



**FSD145**

Freeport School District

# Annual Comprehensive Financial Report

For the Fiscal Year  
Ended June 30, 2025

Freeport, IL

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

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

For the Year Ended  
June 30, 2025

Prepared by:  
District Finance Department

**FREERPORT SCHOOL DISTRICT #145**  
**FREERPORT, ILLINOIS**  
**TABLE OF CONTENTS**

---

	<u>Page(s)</u>
<b>INTRODUCTORY SECTION</b>	
Officers and Officials.....	i
Organizational Chart.....	ii
Transmittal Letter.....	iii-viii
<b>FINANCIAL SECTION</b>	
INDEPENDENT AUDITOR’S REPORT .....	1-4
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 <i>GOVERNMENT AUDITING STANDARDS</i> .....	5-6
<b>GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS</b>	
Management’s Discussion and Analysis.....	MD&A 1-7
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	7-8
Statement of Activities .....	9
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	10-11
Reconciliation of Fund Balances of the Governmental Funds to the Governmental Activities in the Statement of Net Position.....	12
Statement of Revenues, Expenditures and Changes in Fund Balances .....	13-14
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities .....	15

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

---

Page(s)

**FINANCIAL SECTION (Continued)**

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Basic Financial Statements (Continued)

Fund Financial Statements (Continued)

Proprietary Fund

Statement of Net Position .....	16
Statement of Revenues, Expenses and Changes in Net Position.....	17
Statement of Cash Flows .....	18
Notes to Financial Statements .....	19-56

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Budgetary Basis	
General Fund .....	57-66
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund .....	67
Teachers' Retirement System of the State of Illinois .....	68
Teachers Health Insurance Security Fund .....	69
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios	
Illinois Municipal Retirement Fund .....	70-71
Schedule of the District's Proportionate Share of the Net Pension Liability and Related Ratios	
Teachers' Retirement System of the State of Illinois .....	72
Schedule of Changes in the Employer's Total OPEB Liability and Related Ratios	
Other Postemployment Benefit Plan .....	73
Schedule of the District's Proportionate Share of the Collective Net OPEB Liability and Related Ratios	
Teachers Health Insurance Security Fund .....	74
Notes to Required Supplementary Information .....	75

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

---

Page(s)

**FINANCIAL SECTION (Continued)**

SUPPLEMENTARY INFORMATION

MAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet - General Fund - By Account .....	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund - By Account .....	77
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Budgetary Basis Educational Accounts .....	78-88
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Working Cash Accounts .....	89
Operations and Maintenance Fund .....	90-91
Debt Service Fund .....	92
Transportation Fund .....	93-94
Illinois Municipal Retirement/Social Security Fund .....	95-96
Capital Projects Fund .....	97
Tort Fund .....	98
Fire Prevention and Safety Fund .....	99

**STATISTICAL SECTION**

Financial Trends	
Schedule of Net Position by Component .....	100-101
Schedule of Expenses by Identifiable Activity .....	102-103
Schedule of Revenues by Source and Total Changes in Net Position .....	104-105
Schedule of Fund Balances - Governmental Funds .....	106-107
Changes in Fund Balance - Governmental Funds .....	108-109
Revenue Capacity	
Schedule of Major Categories of EAV .....	110-111
Assessed Valuations, Tax Rates and Extensions .....	112
Schedule of Property Tax Levies and Collections .....	113
Ten Principal Taxpayers in the District .....	114

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

---

	<u>Page(s)</u>
<b>STATISTICAL SECTION (Continued)</b>	
Debt Capacity	
Schedule of Legal Bonded Debt Margin.....	115
Ratios of Outstanding Debt by Type.....	116
Ratios of Bonded Debt Outstanding .....	117
Direct and Overlapping Government .....	118
Schedule of Direct and Overlapping Debt .....	119
Demographic and Economic Information	
Demographic and Economic Statistics.....	120
Principal Employers.....	121
Operating Information	
Faculty, Staff and Administrator Statistics - Full-Time Equivalent Data.....	122
Schedule of Average Daily Attendance, Operating Expense per Pupil and Total Operating Expense.....	123
Capital Asset Statistics.....	124

## **INTRODUCTORY SECTION**

**FREEPORT SCHOOL DISTRICT 145**

**Principal Officers**

**June 30, 2025**

**Board of Education Members**

President	Ms. Martha Furst
Vice-president	Mr. Allen Greene
Member	Mrs. Audrey Moore-Howard
Member	Mr. Ryan Shirley
Member	Mr. Jack Sosnowski
Member	Mrs. Charlene Williams
Member	Mrs. Kacey Seal

