget or finance committee) or official to which the Executive Board has delegated the authority to assign, modify or rescind amounts to be used for specific purposes. Pursuant to a resolution by the Executive Board, the Assistance Superintendent of Business, CSBO has been delegated this authority.

  Assigned fund balances also include (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects or debt services fund are assigned for purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of SEDOL itself.
- Unassigned – Unassigned fund balance is the residual classification for the General Fund. This classification represents the General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund. This classification is also used to represent negative fund balances in special revenue, debt services, and capital projects funds.

SEDOL permits funds to be expended in the following order: Restricted, Committed, Assigned and Unassigned.

Q. *Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 3 - DEPOSITS, INVESTMENTS, AND FAIR VALUE MEASUREMENT

Deposits with financial institutions are fully insured or collateralized by securities held in SEDOL's name.

SEDOL is allowed to invest in securities as authorized by the School Code of Illinois, Chapter 30, Section 235/2 and 6; and Chapter 105, Section 5/8-7.

As of June 30, 2024, SEDOL had the following investments, maturities, and fair value measurements:

Types of investments	Credit Quality/ Ratings	Segmented Time Distribution	Amount	Fair Value Measurement Using		
				Level 1	Level 2	NAV
U.S. Treasury Securities	AA+	less than 1 year	$ 3,010,410	$ 3,010,410	$ -	$ -
Certificate of Deposits	N/A	less than 1 year	4,831,670	-	4,831,670	-
State Investment Pool	AAAm	less than 1 year	4,273,026	-	-	4,273,026
Total Investments			$ 12,115,106	$ 3,010,410	$ 4,831,670	$ 4,273,026

The fair value of investments in the State Investment Pool and U.S. Treasury Securities is the same as cost. The State Investment Pool and Term Series securities are not SEC-registered but do have regulatory oversight through the State of Illinois.

SEDOL categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities and certificates of deposit classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. SEDOL's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State law limits investments based on credit risk. SEDOL's investment policy further limits its investment choices to ensure that capital loss, whether from credit or market risk, is avoided.

NOTE 4 - NOTES RECEIVABLE

SEDOL has notes receivable from its member districts reflecting the principal due on the 2015B Special Education Refunding Bond issued as described in Note 7. The member districts are liable for the repayment of the debt regardless of continued membership in SEDOL and are billed annually according to the debt repayment schedule. At June 30, 2024, the balance due on these notes was $880,000.

SEDOL has a note receivable representing an amount due from a lease termination agreement with a non-member district. The agreement provides for SEDOL to receive semi-annual payments through August 1, 2029 as reimbursement for capital expenditures made while the property was being used.

Payments received during the fiscal year totaled $102,284 and the balance due as of June 30, 2024 was $619,492.

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024 was as follows:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
Governmental Activities				
Capital Assets not being depreciated				
Land	$ 1,260,625	$ 1,230,000	$ -	$ 2,490,625
Construction in Progress	314,656	2,532,068	272,311	2,574,413
Total Capital Assets not being depreciated	$ 1,575,281	$ 3,762,068	$ 272,311	$ 5,065,038
Other Capital Assets				
Buildings	$ 48,238,991	$ 928,269	$ 947,355	$ 48,219,905
Improvements Other than Buildings	6,740,114	-	-	6,740,114
Vehicles	437,222	-	-	437,222
Equipment Other than Transportation/Food Service	2,885,987	397,826	43,217	3,240,596
Total Other Capital Assets at Historical Cost	$ 58,302,314	$ 1,326,095	$ 990,572	$ 58,637,837
Less Accumulated Depreciation				
Buildings	$ 17,521,091	$ 986,790	$ 804,943	$ 17,702,938
Improvements Other than Buildings	2,628,832	293,294	-	2,922,126
Vehicles	367,899	10,196	-	378,095
Equipment Other than Transportation/Food Service	2,044,741	206,786	43,217	2,208,310
Total Accumulated Depreciation	$ 22,562,563	$ 1,497,066	$ 848,160	$ 23,211,469
Other Capital Assets, Net	$ 35,739,751	$ (170,971)	$ 142,412	$ 35,426,368
Governmental Activities Capital Assets, Net	$ 37,315,032	$ 3,591,097	$ 414,723	$ 40,491,406

All depreciation expense is unallocated.

NOTE 6 - NET INVESTMENT IN CAPITAL ASSET CALCULATION

Net investment in capital asset calculation as of June 30, 2024 was as follows:

Governmental Activities	
Capital Assets, Net of Accumulated Depreciation	$ 40,491,406
Less:	
Capital Related Debt	(149,102)
Investment in Capital Assets	$ 40,342,304

NOTE 7 - LONG-TERM LIABILITY ACTIVITY

Long-term liability activity for the year ended June 30, 2024 was as follows:

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
Special Education Refunding Bonds Series 2015B	$ 1,290,000	$ -	$ 410,000	$ 880,000	$ 240,000
Unamortized Bond Premium	182,236	-	33,134	149,102	33,134
Total Bonds and Notes Payable	$ 1,472,236	$ -	$ 443,134	$ 1,029,102	$ 273,134
Other Long -Term Liabilities					
Compensated Absences	$ 106,508	$ 92,325	$ 106,508	$ 92,325	$ 92,325
Total Other Long-Term Liabilities	$ 106,508	$ 92,325	$ 106,508	$ 92,325	$ 92,325
Governmental Activities Long-Term Obligations	$ 1,578,744	$ 92,325	$ 549,642	$ 1,121,427	$ 365,459

Bonds and notes payable consisted of the following at June 30, 2024:

	Maturity Date	Interest Rate	Face Amount	Carrying Amount
Governmental Activities				
Refunding Bonds 2015B, Dated 4/23/15	10/1/2028	2.00% - 5.00%	$ 4,845,000	$ 880,000

At June 30, 2024 the annual debt service requirements to service all long-term debt are:

Year Ending June 30	Principal	Interest	Total
2025	$ 240,000	$ 38,000	$ 278,000
2026	150,000	28,250	178,250
2027	155,000	20,625	175,625
2028	165,000	12,625	177,625
2029	170,000	4,250	174,250
	$ 880,000	$ 103,750	$ 983,750

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
Refunding Bonds	Debt Services Fund
Compensated Absences	General Fund and Operations and Maintenance Fund

NOTE 8 - DEFICIT FUND BALANCE

No SEDOL fund had a deficit fund balance at June 30, 2024.

NOTE 9 - RETIREMENT FUND COMMITMENTS

A. *Teachers' Retirement System of the State of Illinois*

General Information About the Pension Plan

Plan Description

SEDOL participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and

amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at http://www.trsil.org/financial/acfrs/fy2023; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

Essentially all Tier I retirees receive an annual 3% increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of 3% of the original benefit or ½% of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout program that expire on June 30, 2026. Once program allows retiring Tier I members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier I and II members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and were funded by bonds issued by the state of Illinois.

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2023 was 9.0% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of SEDOL. For the year ended June 30, 2024, State of Illinois contributions recognized by SEDOL were based on the State's proportionate share of the collective net pension liability associated with SEDOL, and SEDOL recognized revenue and expenditures of $10,352,415 in pension contributions from the State of Illinois.

2.2 Formula Contributions. Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2024, were $109,104 and are deferred because they were paid after the June 30, 2023 measurement date.

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

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

For the year ended June 30, 2024, SEDOL pension contribution was 10.6% of salaries paid from federal and special trust funds. For the year ended June 30, 2024, salaries totaling $35,732 were paid from federal and special trust funds that required SEDOL contributions of $3,788.

Employer Retirement Cost Contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary.