**District Administration**

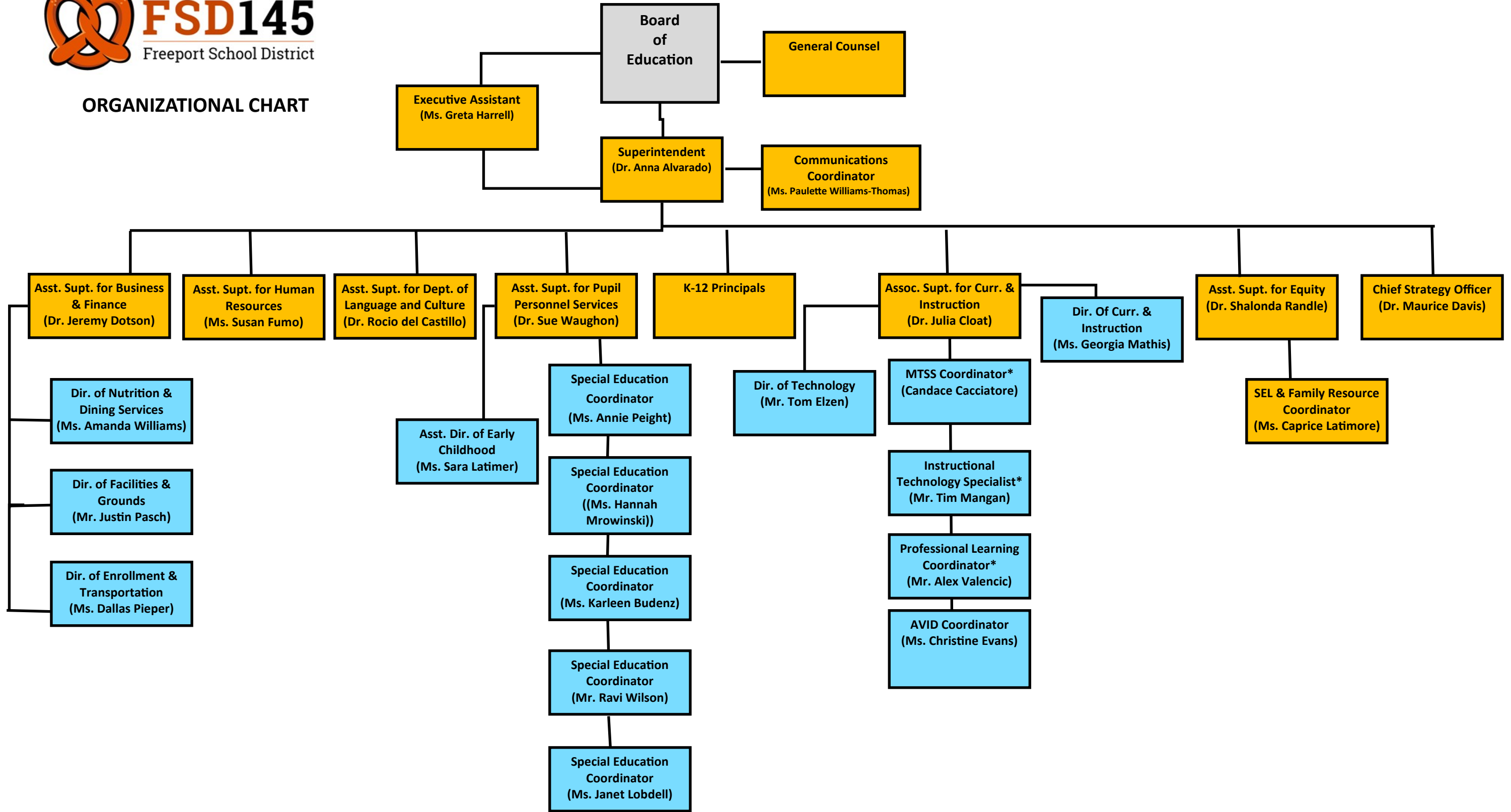
Superintendent	Dr. Anna Alvarado
Assistant Superintendent for Curriculum & Instruction	Dr. Julia Cloat
Assistant Superintendent for Business & Finance	Dr. Jeremy Dotson
Assistant Superintendent of Human Resources	Mrs. Susan Fumo
Assistant Superintendent of Equity & Curriculum	Dr. Shalonda Randle
Assistant Superintendent of Pupil Personnel Services	Dr. Susan Waughon
Assistant Superintendent of Bilingual Education	Dr. Rocio del Castillo

**Building Principals**

Blackhawk Elementary School	Ms. Stacey Kleindl
Carl Sandburg Middle School	Dr. Beth Summers
Center Elementary School	Ms. Amanda Hayes
Empire Elementary School	Mr. Ramon Viveros
Freeport High School	Ms. Sarah Hasken
Freeport Middle School	Ms. Danielle Summers
Jones Farrar IB Magnet School	Ms. Jennifer DeJong
Lincoln Douglas Elementary School	Ms. Melissa Sago



**ORGANIZATIONAL CHART**



Updated August 19, 2024



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

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January 16, 2026

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

Dear Members of the Community and the Board:

The Annual Comprehensive Financial Report (ACFR) for Freeport School District No. 145 (the District) for the fiscal year ending June 30, 2025, is hereby submitted. Submittal of this report complies with the requirements of the Illinois School Code. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data, as presented, is accurate in all material aspects and represents the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds, and that all disclosures necessary for public understanding of the District's financial status have been incorporated within this report.

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

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

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

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



## History of the District

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

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

In 1919, a special election was held approving the purchase of the 25.19-acre tract of land that was the site of Stephenson County's first county fair in 1856. The site had also served in 1861 as Camp Scott, a training site for local men mobilized for service in the Civil War. On this site the present Freeport High School was built in 1925-26 and opened for classes in September 1926. This building has had several additions, including in 1924, 1947-48, 1962-64, and 1996 with additional renovations in 2023 and 2024.

Since 1919, several buildings have opened and closed. The current school buildings and administrative offices that are in use today comprise 787,283 square feet of building space, situated on 190.34 acres. Along with Freeport High School, the current list of schools includes the following. Empire Elementary was built in 1951, with additions in 1956 and 1963. Freeport Middle School (formerly Freeport Junior High School) was built in 1952, with additions in 1957 and 1963, with additional renovations in 2023, 2024, and 2025. Freeport Middle School is also the location of the 997-seat Jeanette Lloyd Theater. Blackhawk Elementary was built in 1954, with an addition in 1965. Lincoln Douglas Elementary was built in 1958, with an addition in 1965, field renovations in 2023, HVAC, Windows and Lighting renovations in 2025.

The first Center Elementary was built in 1905. The current Center Elementary was built in 1968 and underwent renovations in 1994 to convert it from an open-concept elementary school, with additional HVAC renovations in 2024. Carl Sandburg Middle School was built in 1969. It also underwent renovation to convert it from an open-concept school in 1995, with additional renovations in 2023 and 2024. Jones Farrar IB World School was built by Highland Community College as a vocational education building in 1975. Freeport School District bought the building in 1991. It served as a temporary site for Center and Carl Sandburg during their respective renovations, then became the District's Early Learning Center. It became an IB magnet school in 2010. Taylor Park Elementary was built in 1952, with additions in 1957 and 1965, but was closed in 2020 due to excessive river flooding in the area.



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

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

### **District Composition and Communities Served**

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

The District’s enrollment counts are collected every October 1<sup>st</sup> and March 1<sup>st</sup> during fall and spring collection periods. The District’s enrollment counts taken on March 1, 2025 comprised of 3,710 students from the City of Freeport, the Villages of Cedarville and Ridott, and the unincorporated areas of central Stephenson County in between these communities. The District covers 99 square miles located entirely in Stephenson County, IL and is located approximately 114 miles northwest of Chicago, IL, 65 miles southwest of Madison, WI, and approximately 30 miles west of Rockford, Illinois. The District serves 55% of the preschool through grade 12 students in Stephenson County.

### **Governance**

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

Ms. Martha Furst	First elected 2019	Term expires 2027	President
Mr. Alan Greene	First elected 2021	Term expires 2029	Vice President
Mr. Jack Sosnowski	First elected 2015	Term expires 2027	
Mr. Ryan Shirley	First elected 2021	Term expires 2029	
Mrs. Charlene Williams	First elected 2021	Term expires 2029	
Mrs. Audrey Moore-Howard	First elected 2023	Term expires 2027	
Mrs. Kacey Seal	First elected 2023	Term expires 2027	



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

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## **Economic Condition and Outlook**

The District's predominately residential tax base is expected to remain pressured in the near term but continue to see signs of moderate valuation increases. The District's has experienced a period of declining rate setting equalized assessed valuation (EAV) and consumer price index (CPI) that impacted tax years 2008 through 2016. The corresponding EAV cumulated a decline of 15.9%, and CPI declined from 3.4% to .7%, Pre-COVID era. Since tax year 2017, and EAV stabilized in tax year 2017, and has improved significantly through tax year 2025 with CPI recorded as 2.9% in tax year 2025, and EAV showing a increases in tax base of \$471,010,801.

The district posted General Fund (Education + Operations & Maintenance + Transportation Funds) a deficit net change in fund balance in 2025, capped another year of deficit change in fund balance in over a seven-year span. We expect the District's financial operations to improve based on regular budget oversight and expenditure reduction planning in FY26, and FY27 school year. The District will continue to monitor personnel expenditures through budget controls, position controls, expenditure controls, and source of funds to ensure salary and benefits are within budget.

The District's debt burden will remain manageable. The District carries a moderate direct debt burden of 1.0% of full value, due to HLS bond issuance. Although the HLS bond issuance is exempt from debt limits, it is still a factor in the debt margin. All of the District's outstanding debt is secured by its debt service extension base (DSEB), a dedicated levy that is unlimited as to rate but limited in amount by the District's annual DSEB (\$4.310 million). All of the District's outstanding debt is fixed rate. Principal amortization is below average with 50% of GO debt retired within ten years.

District teachers participate in the Teachers Retirement System (TRS) of Illinois, a multi-employer defined benefit pension plan, and non-teaching District employees participate in the Illinois Municipal Retirement Fund (IMRF), an agent multi-employer plan. As of June 30, 2024, TRS GASB Statements No. 67 and 68 Accounting Valuation Report, showed the Total Pension Liability (TPL) as \$157,290,420,223, and the Net Pension Liability as \$85,865,706,298 or 45.4%. As of December 31, 2024, IMRF, Annual Actuarial Valuation Report, showed stronger funded ratio of 95.8%. The state is primarily responsible for funding TRS through payments made on behalf of school districts.

Revenues are comprised of local property taxes and other local resources, state funding, and federal funding with the mix of the three revenue streams varying by each district. The state constitution creates a foundational level for education funding, and through its adoption of the Evidence Based Funding (EBF) model the state has slightly increased its annual allocation for state funding. In recent years the district has experienced slight state funding increases in fiscal years; 2020, 2022, 2023, 2024, and 2025 with 2020 and 2021 being flat. Local property taxes have historically been largely predictable for Illinois school districts. Property taxes comprised 31.1% of fiscal 2025 Operating Fund revenues, and the district benefits from a nearly 100.8% collection rate. Management has made spending cuts in order to maintain balanced operations.



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

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## **Financial Policies / Budget Schedule**

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

## **Basis of Accounting and Reporting / Independent Audit**

The District reports the government-wide financial statements on the accrual basis of accounting, and the fund financial statements are prepared on the modified accrual basis. Notes to financial statements expand upon the basis of accounting used by the District as well as other accounting practices and procedures. All district funds are included in this report and have been audited by Sikich of Naperville, IL, who has issued an unmodified (clean) opinion on the Freeport School District 145's financial statements for the year ended June 30, 2025. The independent auditor's report is located at the front of the financial section of this report. The financial statements have been prepared in accordance with the standards set forth by the Governmental Accounting Standards Board (GASB).