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2024, SEDOL paid $7,318 to TRS for employer contributions due on salary increases in excess of 6% and $0 for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2024, SEDOL reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to SEDOL. The State's support and total are for disclosure purposes only. The amount recognized by SEDOL as its proportionate share of the net pension liability, the related State support and the total portion of the net pension liability that was associated with SEDOL follows below:

SEDOL's proportionate share of the net pension liability	$	1,423,669
State's proportionate share of the net pension liability associated with SEDOL		122,863,403
Total Net Pension Liability	$	124,287,072

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The employer's proportion of the net pension liability was based on SEDOL's share of contributions to TRS for the measurement year ended June 30, 2023, relative to the contributions of all participating TRS employers and the State during that period. At June 30, 2023, SEDOL's proportion was 0.00167529%, which was a decrease of 0.00004649% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, SEDOL recognized pension expense of $10,352,415 and revenue of $10,352,415 for support provided by the State. At June 30, 2024, SEDOL reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows of Resources
Differences between expected and actual experience	$ 5,918	$ 5,739	$ 179
Net difference between projected and actual earnings on pension plan investments	-	41	(41)
Changes of assumptions	4,856	1,252	3,604
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	366,131	(366,131)
Employer contributions subsequent to the measurement date	109,104	-	109,104
	$ 119,878	$ 373,163	$ (253,285)

$109,104 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year Ending June 30	
2025	$ (145,146)
2026	(131,240)
2027	(59,310)
2028	(23,244)
2029	(3,449)
	$ (362,389)

Actuarial Assumptions

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	varies by amount of service credit
Investment Rate of Return	7.0%, net of pension plan investment expenses, including inflation

In the June 30, 2023 actuarial valuation, mortality rates were based on the PubT-2010 Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2020. In the June 30, 2022 actuarial valuation, mortality rates were also based on the RP-2014 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2020.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.0%	5.35%
Private Equity	15.0%	8.03%
Income	26.0%	4.32%
Real Assets	18.0%	4.60%
Diversifying Strategies	4.0%	3.40%
Total	100.0%	

Discount Rate

At June 30, 2023, the discount rate used to measure total pension liability was 7.00%, which was the same as the June 30, 2022 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2023 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Employer's proportionate share of the net pension liability	$ 1,752,337	$ 1,423,669	$ 1,150,910

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2023 is available in the separately issued TRS *Annual Comprehensive Financial Report.*

B. *Illinois Municipal Retirement Fund*

Plan Description

SEDOL's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. SEDOL's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

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

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

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

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

Employees Covered by Benefit Terms

All appointed employees of a participating employer who are employed in a position normally requiring 600 hours (1,000 hours for certain employees hired after 1981) or more of work in a year are required to participate. As of December 31, 2023, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	397
Inactive plan members entitled to but not yet receiving benefits	839
Active plan members	348
Total	1,584

Contributions

As set by statute, SEDOL's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. SEDOL's annual contribution rates for calendar years 2023 and 2024 were 4.66% and 5.52%, respectively. For the fiscal year ended June 30, 2024, SEDOL contributed $631,963 to the plan. SEDOL also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset)

The components of the net pension liability of the IMRF actuarial valuation performed as of December 31, 2023, and a measurement date as of December 31, 2023, calculated in accordance with GASB Statement No. 68, were as follows:

Total Pension Liability	$	93,092,486
IMRF Fiduciary Net Position		90,713,689
SEDOL's Net Pension Liability/(Asset)		2,378,797
IMRF Fiduciary Net Position as a Percentage of the Total Pension Liability		97.44%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the Required Supplementary Information following the notes to the financial statements for additional information related to the funded status of the plan.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2023 using the following actuarial methods and assumptions:

Assumptions	
Inflation	2.25%
Salary Increases	2.85% to 13.75% including inflation
Interest Rate	7.25%
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Projected Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study from years 2020-2022.

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021 were used. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021 were used. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021 were used.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2023:

Asset Class	Target Allocation	Projected Return
Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Fixed Income	24.50%	4.75%
Real Estate	10.50%	6.30%
Alternatives	11.50%	
Private Equity		8.65%
Hedge Funds		N/A
Commodities		6.05%
Cash	1.00%	3.80%
	100.0%	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2023. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 active and inactive employees. 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. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 3.77%; and resulting single discount rate is 7.25%. The prior year single discount rate was 7.25% and increased 0.00% to the current year single discount rate.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A)-(B)
Balances at December 31, 2022	$ 88,920,569	$ 82,642,271	$ 6,278,298
Changes for the year:			
Service Cost	$ 1,182,384	$ -	$ 1,182,384
Interest on the Total Pension Liability	6,311,414	-	6,311,414
Differences Between Expected and Actual Experience of the Total Pension Liability	1,580,798	-	1,580,798
Changes of Assumptions	12,879	-	12,879
Contributions - Employer	-	629,783	(629,783)
Contributions - Employee	-	586,242	(586,242)
Net Investment Income	-	9,233,877	(9,233,877)
Benefit Payments, including Refunds of Employee Contributions	(4,915,558)	(4,915,558)	-
Other (Net Transfer)	-	2,537,074	(2,537,074)
Net Changes	$ 4,171,917	$ 8,071,418	$ (3,899,501)
Balances at December 31, 2023	$ 93,092,486	$ 90,713,689	$ 2,378,797

Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate

The following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a single Discount Rate that is 1% lower or 1% higher than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability/(Asset)	$ 12,105,988	$ 2,378,797	$ (5,649,294)

Pension Expense/(Income) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2024, SEDOL recognized pension expense/(income) of ($1,519,263). At June 30, 2024, SEDOL reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows of Resources
Expense in Future Periods			
Differences between expected and actual experience	$ 836,660	$ -	$ 836,660
Changes of assumptions	6,616	-	6,616
Net difference between projected and actual earnings on pension plan investments	4,757,575	-	4,757,575
Total deferred amounts to be recognized in pension expense in future periods	$ 5,600,851	$ -	$ 5,600,851
Pension contributions made subsequent to the measurement date	357,802	-	357,802
Total deferred amounts related to pensions	$ 5,958,653	$ -	$ 5,958,653

$357,802 reported as deferred outflows of resources related to pensions resulting from SEDOL's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Net Deferred Outflows of of Resources
2024	$ 1,256,910
2025	1,649,290
2026	3,351,542
2027	(656,891)
	$ 5,600,851

C. *Social Security*

Employees not qualifying for coverage under the Teachers' Retirement System of the State of Illinois or the Illinois Municipal Retirement Fund are considered "non-participating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. SEDOL paid the total required contribution for the current fiscal year.

NOTE 10 - POST EMPLOYMENT BENEFIT COMMITMENTS

Teacher Health Insurance Security Fund (THIS)

General Information About the OPEB Plan

Plan Description

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

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General under "Central Management Services" at http://www.auditor.illinois.gov/Audit- Reports/CMS-THISF.asp).

Benefits Provided

The State of Illinois offers comprehensive health plan options, all of which include prescription drug and behavioral health coverage. The State of Illinois offers TCHP, HMO, and OAP plans.