## **Financial Management and Internal Controls**

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

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



# FSD 145

Freeport School District

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## **Budgetary Controls**

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

## **Cash Management**

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

## **Closing Statement**

It is our belief that this Annual Comprehensive Financial Report will provide the District's management, outside investors, and local citizens with a meaningful financial presentation. We hope that all readers of this Report will obtain a clear and concise understanding of the District's financial condition as of June 30, 2025. We extend our appreciation to the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a professional and fiscally responsible manner.

Respectfully Submitted,

Dr. Anna Alvarado

Superintendent of Schools

Respectfully Submitted,

Dr. Jeremy Dotson

Assistant Superintendent of Business

## **FINANCIAL SECTION**

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

**SIKICH.COM**

## **INDEPENDENT AUDITOR'S REPORT**

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

### **Report on Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Freeport School District #145 (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Freeport School District #145 as of June 30, 2025, 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 these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of 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 the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with 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 risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

## **Other Matters**

### *Required Supplementary Information*

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

Management implemented GASB Statement No. 75 in the fiscal year ended June 30, 2020. Therefore, only six years of data is presented as 2018 and 2019 data are not available. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information is 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 were derived from and relate 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 Information*

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also issued a report dated January 16, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

***Sikich CPA LLC***

Naperville, Illinois  
January 16, 2026

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

**SIKICH.COM**

**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 Board of Education  
Freeport School District #145  
Freeport, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Freeport School District #145 (the District), as of and for the year ended June 30, 2025, and the related notes to financial statements, which collectively comprise the District’s basic financial statements and have issued our report thereon dated January 16, 2026.

**Internal Control over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

## **Purpose of this Report**

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

*Sikich CPA LLC*

Naperville, Illinois  
January 16, 2026

**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**

# Freeport School District No. 145

## Management Discussion and Analysis

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As management of Freeport School District No. 145 (the "District"), we offer the readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2025.

The MD&A is provided at the beginning of the report to provide an overview of the District's financial position at June 30, 2025 and the results of operations for the year. This summary should not be taken as a replacement for the audit report, which consists of the basic financial statements, notes to the financial statements, required and other supplementary information.

### **FINANCIAL HIGHLIGHTS**

The District's financial situation has declined considerably, as expected, in fiscal year 2025 due to the phasing out of key federal programs. State funding, through Illinois' Evidence-Based Funding (EBF) model, has increased funding to the District. Still, three-year averaging of enrollment continues to show steady gains since fiscal year 2021, with corresponding gains in new tier EBF funding for program resources needed to address the costs of instructional services, family engagement, economic inflation, social mobility, immigration, and other enrollment experiences in the Freeport District. It is equally important to note that enrollment counts is leveling off around 3730s with small gains in enrolled students in FY25 and FY26. ESSER was funded through 9/30/24 or the first quarter in the FY25 school year. The ESSER funds have allowed the district to enhance programming in reading and math through the implementation of Multi-Tiered System of Supports (MTSS), as well as offering after-school tutoring, nurse supports, summer school programs, social-emotional learning, and professional development training for educators. The use of ESSER funds has yielded successes in student academic achievement, but the federal program and funding were phased out as expected in FY25. Investment earnings were stable, and the Treasury Bill rates have increased marginally since July 1, 2024, and remained strong through June 30, 2025. We expect to see gradual decreases in investment earnings as the Federal Reserve cuts rates in the 2026 school year.

The liabilities of the District exceeded its assets at the end of the year by \$26.6 million. Of this amount, there was a deficit of \$63.5 million of unrestricted net position. The district's net operating position decreased by \$11.572 million for the year. This was primarily due to additional local expenditures in the program to supplement the resources provided in instructional and operational services.

At the end of the year, the aggregate fund balances for the District's governmental funds (Educational, Operations and Maintenance, Working Cash, Transportation, Retirement/Social Security, Tort, Debt Service, Capital Project, and Fire Prevention and Safety) were \$37.8 million or 35% of the total expenditures of these governmental funds.

### **USING THIS FINANCIAL REPORT**

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

# Freeport School District No. 145

## Management Discussion and Analysis

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### **USING THIS FINANCIAL REPORT (continued)**

#### **Government -Wide Financial Statements**

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

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a valuable indicator of whether the District's financial position is improving or deteriorating. To assess the District's overall health, you need to consider additional non-financial factors, such as the condition of its buildings and facilities.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the next fiscal period.

#### **Fund Financial Statements**

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

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

The District maintains nine individual governmental funds. Two of those funds, the Educational and Working Cash funds, are considered the District's General Fund and are combined accordingly. Individual fund information is presented in separate columns in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for all the other funds. These funds are all considered major funds of the District. More details of the individual revenues and expenditures for these funds are presented in the other supplementary information section of this report.

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

# Freeport School District No. 145

## Management Discussion and Analysis

**USING THIS FINANCIAL REPORT (continued)**

**Fund Financial Statements (continued)**

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

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The District's net position was (\$26.6) million at June 30, 2025. Of this amount, (\$63.5) million was unassigned. Restricted net position is reported separately to show the limits imposed by legislation or accounting principles that prevent the District from using that net position for day-to-day operations. The following analysis focuses on the net position and changes in net position of the District's governmental activities.

<b>Net Position Governmental Activities June 30 (In Millions)</b>		
	<b>2025</b>	<b>2024</b>
Current assets	60.5	53.4
Non-Current assets	35.9	27.0
Deferred outflows of resources	7.6	7.6
Total assets and deferred outflows	104.0	87.9
Current liabilities	19.8	13.2
Long term liabilities	81.1	57.9
Deferred inflows of resources	29.8	31.9
Total liabilities and deferred inflows	130.7	103.0
Net position		
Net investment in capital assets	17.7	16.6
Restricted	19.2	25.2
Unrestricted	(63.5)	(56.9)
Total net position	(\$26.6)	(\$15.1)

# Freeport School District No. 145

## Management Discussion and Analysis

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

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

	2025	2024
Revenues:		
Program revenues:		
Charges for services	0.8	0.8
Operating grants and contributions	30.0	34.4
General revenue:		
Local property taxes	27.5	25.8
Payments in lieu of taxes	2.4	3.7
Earnings on investments	0.9	0.9
State Evidence Based Funding	25.3	25.3
Other general revenues	1.7	1.7
Total revenues	88.6	92.6
Function/program expenses:		
Instruction	45.7	45.1
Pupil service	8.1	7.3
Instructional staff	12.1	10.2
General administration	3.1	2.4
School administration	7.5	6.9
Business services	19.8	18.8
Central services	1.2	1.0
Other support services	0.1	0.1
Community services	0.3	0.7
Payments to other governmental units	0.3	0.3
Interest and service charges on debt	2.9	2.1
Total function/program expenses	101.1	94.9
Change in net position	(12.5)	(2.3)
Net position, beginning	(\$15.1)	(\$12.8)
Net position, ending	(\$27.6)	(\$15.1)

The cost of governmental activities for this year was \$101.1 million. Local property taxes financed about 27.2% of this, or \$27.5 million.

Operating grants and contributions, such as other state and federal funding, were the next most significant contributor, accounting for \$30.0 million of the total cost. State Evidence-Based Funding was the next-largest contributor, with \$26.4 million. Additionally, a small amount comes from payments of \$2.4 million and charges for services of .8 million.

# Freeport School District No. 145

## Management Discussion and Analysis

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### **DISTRICT FUND'S FINANCIAL ANALYSIS**

The District's budget is prepared according to Illinois law and was not amended during the year. A budget was prepared for all funds except the Internal Service Fund.

#### **General Fund**

The General Fund is the District's central operating fund and includes the Educational and Working Cash Funds. Actual revenue for the General Fund was \$56.1 million compared to budgeted revenue of \$57.7 million. Actual revenue was lower than budgeted, primarily due to grant approval lagging behind the adoption of the district budget, preventing the expenditure of all allocated grant funds, and to overestimated tax collections from prior years' recapture.

Actual expenditures in the General Fund were \$63.2 million compared to budgeted expenditures of \$60.4 million. Overall, actual expenditures were greater due to overspending in total net instruction, pupil services, and improvement of instructional services. The District is self-insured for medical and dental coverage, and it had incurred a net change in self-insurance liability of (\$3.4 million), 6/30/25. The total outstanding self-insurance balance is (\$10.4 million).

#### **Operations and Maintenance Fund**

The Operations and Maintenance Fund had actual revenues of \$5.3 million and expenditures and transfers out of \$10.5 million resulting in an ending fund balance of \$5.8 million.

#### **Transportation Fund**

The Transportation Fund had actual revenues of \$4.1 million and expenditures of \$4.9 million resulting in an ending fund balance of \$6.4 million.

#### **Retirement/Social Security**

The Retirement/Social Security Fund had actual revenues of \$1.9 million and expenditures of \$2.1 million resulting in an ending fund balance of \$3.0 million.

#### **Tort Fund**

The Tort Fund had actual revenues of \$866 thousand and expenditures of \$1.1 thousand resulting in an ending fund balance of \$1.4 million.

#### **Debt Service Fund**

The Debt Service Fund had actual revenues of \$3.8 million and expenditures of \$3.269 million resulting in an ending fund balance of \$2.497 million.

# Freeport School District No. 145

## Management Discussion and Analysis

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### Capital Projects Fund

The Capital Projects Fund had actual revenues of \$0 dollars, transfers in of 6.6 million, and expenditures of \$8.6 million resulting in an ending fund balance of \$93,503.

### Fire Prevention and Safety Fund

The Fire Prevention and Safety Fund had actual revenues of \$160,713 thousand, transfers in of \$14.9 million and expenditures of \$4.6 million resulting in an ending fund balance of \$10.7 million.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### Capital Assets

As of June 30, 2025, the District had \$91.8 million invested in land, buildings, land improvements, and equipment. Of this amount, \$54.6 million in depreciation and \$1.2 million in amortization have accumulated over the years, including \$2.2 million of depreciation and amortization being incurred in the current year. The District's net book value of capital assets at June 30, 2025, is \$35.9 million. Total additions for the year were \$10.472 million. The additions during the year were financed with proceeds from Health Life Safety and Working Cash Bonds. More detailed information can be found in the Notes to the financial statements.

<b>Net Book Value of Capital Assets at June 30 (In Millions)</b>		
	<b>2025</b>	<b>2024</b>
Land	\$ .8	\$ .8
Construction in progress	5.0	1.9
Buildings	23.6	17.2
Land improvements	3.4	3.7
Equipment	1.8	2.3
Intangible assets	1.3	1.1
<b>Total</b>	<b>\$35.9</b>	<b>\$27.0</b>

#### Debt Administration

At June 30, 2025, the District had \$62.8 million in general obligation bonds. During the year the District retired \$10.945 million, and added \$31.490 million in general obligation bonds. Principal due next year on these obligations is \$1.275 million.