- Teachers' Choice Health Plan (TCHP) benefit recipients can choose any physician or hospital for medical services; however, benefit recipients receive enhanced benefits, resulting in lower out-of-pocket costs, when receiving services from a TCHP in-network provider. TCHP has a nationwide network and includes CVS/Caremark for prescription drug benefits and Magellan Behavioral Health for behavioral health services.
- Health Maintenance Organizations (HMO) benefit recipients are required to stay within the health plan provider network. No out-of-network services are available. Benefit recipients will need to select a primary care physician (PCP) from a network of participating providers. The PCP will direct all healthcare services and make referrals to specialists and hospitalization.
- Open Access Plan (OAP) benefit recipients will have three tiers of providers from which to choose to obtain services. The benefit level is determined by the tier in which the healthcare provider is contracted.
  - Tier I offers a managed care network which provides enhanced benefits and operates like an HMO.
  - Tier II offers an expanded network of providers and is a hybrid plan operating like an HMO and PPO.
  - Tier III covers all providers which are not in the managed care networks of Tiers I or II (i.e., out-of-network providers). Using Tier III can offer benefit recipients flexibility in selecting healthcare providers but involves higher out-of-pocket costs. Furthermore, benefit recipients who use out-of-network providers will be responsible for any amount that is over and above the charges allowed by the plan for services (i.e., allowable charges), which could result in substantial out-of-pocket costs. Benefit recipients enrolled in an OAP can mix and match providers and tiers.

Contributions

For the fiscal year ended June 30, 2024, the State Employees Group Insurance Act of 1971 (5 ILCS 375/6.6) requires that all active contributors of the THIS make contributions to the plan at a rate of 0.90% of salary and for every employer of a teacher to contribute an amount equal to 0.67% of each teacher's salary. For the fiscal year ended June 30, 2023, the employee contribution was 0.90% of salary and the employer contribution was 0.67% of each teacher's salary. The Department of Central Management Services determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the Teachers' Health Insurance Security Fund (THISF), an amount equal to the amount certified by the Board of Trustees of THIS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year. The member contribution, which may be paid on behalf of employees by the employer, is submitted to THIS by the employer.

On-Behalf Contributions to THIS. The State of Illinois makes employer benefit contributions on behalf of SEDOL. For the year ended June 30, 2024, State of Illinois contributions recognized by SEDOL were based on the State's proportionate share of the collective net OPEB liability associated with SEDOL, and SEDOL recognized revenue and expenditures of $159,106 in benefit contributions from the State of Illinois.

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

At June 30, 2024, SEDOL reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for state benefit support provided to SEDOL. The State's support and total are for disclosure purposes only. The amount recognized by SEDOL as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with SEDOL were as follows:

SEDOL's proportionate share of the net pension liability	$ 4,475,971
State's proportionate share of the net pension liability associated with SEDOL	6,052,951
Total Net Pension Liability	$ 10,528,922

The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022 and rolled forward to June 30, 2023. SEDOL's proportion of the net OPEB liability was based on SEDOL's share of contributions to THIS for the measurement year ended June 30, 2023, relative to the contributions of all participating THIS employers and the State during that period. At June 30, 2023, SEDOL's proportion was 0.062800%, which was an decrease of 0.001423% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, SEDOL recognized benefit expense/(income) of ($2,758,519) and on-behalf revenue/expense of $159,106 for support provided by the State. At June 30, 2024, SEDOL reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows of Resources
Differences between expected and actual experience	$ -	$ 2,499,476	$ (2,499,476)
Net difference between projected and actual earnings on pension plan investments	1,807	23	1,784
Changes of assumptions	59,327	8,797,703	(8,738,376)
Changes in proportion and differences between employer contributions and proportionate share of contributions	31,367	3,944,963	(3,913,596)
Employer contributions subsequent to the measurement date	125,926	-	125,926
	$ 218,427	$ 15,242,165	$ (15,023,738)

$125,926 reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows in these reporting years:

Year Ending June 30	
2024	$ (2,772,982)
2025	(2,474,769)
2026	(2,396,252)
2027	(2,365,957)
2028	(2,182,228)
2029	(1,694,904)
2030	(1,257,839)
2031	(4,640)
2032	(93)
	$ (15,149,664)

Actuarial Assumptions

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

Inflation	2.25%
Salary Increases	Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.
Investment Rate of Return	2.75%, net of OPEB plan investment expense, including inflation
Healthcare Cost Trend Costs	Trend for fiscal year 2024 based on actual premium increases. For fiscal years ending on or after 2024, trend starts at 8.00% for non-Medicare costs and post-Medicare costs, and gradually decreases to an ultimate trend of 4.25%. For MAPD costs, trend rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 5.81% in 2034, declining gradually to an ultimate rate of 4.25% in 2040.

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

The actuarial assumptions that were used in the June 30, 2022 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2020.

The long-term expected rate of return on OPEB 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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Illinois Public Treasurers' Investment Pool	100.0%	1.376%
	100.0%	

Discount Rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). Since TRIP (Teachers' Retirement Insurance Program) is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 3.86% as of June 30, 2023, and 3.69 % as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and State contributions will be made at the current statutorily-required rates.

Based on those assumptions, THIS's fiduciary net position at June 30, 2023 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on THIS investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

At June 30, 2023, the discount rate used to measure the total OPEB liability was 3.86%.

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

The following presents SEDOL's proportionate share of the net OPEB liability calculated using the discount rate of 3.86%, as well as what SEDOL's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.86%) or 1 percentage-point higher (4.86%) than the current rate.

	1% Decrease 2.86%	Discount Rate 3.86%	1% Increase 4.86%
Employer's proportionate share of the net OPEB liability	$ 4,997,950	$ 4,475,971	$ 4,015,541

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

The following presents the total OPEB liability of SEDOL, as well as what SEDOL's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher. The key trend rates are 6.00% in 2024, 8.00% in 2025 decreasing to an ultimate trend rate of 4.25% in 2040. The Aetna MAPD plan (Medicare retirees) has a trend rate of 0% from 2024 to 2028, 19.42% for 2029 to 2033, 6.08% in 2034 and then decreasing to the same ultimate trend rate of 4.25% in 2040.

	1% Decrease (a)	Healthcare Cost Valuation Rate	1% Increase (b)
Employer's proportionate share of the net OPEB liability	$ 3,809,689	$ 4,475,971	$ 5,292,279

(a) One percentage point decreases in healthcare trend rates are 5.00% in 2024, 7.00% in 2025, decreasing to an ultimate trend rate of 3.25% in 2040 for Pre-Medicare per capita costs. One percentage point decreases in healthcare trend rates are 0.00% in 2024, 0% in 2024 to 2028, 18.42% from 2029 to 2033, 5.08% in 2034, decreasing to an ultimate trend rate of 3.25% in 2040 for Post-Medicare per capita costs.

(b) One percentage point increases in healthcare trend rates are 7.00% in 2024, 9.00% in 2025, decreasing to an ultimate trend rate of 5.25% in 2040 for Pre-Medicare per capita costs. One percentage point decreases in healthcare trend rates are 0.00% in 2024, 0% in 2024 to 2028, 20.42% from 2029 to 2033, 7.08% in 2034, decreasing to an ultimate trend rate of 5.25% in 2040 for Post-Medicare per capita costs.

NOTE 11 - POST - EMPLOYMENT BENEFIT COMMITMENTS - RETIREE INSURANCE PLAN

Plan Overview

In addition to providing the pension benefits described in Note 9, SEDOL provides post-employment benefits other than pensions (“OPEB”) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by SEDOL and can be amended by SEDOL through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the SEDOL’s governmental activities.

Benefits Provided

Special Education District of Lake County provides pre- and post-Medicare postretirement healthcare benefits to employees who work for the District and receive a pension from the Teachers’ Retirement System of Illinois (TRS) or the Illinois Municipal Retirement Fund (IMRF).

Certified teachers may continue healthcare coverage after retirement through the Teachers Retirement Insurance Program (TRIP) healthcare plan.