<b>Outstanding Debt at June 30 (In Millions)</b>		
	<b>2025</b>	<b>2024</b>
General obligation bonds	\$62.8	\$42.3
<b>Total</b>	<b>\$62.8</b>	<b>\$42.3</b>

# Freeport School District No. 145

## Management Discussion and Analysis

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### **Debt Administration (continued)**

State statutes limit the amount of debt that a School District may issue. The District's debt limit was 58,693,792 based on 13.8% of its 2024 EAV of \$425,317,258. The total debt applicable to the limit was \$62.8 million, which includes outstanding general obligation bonds. As a result, the remaining legal debt margin was a deficit of \$4,176,218. The District exceeded the legal debt limitation due to an exception for HLS debt associated with state statute 105 ILCS 5/20-2.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Illinois State budget provides nearly one-third of the District's funding. With the phasing out of ESSER funding, the District will need to continue finding alternative resources to support the work started with ESSER funds or make significant budget cuts in the preceding school year. The State's implementation of its evidence-based funding (EBF) model in fiscal year 2018 has helped shore up state funding. EBF increased by \$1.84 million in FY22, EBF increased by \$1.06 million in FY23, EBF increased by \$382 thousand in FY24, and 1.1 million in FY25. The District's average student enrollment improved since FY22, but shows signs of slow growth in FY25 and FY26. The EBF tier status and funding were upgraded from Tier 2 in FY24 to Tier 1 in FY25, and has significantly helped given the funding rates.

Interest income earnings are showing signs of an economic trough or downward decline in investment interest and borrowing rates. Moving into FY26, the District will continue to practice sound fiscal management of resources while meeting state and federal mandates to provide the best quality education to the students of Freeport School District No.145.

### **REQUESTS FOR INFORMATION**

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

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

## **BASIC FINANCIAL STATEMENTS**

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

STATEMENT OF NET POSITION

June 30, 2025

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash	\$ 12,625,279
Investments	17,345,733
Receivables (net of allowance for uncollectibles)	
Property taxes	28,365,175
Intergovernmental	2,083,908
Other	16,065
Prepaid items	22,540
Capital assets	
Nondepreciable assets	5,795,148
Depreciable and intangible assets, net of accumulated depreciation/amortization	<u>30,164,406</u>
Total assets	<u>96,418,254</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Unamortized loss on refunding	1,180,788
Pension items - TRS	571,214
Pension items - IMRF	2,854,347
OPEB items - District plan	80,719
OPEB items - THIS	<u>2,969,519</u>
Total deferred outflows of resources	<u>7,656,587</u>
Total assets and deferred outflows of resources	<u>104,074,841</u>
<b>LIABILITIES</b>	
Overdrawn cash	8,248,199
Accounts payable	3,159,997
Salaries and wages payable	5,237,300
Claims payable	2,228,230
Accrued interest payable	781,747
Unearned revenue	44,652
Long-term liabilities	
Due within one year	2,380,652
Due after one year	<u>78,795,847</u>
Total liabilities	<u>100,876,624</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension items - TRS	102,690
Pension items - IMRF	11,109
OPEB items - District plan	145,009
OPEB items - THIS	15,402,385
Property taxes levied for subsequent years	<u>14,182,588</u>
Total deferred inflows of resources	<u>29,843,781</u>
Total liabilities and deferred inflows of resources	<u>130,720,405</u>

(This statement is continued on the following page.)

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

STATEMENT OF NET POSITION (Continued)

June 30, 2025

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	<b>Governmental Activities</b>
<b>NET POSITION</b>	
Net investment in capital assets	\$ 17,704,552
Restricted for	
Operations and maintenance	5,834,165
Tort	1,381,578
IMRF/FICA	3,073,621
Debt service	2,497,361
Transportation	6,403,786
Unrestricted (deficit)	<u>(63,540,627)</u>
<b>TOTAL NET POSITION (DEFICIT)</b>	<u><u>\$ (26,645,564)</u></u>

See accompanying notes to financial statements.



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

BALANCE SHEET  
GOVERNMENTAL FUNDS

June 30, 2025

	General	Operations and Maintenance	Debt Service
<b>ASSETS</b>			
Cash	\$ 2,209,406	\$ 1,770,198	\$ 331,454
Investments	1,000	3,096,639	-
Receivables			
Property taxes, net	17,850,566	1,938,001	4,331,814
Intergovernmental	1,894,194	-	-
Other	5,255	-	-
Prepaid items	-	22,540	-
<b>TOTAL ASSETS</b>	<b>\$ 21,960,421</b>	<b>\$ 6,827,378</b>	<b>\$ 4,663,268</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 110,533	\$ -	\$ -
Salaries and wages payable	5,099,962	1,673	-
Unearned revenue	44,652	-	-
Total liabilities	5,255,147	1,673	-
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property taxes levied for subsequent years	8,925,283	969,000	2,165,907
Total deferred inflows of resources	8,925,283	969,000	2,165,907
<b>FUND BALANCES</b>			
Nonspendable			
Prepaid items	-	22,540	-
Restricted for			
Operations and maintenance	-	5,834,165	-
Tort	-	-	-
IMRF/FICA	-	-	-
Debt service	-	-	2,497,361
Transportation	-	-	-
Fire prevention and safety	-	-	-
Assigned for			
Future years' budget	1,830,226	-	-
Working cash	7,338,842	-	-
Capital projects	-	-	-
Unassigned (deficit)	(1,389,077)	-	-
Total fund balances	7,779,991	5,856,705	2,497,361
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 21,960,421</b>	<b>\$ 6,827,378</b>	<b>\$ 4,663,268</b>