Individuals who became an administrator before July 1, 2005, receiving pension benefits under TRS and healthcare benefits under the Teacher Retirement Insurance Program (TRIP) are eligible for a premium reimbursement from the District. The District provides a premium supplement equal to the lesser of the employee’s premium rate through the District at time of retirement or 100% of the member’s share of the TRIP premium to age 65. Administrators who became an administrator on or after July 1, 2005, may continue healthcare coverage after retirement through the Teachers Retirement Insurance Program (TRIP) healthcare plan.

Support staff eligible for pension benefits under IMRF receives access to healthcare coverage under the District’s programs provided they pay the full portion of the healthcare premium.

The Plan does not issue a stand-alone financial report.

Eligibility

Employees of SEDOL are eligible for retiree health benefits as listed below:

a) IMRF participants are eligible at age 55 with 8 years of service for reduced benefits and at age 60 with 8 years of service or age 55 with 35 years of service for unreduced benefits if hired before January 1, 2011; age 62 with 8 years of service for reduced benefits and at age 67 with 10 years of service or age 62 with 35 years of service for unreduced benefits if hired on or after January 1, 2011.

b) TRS participants are eligible for normal retirement at age 60 with 10 years of service or age 62 with 5 years of service if hired before January 1, 2011; age 67 with 10 years of service if hired on or after January 1, 2011. TRS participants are eligible for early retirement at age 55 with 20 years of service if hired before January 1, 2011; age 62 with 10 years of service if hired on or after January 1, 2011.

c) IMRF participants are eligible for a disability benefit after becoming disabled prior to age 70 with at least 1 year of service, provided that the member is permanently disabled and unable to engage in any gainful occupation and the temporary disability benefit period has expired.

Membership

Membership in the plan consisted of the following at July 1, 2023, the date of the latest actuarial valuation:

Retirees and Beneficiaries	18
Active Members	325
Total	343

Contribution

The required contribution is based on projected pay-as-you-go financing requirements. Employees are not required to contribute to the plan.

Total OPEB Liability

SEDOL's total OPEB liability was measured as of June 30, 2024, and the total OPEB liability was determined by an actuarial valuation as of July 1, 2023.

Actuarial Assumptions

The District's total OPEB liability was measured as of June 30, 2024, and the total OPEB liability was determined by an actuarial valuation as of July 1, 2023.

Discount Rate:	3.93%
Salary Rate Increase	3.25%
Inflation	2.25%
Health Care Trend	Initial Trend - PPO Plan 4.30%; HMO Plans 8.70%; TRIP Plans: 5.00% Ultimate Trend (in FY29) - PPO Plan 5.00%; HMO Plans 4.75%; TRIP Plans 5.00%
Mortality	IMRF - PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study Report dated December 14, 2020 TRS PubT-2010 Improved Generationally using MP-2020, weighted per TRS Experience Study Report dated September 30, 2021.
Election at Retirement	30% of all groups of retirees will elect subsidized coverage at retirement

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience studies performed by both IMRF and TRS in 2020 and 2021, respectively. Assumption changes reflect a change in the discount rate of 0.28% from 3.65% for the beginning of the year values and 3.93 for the disclosure date.

There is no long-term expected rate of return on OPEB plan investments because SEDOL does not have a trust dedicated exclusively to the payment of OPEB benefits.

Discount Rate

SEDOL does not have a dedicated trust to pay retiree healthcare benefits. Per GASB 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

A rate of 3.93% is used, which is the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2024.

Changes in the Total OPEB Liability

	Increase/(Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at July 1, 2023	$ 363,239	$ -	$ 363,239
Changes for the Year:			
Service Cost	$ 25,003	$ -	$ 25,003
Interest on Total OPEB Liability	11,950	-	11,950
Difference between expected and actual experience	-	-	-
Changes in assumptions	(3,903)	-	(3,903)
Benefit payments, including refunds of employee contributions	(71,667)	-	(71,667)
Net Changes	$ (38,617)	$ -	$ (38,617)
Balances at June 30, 2024	$ 324,622	$ -	$ 324,622

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

The following presents the total OPEB liability of SEDOL, as well as what SEDOL's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current discount rate:

Plan's Total OPEB Liability/(Asset)		
1% Decrease 2.93%	Current Discount Rate Assumption 3.93%	1% Increase 4.93%
$ 338,619	$ 324,622	$ 310,873

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

The following presents the total OPEB liability of SEDOL, as well as what SEDOL's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

Plan's Total OPEB Liability/(Asset)		
1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
$ 294,845	$ 324,622	$ 359,074

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

For the fiscal year ended June 30, 2024, SEDOL recognized OPEB expense of $31,969. At June 30, 2024, SEDOL reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows of Resources
Differences between expected and actual experience	$ 29,569	$ (136,782)	$ (107,213)
Changes of assumptions	70,369	(61,118)	9,251
	$ 99,938	$ (197,900)	$ (97,962)

Changes in total OPEB liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in OPEB expense over the expected remaining service life of all employees (11.27 years, active and retired) in the postretirement plan.

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

Year Ending June 30	
2025	$ (4,984)
2026	(3,185)
2027	(3,352)
2028	(11,480)
2029	(14,247)
Thereafter	(60,714)
Total	$ (97,962)

NOTE 12 - EXCESS OF EXPENDITURES OVER BUDGET

For the year ended June 30, 2024, the following funds had expenditures that were over budget:

Fund	Budget	Actual	Excess of Actual Over Over Budget
Operations & Maintenance Fund	$ 5,293,666	$ 7,380,425	$ 2,086,759
Debt Services Fund	464,600	464,602	2
Transportation Fund	624,875	691,265	66,390
IMRF Fund	660,000	711,026	51,026

The excess of actual over budget in the Operations & Maintenance Fund is due to higher than budgeted capital outlay expenditures. Expenditures in the Debt Services Fund exceeded the budget mainly due to higher than budgeted interest payments. The excess of actual over budget in the IMRF Fund is mainly due to inadequate budgeting in certain functions. The excess of actual over budget in the Transportation Fund mainly relate to higher than budgeted purchased services which SEDOL purchases as needed.

NOTE 13 - SELF INSURANCE

SEDOL is self-insured for medical coverage that is provided to SEDOL personnel. A third-party administrator administers claims for a monthly fee per participant. Expenditures are recorded as insurance benefits paid on behalf of each employee based on their level of coverage. Amounts are then held by SEDOL for purposes of paying employee health claims received on a monthly basis through the

third-party administrator. The total amount of claims to be paid from these funds, or SEDOL if necessary, will not exceed $185,000 per employee due to stop-loss provisions incorporated in the plan. Additionally, SEDOL has purchased aggregate stop-loss coverage. Total cost to SEDOL for the year ended June 30, 2024 was $5,714,499.

NOTE 14 - CONSTRUCTION COMMITMENTS

At June 30, 2024, SEDOL has various construction projects in progress. The original contract costs total $4,359,467 and the expected remaining payments total $1,918,327.