<b>Transportation</b>	<b>Municipal Retirement/ Social Security</b>	<b>Capital Projects</b>	<b>Tort</b>	<b>Fire Prevention and Safety</b>	<b>Total</b>
\$ 3,218,366	\$ 1,478,121	\$ 250,000	\$ 1,278,382	\$ 2,089,352	\$ 12,625,279
2,200,843	828,651	-	-	11,218,600	17,345,733
1,600,001	1,794,754	-	850,039	-	28,365,175
189,714	-	-	-	-	2,083,908
-	-	-	-	-	5,255
-	-	-	-	-	22,540
<b>\$ 7,208,924</b>	<b>\$ 4,101,526</b>	<b>\$ 250,000</b>	<b>\$ 2,128,421</b>	<b>\$ 13,307,952</b>	<b>\$ 60,447,890</b>
\$ -	\$ -	\$ 156,497	\$ 321,823	\$ 2,571,144	\$ 3,159,997
5,137	130,528	-	-	-	5,237,300
-	-	-	-	-	44,652
5,137	130,528	156,497	321,823	2,571,144	8,441,949
800,001	897,377	-	425,020	-	14,182,588
800,001	897,377	-	425,020	-	14,182,588
-	-	-	-	-	22,540
-	-	-	-	-	5,834,165
-	-	-	1,381,578	-	1,381,578
-	3,073,621	-	-	-	3,073,621
-	-	-	-	-	2,497,361
6,403,786	-	-	-	-	6,403,786
-	-	-	-	10,736,808	10,736,808
-	-	-	-	-	1,830,226
-	-	-	-	-	7,338,842
-	-	93,503	-	-	93,503
-	-	-	-	-	(1,389,077)
6,403,786	3,073,621	93,503	1,381,578	10,736,808	37,823,353
<b>\$ 7,208,924</b>	<b>\$ 4,101,526</b>	<b>\$ 250,000</b>	<b>\$ 2,128,421</b>	<b>\$ 13,307,952</b>	<b>\$ 60,447,890</b>

See accompanying notes to financial statements.

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

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

June 30, 2025

<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	<b>\$ 37,823,353</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet	35,959,554
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	2,854,347
Deferred inflows of resources	(11,109)
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Teachers' Retirement System of the State of Illinois are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	571,214
Deferred inflows of resources	(102,690)
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Teachers' Health Insurance Security Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	2,969,519
Deferred inflows of resources	(15,402,385)
Differences between expected and actual experiences and assumption changes for the OPEB plan are recognized as deferred outflows of resources on the statement of net position	
Deferred outflows of resources	80,719
Deferred inflows of resources	(145,009)
Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, therefore, is not recognized in the governmental funds balance sheet	(781,747)
Gains and losses on debt refundings are capitalized and amortized at the government-wide level	1,180,788
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position	
General obligation bonds	(62,870,000)
Unamortized bond premium	(2,957,941)
Lease liability	(1,399,141)
Compensated absences	(800,144)
Total OPEB liability	(660,030)
Total OPEB liability - THIS	(8,057,224)
Net pension liability - IMRF	(2,007,461)
Net pension liability - TRS	(2,424,558)
The net position of the internal service fund is included in the governmental activities in the statement of net position	<u>(10,465,619)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ (26,645,564)</u></b>

See accompanying notes to financial statements.

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

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

For the Year Ended June 30, 2025

	General	Operations and Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Tort	Fire Prevention and Safety	Total
<b>REVENUES</b>									
Property taxes	\$ 17,111,091	\$ 2,264,886	\$ 3,769,070	\$ 1,747,009	\$ 1,759,671	\$ -	\$ 848,672	\$ -	\$ 27,500,399
Corporate personal property replacement taxes	-	2,304,612	-	-	125,510	-	-	-	2,430,122
State aid	44,827,949	50,000	-	1,396,592	-	-	-	-	46,274,541
Federal aid	9,579,085	-	-	40,000	-	-	-	-	9,619,085
Investment income	153,885	605,781	9,531	254,053	67,868	-	8,649	160,713	1,260,480
Other	559,627	91,398	33,320	694,481	17,922	-	8,805	-	1,405,553
<b>Total revenues</b>	<b>72,231,637</b>	<b>5,316,677</b>	<b>3,811,921</b>	<b>4,132,135</b>	<b>1,970,971</b>	<b>-</b>	<b>866,126</b>	<b>160,713</b>	<b>88,490,180</b>
<b>EXPENDITURES</b>									
Current									
Instruction									
Regular programs	25,411,767	-	-	-	249,367	-	-	-	25,661,134
Pre-K programs	1,105,933	-	-	-	29,089	-	-	-	1,135,022
Special programs	9,809,291	-	-	-	254,128	-	-	-	10,063,419
Other instructional programs	8,711,730	-	-	-	118,123	-	-	-	8,829,853
Support services									
Pupils	7,447,146	-	-	21,635	221,113	-	-	-	7,689,894
Instructional staff	10,527,957	-	-	-	175,333	-	-	-	10,703,290
General administration	1,865,056	-	-	-	45,772	-	1,120,356	-	3,031,184
School administration	6,892,214	-	-	-	193,661	-	-	-	7,085,875
Business	5,008,761	5,814,197	-	3,796,127	854,661	495,391	-	854,985	16,824,122
Central	1,116,127	-	-	-	34,822	-	-	-	1,150,949
Other support services	150	-	-	70,842	3,762	-	-	-	74,754
Community services	309,926	-	-	-	2,185	-	-	-	312,111
Intergovernmental									
Payments to other districts and government units	306,978	-	-	-	-	-	-	-	306,978