REQUIRED SUPPLEMENTARY INFORMATION

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION
LIABILITY/(ASSET) AND RELATED RATIOS
JUNE 30, 2024

	6/30/2024 *	6/30/2023 *	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
TOTAL PENSION LIABILITY										
Service Cost	$ 1,182,384	$ 1,171,485	$ 1,220,317	$ 1,329,391	$ 1,364,959	$ 1,342,123	$ 1,454,312	$ 1,419,881	$ 1,447,896	$ 1,574,820
Interest	6,311,414	6,092,974	5,845,966	5,712,105	5,433,596	5,219,571	5,067,408	4,771,376	4,466,581	4,004,483
Differences Between Expected and Actual Experience	1,580,798	546,792	858,249	(389,885)	998,893	236,723	581,687	385,523	410,338	131,259
Changes in Assumptions	12,879	-	-	(522,653)	-	2,056,359	(1,935,269)	-	-	2,392,852
Benefit Payments, Including Refunds of Member Contributions	(4,915,558)	(4,691,934)	(4,294,262)	(4,161,872)	(3,714,445)	(3,314,210)	(2,852,190)	(2,441,619)	(2,052,129)	(1,705,156)
Net Change in Total Pension Liability	$ 4,171,917	$ 3,119,317	$ 3,630,270	$ 1,967,086	$ 4,083,003	$ 5,540,566	$ 2,315,948	$ 4,135,161	$ 4,272,686	$ 6,398,258
Total Pension Liability - Beginning	88,920,569	85,801,252	82,170,982	80,203,896	76,120,893	70,580,327	68,264,379	64,129,218	59,856,532	53,458,274
Total Pension Liability - Ending	$ 93,092,486	$ 88,920,569	$ 85,801,252	$ 82,170,982	$ 80,203,896	$ 76,120,893	$ 70,580,327	$ 68,264,379	$ 64,129,218	$ 59,856,532
PLAN FIDUCIARY NET POSITION										
Contributions - Employer	$ 629,783	$ 1,051,094	$ 1,508,640	$ 1,530,321	$ 1,235,938	$ 1,687,310	$ 1,727,011	$ 1,705,294	$ 1,614,439	$ 1,773,043
Contributions - Member	586,242	557,480	571,058	575,499	594,688	610,768	686,411	589,461	596,005	687,849
Net Investment Income	9,233,877	(12,981,639)	14,925,488	11,305,357	12,654,900	(3,935,155)	10,718,296	3,951,796	288,310	3,277,285
Benefit Payments, Including Refunds of Member Contributions	(4,915,558)	(4,691,934)	(4,294,262)	(4,161,872)	(3,714,445)	(3,314,210)	(2,852,190)	(2,441,619)	(2,052,129)	(1,705,156)
Other	2,537,074	(442,025)	(263,040)	(625,831)	142,864	1,130,644	(765,098)	454,103	(818,229)	201,634
Net Change in Plan Fiduciary Net Position	$ 8,071,418	$ (16,507,024)	$ 12,447,884	$ 8,623,474	$ 10,913,945	$ (3,820,643)	$ 9,514,430	$ 4,259,035	$ (371,604)	$ 4,234,655
Plan Net Position - Beginning	82,642,271	99,149,295	86,701,411	78,077,937	67,163,992	70,984,635	61,470,205	57,211,170	57,582,774	53,348,119
Plan Net Position - Ending	$ 90,713,689	$ 82,642,271	$ 99,149,295	$ 86,701,411	$ 78,077,937	$ 67,163,992	$ 70,984,635	$ 61,470,205	$ 57,211,170	$ 57,582,774
District's Net Pension Liability/(Asset)	$ 2,378,797	$ 6,278,298	$ (13,348,043)	$ (4,530,429)	$ 2,125,959	$ 8,956,901	$ (404,308)	$ 6,794,174	$ 6,918,048	$ 2,273,758
Plan Fiduciary Net Position as a percentage of the Total Pension Liability/(Asset)	97.44%	92.94%	115.56%	105.51%	97.35%	88.23%	100.57%	90.05%	89.21%	96.20%
Covered Payroll	$ 13,035,805	$ 12,379,579	$ 12,645,765	$ 12,707,721	$ 13,215,721	$ 13,306,864	$ 13,283,766	$ 13,039,329	$ 12,848,332	$ 13,046,683
Employer's Net Pension Liability/(Asset) as a percentage of Covered-Valuation Payroll	18.25%	50.71%	-105.55%	-35.65%	16.09%	67.31%	-3.04%	52.11%	53.84%	17.43%

* This information presented is based on the actuarial valuation performed as of the December 31 year end prior to the fiscal year end listed above.

See Accompanying Independent Auditor's Opinion

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTION
JUNE 30, 2024

	6/30/2024 *	6/30/2023 *	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
Actuarially-Determined Contribution	$ 607,468	$ 1,036,171	$ 1,508,640	$ 1,514,760	$ 1,214,473	$ 1,666,672	$ 1,724,378	$ 1,697,721	$ 1,591,908	$ 1,714,298
Contributions in relation to Actuarially-Determined Contribution	629,783	1,051,094	1,508,640	1,530,321	1,235,938	1,687,310	1,727,011	1,705,294	1,614,439	1,773,043
Contribution deficiency/(excess)	$ (22,315)	$ (14,923)	$ -	$ (15,561)	$ (21,465)	$ (20,638)	$ (2,633)	$ (7,573)	$ (22,531)	$ (58,745)
Covered Payroll	$ 13,198,310	$ 13,657,078	$ 12,448,009	$ 12,693,505	$ 13,355,628	$ 13,156,672	$ 13,281,847	$ 13,039,329	$ 12,848,332	$ 12,614,406
Contributions as a percentage of Covered-Valuation Payroll	4.77%	7.70%	12.12%	12.06%	9.25%	12.82%	13.00%	13.08%	12.57%	14.06%

Notes to Schedule:

Actuarial Method and Assumptions Used on the Calculation of the 2023 Contribution Rate *

Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Actuarial Cost Method: Aggregate Entry Age Normal

Amortization Method: Level percentage of payroll, closed

Remaining Amortization Period: 20-year closed period

Asset Valuation Method: 5-year smoothed market; 20% corridor

Wage Growth: 2.75%

Price Inflation: 2.25%, approximate; No explicit price inflation assumption is used in this valuation.

Salary Increases: 2.75% to 13.75%, including inflation

Investment Rate of Return: 7.25%

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.

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

*Based on Valuation Assumptions used in the December 31, 2021 actuarial valuation; note two year lag between valuation and rate setting.

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
JUNE 30, 2024

	6/30/2024 *	6/30/2023 *	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
Employer's proportion of the Net Pension Liability	0.0016753%	0.0017218%	0.0019820%	0.0023465%	0.0025994%	0.0026704%	0.0027506%	0.0036590%	0.0053431%	0.0051317%
Employer's proportionate share of the Net Pension Liability	$ 1,423,669	$ 1,443,547	$ 1,546,172	$ 2,023,012	$ 2,108,322	$ 2,081,423	$ 2,101,418	$ 2,888,294	$ 3,500,293	$ 3,123,083
State's proportionate share of the Net Pension Liability associated with the employer	122,863,403	125,218,155	129,585,659	158,452,837	150,046,996	142,586,223	136,779,955	165,119,243	156,086,583	156,829,474
Total	$ 124,287,072	$ 126,661,702	$ 131,131,831	$ 160,475,849	$ 152,155,318	$ 144,667,646	$ 138,881,373	$ 168,007,537	$ 159,586,876	$ 159,952,557
Employer's Covered-Employee Payroll	$ 17,556,437	$ 17,719,700	$ 17,670,914	$ 19,726,474	$ 19,252,129	$ 18,890,547	$ 19,715,403	$ 20,024,587	$ 24,772,230	$ 25,077,002
Employer's proportionate share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	8.11%	8.15%	8.75%	10.26%	10.95%	11.02%	10.66%	14.42%	14.13%	12.45%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	42.80%	45.10%	37.80%	39.60%	40.00%	40.00%	39.30%	36.40%	41.50%	43.00%

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

Changes of Assumptions:

For the 2023 measurement year, the assumed investment rate of return was of 7.0%, including an inflation rate of 2.50% and a real return of 4.50%. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated Sept. 30, 2021.

For the 2022-2018 measurement years, the assumed investment rate of return was of 7.0%, including an inflation rate of 2.25% and a real return of 4.75%. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015 respectively.

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

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTION
JUNE 30, 2024

	6/30/2024 *	6/30/2023 *	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *	6/30/2017 *	6/30/2016 *	6/30/2015 *
Statutorily-Required Contribution	$ 101,859	$ 102,796	$ 103,103	$ 114,388	$ 117,721	$ 110,952	$ 113,324	$ 141,704	$ 182,484	$ 191,119
Contributions in relation to the Statutorily-Required Contribution	101,837	102,178	103,103	114,414	111,662	109,565	113,324	141,704	187,223	191,119
Contribution deficiency/(excess)	$ 22	$ 618	$ -	$ (26)	$ 6,059	$ 1,387	$ -	$ -	$ (4,739)	$ -
Employer's Covered-Employee Payroll	$ 18,794,929	$ 17,556,437	$ 17,719,700	$ 17,670,914	$ 19,726,474	$ 19,252,129	$ 18,890,547	$ 20,024,587	$ 24,772,230	$ 25,077,002
Contributions as a percentage of Covered-Employee Payroll	0.54%	0.58%	0.58%	0.65%	0.57%	0.57%	0.60%	0.71%	0.76%	0.76%

* - This information presented is based on the actuarial valuation performed as of the prior June 30 year end.

See Accompanying Independent Auditor's Opinion

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
TEACHER HEALTH INSURANCE SECURITY FUND OF THE STATE OF ILLINOIS
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
JUNE 30, 2024

	6/30/2024 *	6/30/2023 *	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *
Employer's proportion of the Net OPEB Liability	0.062800%	0.0642230%	0.0683010%	0.0779860%	0.0777997%	0.0803450%	0.0857290%
Employer's proportionate share of the Net OPEB Liability	$ 4,475,971	$ 4,395,855	$ 15,064,044	$ 20,850,297	$ 21,532,997	$ 21,167,687	$ 22,246,202
State's proportionate share of the Net OPEB Liability associated with the employer	6,052,951	5,980,142	20,424,640	28,246,468	29,158,402	28,423,510	29,215,031
Total	$ 10,528,922	$ 10,375,997	$ 35,488,684	$ 49,096,765	$ 50,691,399	$ 49,591,197	$ 51,461,233
Covered Payroll	$ 17,556,437	$ 17,719,700	$ 17,670,914	$ 19,726,474	$ 19,252,129	$ 18,905,653	$ 19,730,517
Employer's proportionate share of the Net OPEB Liability as a percentage of Covered Payroll	25.49%	24.81%	85.25%	105.70%	111.85%	111.96%	112.75%
OPEB Plan Net Position as a percentage of the Total OPEB Liability	6.21%	5.24%	1.40%	0.70%	0.25%	-0.07%	-0.17%

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

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, information is presented for those years for which information is available.

Changes of Assumptions:

For the 2023 measurement year, projected per capita costs were adjusted to reflect the newly established zero premium MAPD plan and the discount rate was changed from 3.69% to 3.86%

See Accompanying Independent Auditor's Opinion

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
TEACHER HEALTH INSURANCE SECURITY FUND OF THE STATE OF ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTION
JUNE 30, 2024

	6/30/2024 *	6/30/2023 *	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *
Statutorily-Required Contribution	$ 117,628	$ 118,722	$ 163,103	$ 181,498	$ 175,921	$ 167,610	$ 165,661
Contributions in relation to the Statutorily-Required Contribution	117,654	118,760	162,572	181,484	177,120	166,237	165,609
Contribution deficiency/(excess)	$ (26)	$ (38)	$ 531	$ 14	$ (1,199)	$ 1,373	$ 52
Employer's Covered Payroll	$ 18,794,929	$ 17,556,437	$ 17,719,700	$ 17,670,914	$ 19,726,474	$ 19,263,828	$ 18,905,653
Contributions as a percentage of Covered Payroll	0.63%	0.68%	0.92%	1.03%	0.90%	0.86%	0.88%

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, information is presented for those years for which information is available.

* - This information presented is based on the actuarial valuation performed as of the prior June 30 year end.

See Accompanying Independent Auditor's Opinion

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
OTHER POST-EMPLOYMENT BENEFIT
SCHEDULE OF CHANGES IN THE EMPLOYER'S TOTAL OPEB
LIABILITY AND RELATED RATIOS
JUNE 30, 2024

	6/30/2024 *	6/30/2023 *	6/30/2022 *	6/30/2021 *	6/30/2020 *	6/30/2019 *	6/30/2018 *
TOTAL OPEB LIABILITY							
Service Cost	$ 25,003	$ 25,909	$ 29,544	$ 36,553	$ 33,247	$ 28,448	$ 30,778
Interest	11,950	17,168	12,960	18,659	24,267	23,807	22,277
Changes in Benefit Terms	-	-	-	35,772	-	-	-
Differences Between Expected and Actual Experience	-	(122,482)	-	(56,417)	18,913	65,763	(4,209)
Changes in Assumptions (a)	(3,903)	1,685	(73,317)	86,289	15,570	24,757	(28,219)
Benefit Payments, including refunds of employee contributions (b)	(71,667)	(88,039)	(80,374)	(153,661)	(144,475)	(142,649)	(122,427)
Net Change in Total OPEB Liability	$ (38,617)	$ (165,759)	$ (111,187)	$ (32,805)	$ (52,478)	$ 126	$ (101,800)
Total OPEB Liability - Beginning	363,239	528,998	640,185	672,990	725,468	725,342	827,142
Total OPEB Liability - Ending	$ 324,622	$ 363,239	$ 528,998	$ 640,185	$ 672,990	$ 725,468	$ 725,342
Covered-Employee Payroll	$ 12,396,164	$ 11,812,967	$ 12,500,883	$ 12,255,507	$ 12,126,558	$ 11,744,850	$ 13,360,528
Employer's Net OPEB Liability as a Percentage of Covered-Valuation Payroll	2.62%	3.07%	4.23%	5.22%	5.55%	6.18%	5.43%

Notes to Schedule:

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

There is no actuarially-determined contribution (ADC) or employer contribution in relation to the ADC as the total OPEB liabilities are currently an unfunded obligation.

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period.

The following are the discount rates used in each period:	3.93%	3.65%	3.54%	2.16%	3.13%	3.62%	3.56%

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, information is presented for those years for which information is available.

See Accompanying Independent Auditor's Opinion

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Tuition	$ 34,273,198	$ 33,725,332
Earnings on Investments	-	1,118,811
Food Service	-	18,323
Other Local Sources	6,257,735	7,316,775
State Aid		
General State Aid	4,005,000	3,751,446
State Free Lunch and Breakfast	-	2,867
Other Restricted Revenue from State Sources	-	200,313
Federal Aid		
Flow-Through Revenue	800,000	1,316,831
Food Service	285,000	249,604
Medicaid Matching Funds - Administrative Outreach	50,000	249,053
Medicaid Matching Funds - Fee-for-Service Program	100,000	-
Other Federal Aid	91,000	179,866
State Retirement Contributions	15,500,000	10,511,521
Total Revenues	$ 61,361,933	$ 58,640,742
EXPENDITURES		
Current		
Instruction		
Special Education Programs		
Salaries	$ 14,968,585	$ 15,617,795
Employee Benefits	4,498,780	4,640,222
Purchased Services	1,215,790	1,874,918
Supplies and Materials	262,080	235,832
Other Objects	-	6,500
Non-Capitalized Equipment	254,225	37,516
	$ 21,199,460	$ 22,412,783
Special Education Programs Pre-K		
Salaries	$ 911,715	$ 839,206
Employee Benefits	322,300	226,319
Purchased Services	-	1,601
Supplies and Materials	2,400	1,340
	$ 1,236,415	$ 1,068,466
CTE Programs		
Salaries	$ 631,480	$ 607,690
Employee Benefits	265,150	222,095
Purchased Services	13,000	31,753
Supplies and Materials	3,300	4,561
	$ 912,930	$ 866,099
Summer School Programs		
Salaries	$ 460,000	$ 341,249
Employee Benefits	35,000	8,395
Purchased Services	200,000	134,204
Supplies and Materials	25,090	7,282
	$ 720,090	$ 491,130
Truant Alternative and Optional Programs		
Salaries	$ 656,810	$ 683,768
Employee Benefits	133,840	148,323
Purchased Services	1,500	643
	$ 792,150	$ 832,734

See Accompanying Independent Auditor's Opinion

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Original and Final	Actual Amounts
EXPENDITURES (Continued)		
Current (Continued)		
Instruction (Continued)		
Private Tuition - Other Objects		
Special Education Programs K-12	$ -	$ 1,422,023
	$ -	$ 1,422,023
State Retirement Contributions	$ 15,500,000	$ 10,511,521
Total Instruction	$ 40,361,045	$ 37,604,756
Support Services		
Pupils		
Attendance and Social Work Services		
Salaries	$ 2,469,840	$ 2,083,645
Employee Benefits	491,910	356,805
Purchased Services	90,000	263,136
Supplies and Materials	700	208
	$ 3,052,450	$ 2,703,794
Guidance Services		
Purchased Services	$ -	$ 73,810
Supplies and Materials	-	8,349
	$ -	$ 82,159
Health Services		
Salaries	$ 4,536,975	$ 3,782,423
Employee Benefits	1,150,910	850,872
Purchased Services	354,000	1,360,966
Supplies and Materials	37,000	34,877
Other Objects	-	446
Non-Capitalized Equipment	3,500	3,078
	$ 6,082,385	$ 6,032,662
Psychological Services		
Salaries	$ 702,085	$ 549,392
Employee Benefits	111,240	80,104
Purchased Services	9,600	125,267
Supplies and Materials	6,500	3,930
Non-Capitalized Equipment	-	1,224
	$ 829,425	$ 759,917
Speech Pathology and Audiology Services		
Salaries	$ 2,448,895	$ 2,569,791
Employee Benefits	521,935	520,339
Purchased Services	194,000	185,036
Supplies and Materials	23,000	12,476
Other Objects	-	5,543
Non-Capitalized Equipment	3,500	31,120
	$ 3,191,330	$ 3,324,305
Total Support Services - Pupils	$ 13,155,590	$ 12,902,837

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Original and Final	Actual Amounts
EXPENDITURES (Continued)		
Current (Continued)		
Support Services (Continued)		
Instructional Staff		
Improvement of Instruction Services		
Salaries	$ 268,620	$ 300,305
Employee Benefits	69,540	76,135
Purchased Services	105,000	183,050
Supplies and Materials	32,000	5,709
Other Objects	-	46,999
	$ 475,160	$ 612,198
Educational Media Services		
Salaries	$ 21,830	$ 21,882
Employee Benefits	7,450	7,711
Purchased Services	105,000	895,058
Supplies and Materials	55,900	63,463
Non-Capitalized Equipment	25,000	89,859
	$ 215,180	$ 1,077,973
Assessment and Testing		
Purchased Services	$ -	$ 200
	$ -	$ 200
Total Support Services - Instructional Staff	$ 690,340	$ 1,690,371
General Administration		
Board of Education Services		
Salaries	$ -	$ 43,738
Employee Benefits	-	67,263
Purchased Services	-	526,081
Supplies and Materials	3,300	5,597
Other Objects	-	75
	$ 3,300	$ 642,754
Executive Administration Services		
Salaries	$ 911,220	$ 1,182,684
Employee Benefits	251,130	487,774
Purchased Services	60,000	90,039
Supplies and Materials	13,000	16,831
Other Objects	-	29,958
Non-Capitalized Equipment	-	1,177
	$ 1,235,350	$ 1,808,463
Total Support Services - General Administration	$ 1,238,650	$ 2,451,217
School Administration		
Office of the Principal Services		
Salaries	$ 1,773,580	$ 2,066,812
Employee Benefits	540,885	704,785
Purchased Services	6,000	3,086
Supplies and Materials	2,000	2,871
Other Objects	-	3,952
	$ 2,322,465	$ 2,781,506
Total Support Services - School Administration	$ 2,322,465	$ 2,781,506

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Original and Final	Actual Amounts
EXPENDITURES (Continued)		
Current (Continued)		
Support Services (Continued)		
Business		
Direction of Business Support Services		
Salaries	$ -	$ 131,912
Employee Benefits	-	33,815
Purchased Services	-	101,651
Supplies and Materials	-	2,001
Other Objects	-	340
Non-Capitalized Equipment	-	746
	$ -	$ 270,465
Fiscal Services		
Salaries	$ 482,765	$ 358,342
Employee Benefits	144,485	111,615
Purchased Services	65,000	81,992
Supplies and Materials	8,800	6,519
	$ 701,050	$ 558,468
Total Support Services - Business	$ 701,050	$ 828,933
Operations and Maintenance		
Supplies and Materials	$ 40,000	$ 448
Total Support Services - Operations and Maintenance	$ 40,000	$ 448
Food Services		
Salaries	$ 16,445	$ 25,735
Employee Benefits	1,310	2,032
Purchased Services	45,000	452,317
Supplies and Materials	5,000	8,016
Total Support Services - Food Services	$ 67,755	$ 488,100
Central		
Data Processing Services		
Salaries	$ 139,155	$ 31,514
Employee Benefits	54,135	8,245
Purchased Services	737,361	595
Supplies and Materials	45,930	323
Termination Benefits	113,775	-
	$ 1,090,356	$ 40,677
Total Support Services - Central	$ 1,090,356	$ 40,677
Total Support Services	$ 19,306,206	$ 21,184,089
Community Services		
Purchased Services	$ 16,000	$ 15,274
Supplies and Materials	84,000	35
Total Community Services	$ 100,000	$ 15,309

See Accompanying Independent Auditor's Opinion

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - EDUCATIONAL FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Original and Final	Actual Amounts
EXPENDITURES (Continued)		
Intergovernmental Payments		
Payments to Other Districts and Governmental Units		
Payments to Other Districts and Governmental Units (In-State)		
Payments for Special Education Programs		
Purchased Services	$ -	$ 171,234
Other Objects	1,815,500	1,274,558
	$ 1,815,500	$ 1,445,792
Total Payments to Other Districts and Governmental Units (In-State)	$ 1,815,500	$ 1,445,792
Total Intergovernmental Payments	$ 1,815,500	$ 1,445,792
Capital Outlay		
Instruction		
Special Education Programs	$ 125,200	$ 30,905
Instructional Staff	45,000	19,824
General Administration	-	5,718
Operations and Maintenance	23,000	-
Central	6,800	25,879
Total Capital Outlay	$ 200,000	$ 82,326
Total Expenditures	$ 61,782,751	$ 60,332,272
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ (420,818)	$ (1,691,530)
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	-	(1,500,000)
NET CHANGE IN FUND BALANCE	$ (420,818)	$ (3,191,530)
FUND BALANCE - JULY 1, 2023		15,144,043
FUND BALANCE - JUNE 30, 2024		$ 11,952,513

See Accompanying Independent Auditor's Opinion

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - OPERATIONS AND MAINTENANCE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Earnings on Investments	$ 23,896	$ 30,208
Other Local Sources	4,068,700	3,354,129
State Aid		
School Infrastructure - Maintenance	-	50,000
Total Revenues	$ 4,092,596	$ 3,434,337
EXPENDITURES		
Current		
Support Services		
Operations and Maintenance		
Salaries	$ 1,093,415	$ 1,047,344
Employee Benefits	309,000	334,894
Purchased Services	830,901	671,612
Supplies and Materials	509,850	554,548
Other Objects	500	400
Non-Capitalized Equipment	50,000	38,101
Total Support Services - Operations and Maintenance	$ 2,793,666	$ 2,646,899
Total Support Services	$ 2,793,666	$ 2,646,899
Capital Outlay		
Support Services		
Operations and Maintenance	$ 2,500,000	$ 4,733,526
Total Capital Outlay	$ 2,500,000	$ 4,733,526
Total Expenditures	$ 5,293,666	$ 7,380,425
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ (1,201,070)	$ (3,946,088)
OTHER FINANCING SOURCES (USES)		
Interfund Transfers	$ -	$ 1,500,000
Sale or Compensation for Fixed Assets	-	645,255
Total Other Financing Sources (Uses)	$ -	$ 2,145,255
NET CHANGE IN FUND BALANCE	$ (1,201,070)	$ (1,800,833)
FUND BALANCE - JULY 1, 2023		5,566,112
FUND BALANCE - JUNE 30, 2024		$ 3,765,279

See Accompanying Independent Auditor's Opinion

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - TRANSPORTATION FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Earnings on Investments	$ 5,600	$ 22,496
State Aid		
Transportation	359,852	390,250
Total Revenues	$ 365,452	$ 412,746
EXPENDITURES		
Current		
Support Services		
Transportation		
Salaries	$ 103,628	$ 69,084
Employee Benefits	44,437	29,153
Purchased Services	475,935	588,538
Supplies and Materials	875	4,490
Total Support Services - Transportation	$ 624,875	$ 691,265
Total Support Services	$ 624,875	$ 691,265
Total Expenditures	$ 624,875	$ 691,265
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ (259,423)	$ (278,519)
NET CHANGE IN FUND BALANCE	$ (259,423)	$ (278,519)
FUND BALANCE - JULY 1, 2023		976,191
FUND BALANCE - JUNE 30, 2024		$ 697,672

See Accompanying Independent Auditor's Opinion

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Earnings on Investments	$ 15,000	$ 106,791
Other Local Sources	508,000	1,332,536
Total Revenues	$ 523,000	$ 1,439,327
EXPENDITURES		
Current		
Instruction		
Special Education Programs		
Employee Benefits	$ 314,626	$ 304,590
Special Education Programs - Pre-K		
Employee Benefits	19,163	15,671
CTE Programs		
Employee Benefits	13,273	28,784
Summer School Programs		
Employee Benefits	9,669	5,674
Truant Alternative and Optional Programs		
Employee Benefits	13,806	6,809
Total Instruction	$ 370,537	$ 361,528
Support Services		
Pupils		
Attendance and Social Work Services		
Employee Benefits	$ 51,914	$ 5,123
Health Services		
Employee Benefits	95,363	181,962
Psychological Services		
Employee Benefits	14,757	-
Speech Pathology and Audiology Services		
Employee Benefits	51,474	30,262
Total Supports Services - Pupils	$ 213,508	$ 217,347
Instructional Staff		
Improvement of Instruction Services		
Employee Benefits	$ 5,646	$ 7,102
Educational Media Services		
Employee Benefits	459	1,129
Total Support Services - Instructional Staff	$ 6,105	$ 8,231
General Administration		
Board of Education Services		
Employee Benefits	$ -	$ 205
Executive Administration Services		
Employee Benefits	$ 19,153	$ 20,748
Total Support Services - General Administration	$ 19,153	$ 20,953

See Accompanying Independent Auditor's Opinion

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - ILLINOIS MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Original and Final	Actual Amounts
EXPENDITURES (Continued)		
Current (Continued)		
Support Services (Continued)		
School Administration		
Office of the Principal Services		
Employee Benefits	$ 37,279	$ 23,911
Total Support Services - School Administration	$ 37,279	$ 23,911
Business		
Fiscal Services		
Employee Benefits	$ 10,147	$ 20,584
Total Support Services - Business	$ 10,147	$ 20,584
Operations and Maintenance		
Employee Benefits	$ -	$ 53,409
Total Support Services - Operations and Maintenance	$ -	$ 53,409
Transportation		
Employee Benefits	$ -	$ 3,466
Total Support Services - Transportation	$ -	$ 3,466
Food Services		
Employee Benefits	$ 346	$ -
Total Support Services - Food Services	$ 346	$ -
Central		
Data Processing Services		
Employee Benefits	$ 2,925	$ 1,597
Total Support Services - Central	$ 2,925	$ 1,597
Total Support Services	$ 289,463	$ 349,498
Total Expenditures	$ 660,000	$ 711,026
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ (137,000)	$ 728,301
NET CHANGE IN FUND BALANCE	$ (137,000)	$ 728,301
FUND BALANCE - JULY 1, 2023		2,471,080
FUND BALANCE - JUNE 30, 2024		$ 3,199,381

See Accompanying Independent Auditor's Opinion

NOTE 1 - BUDGETARY PROCESS

SEDOL follows procedures mandated by Illinois State law and Board policy to establish the budgetary data reflected in its financial statements. The budget was passed on August 23, 2023, and was not amended. The modified accrual basis budgeted amounts in this report are the result of full compliance with the following procedures:

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

SEDOL follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the Director of Business Services submits to the Governing Board a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.

2. A public hearing is conducted to obtain taxpayer comments.

3. Prior to October 1, the budget is legally adopted through passage of a resolution.

4. Formal budgetary integration is employed as a management control device during the year.

5. The Governing Board may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.

6. The Governing Board may amend the budget by the same procedures required of its original adoption.

NOTE 2 - EXCESS OF EXPENDITURES OVER BUDGET

For the year ended June 30, 2024, the following funds presented as Required Supplementary Information had expenditures that were over budget.

Fund	Budget	Actual	Excess of Actual Over Over Budget
Operations & Maintenance Fund	$ 5,293,666	$ 7,380,425	$ 2,086,759
Transportation Fund	624,875	691,265	66,390
IMRF Fund	660,000	711,026	51,026

SUPPLEMENTAL FINANCIAL INFORMATION

SPECIAL EDUCATION DISTRICT OF LAKE COUNTY, SEJA DISTRICT NO. 825
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICES FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Original and Final	Actual Amounts
REVENUES		
Earnings on Investments	$ 1,900	$ 20,259
Other Local Sources	464,250	464,250
Total Revenues	$ 466,150	$ 484,509
EXPENDITURES		
Debt Services		
Other Interest on Short-Term Debt		
Other Objects	$ 464,600	$ -
Other Interest on Long-Term Debt		
Other Objects	-	54,250
Total Debt Services - Interest	$ 464,600	$ 54,250
Debt Services - Payment of Principal on Long-Term Debt		
Other Objects	$ -	$ 410,000
Total Debt Services - Payment of Principal on Long-Term Debt	$ -	$ 410,000
Debt Services - Other		
Other Objects	$ -	$ 352
Total Debt Services - Other	$ -	$ 352
Total Debt Services	$ 464,600	$ 464,602
Total Expenditures	$ 464,600	$ 464,602
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 1,550	$ 19,907
NET CHANGE IN FUND BALANCE	$ 1,550	$ 19,907
FUND BALANCE - JULY 1, 2023		181,040
FUND BALANCE - JUNE 30, 2024		$ 200,947

See Accompanying Independent Auditor's Opinion