	General	Operations and Maintenance	Debt Service	Transportation	Municipal Retirement/ Social Security	Capital Projects	Tort	Fire Prevention and Safety	Total
<b>EXPENDITURES (Continued)</b>									
Capital outlay	\$ 299,562	\$ 4,738	\$ -	\$ 788,637	\$ -	\$ 6,112,424	\$ -	\$ 3,456,644	\$ 10,662,005
Debt service									
Principal	-	620	1,531,324	189,099	-	-	-	-	1,721,043
Interest	464,733	8,160	1,647,244	54,889	-	-	-	365,039	2,540,065
Total expenditures	79,277,331	5,827,715	3,178,568	4,921,229	2,182,016	6,607,815	1,120,356	4,676,668	107,791,698
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(7,045,694)	(511,038)	633,353	(789,094)	(211,045)	(6,607,815)	(254,230)	(4,515,955)	(19,301,518)
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers in	3,301,505	-	101,478	-	-	8,608,732	-	-	12,011,715
Transfers (out)	(7,241,237)	(4,760,948)	(9,530)	-	-	-	-	-	(12,011,715)
Issuance of bonds	17,285,000	-	-	-	-	-	-	14,205,000	31,490,000
Premium on issuance of bonds	183,363	-	-	-	-	-	-	758,525	941,888
Payment to escrow agent	(9,736,206)	-	-	-	-	-	-	-	(9,736,206)
Issuance of lease payable	-	22,490	-	-	-	-	-	-	22,490
Proceeds from sale of asset	4,739	-	-	-	-	-	-	-	4,739
Insurance proceeds	-	36,618	-	12,409	-	-	-	-	49,027
Total other financing sources (uses)	3,797,164	(4,701,840)	91,948	12,409	-	8,608,732	-	14,963,525	22,771,938
<b>NET CHANGE IN FUND BALANCE</b>	(3,248,530)	(5,212,878)	725,301	(776,685)	(211,045)	2,000,917	(254,230)	10,447,570	3,470,420
<b>FUND BALANCES (DEFICIT), JULY 1</b>	11,028,521	11,069,583	1,772,060	7,180,471	3,284,666	(1,907,414)	1,635,808	289,238	34,352,933
<b>FUND BALANCES, JUNE 30</b>	\$ 7,779,991	\$ 5,856,705	\$ 2,497,361	\$ 6,403,786	\$ 3,073,621	\$ 93,503	\$ 1,381,578	\$ 10,736,808	\$ 37,823,353

See accompanying notes to financial statements.

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

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

For the Year Ended June 30, 2025

<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 3,470,420</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceed depreciation expense in the current period	
Capital asset additions	11,938,485
Depreciation and amortization expense	(2,953,663)
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources are not a source or use of financial resources	(1,703,081)
The change in the Teachers' Retirement System of the State of Illinois net pension liability and deferred outflows/inflows of resources are not a source or use of financial resources	(34,398)
The change in the Teachers' Health Insurance Security Fund total OPEB liability and deferred outflows/inflows of resources are not a source or use of financial resources	2,721,079
The change in the total OPEB liability and deferred outflows of resources are not a source or use of financial resources	2,105
Some revenues and expenses reported in the statement of activities do not provide (use) current financial resources and therefore are not reported in the governmental funds	
State on-behalf contributions - TRS and THIS	478,708
State on-behalf expense - TRS and THIS	(478,708)
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities	
General obligation bonds	(31,490,000)
Leases payable	(22,490)
The payment to escrow agent is reported as an other financing source when due in governmental funds but as a reduction of principal on the government-wide financial statements	9,520,000
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal on the government-wide statement of activities	1,721,043
The disposal of intangible assets is recognized as gain/loss in the statement of activities	591,830
Governmental funds report the effects of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	
Interest payable	(226,298)
Bond premium	(748,209)
Gain or loss on refunding	(111,199)
The change in the compensated absences liability is shown as a reduction of expenses on the statement of activities	(800,144)
The change in net position of certain activities of internal service funds is included in governmental funds	(3,447,853)
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ (11,572,373)</b>

See accompanying notes to financial statements.

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

**STATEMENT OF NET POSITION  
PROPRIETARY FUND**

June 30, 2025

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	<u>Internal Service Fund</u>
<b>CURRENT ASSETS</b>	
Accounts receivable	\$ 10,810
Total current assets	<u>10,810</u>
Total assets	<u>10,810</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
None	<u>-</u>
Total deferred outflows of resources	<u>-</u>
Total assets and deferred outflows of resources	<u>10,810</u>
<b>CURRENT LIABILITIES</b>	
Claims payable	<u>2,228,230</u>
Total current liabilities	<u>2,228,230</u>
<b>NONCURRENT LIABILITIES</b>	
Overdrawn cash	<u>8,248,199</u>
Total noncurrent liabilities	<u>8,248,199</u>
Total liabilities	<u>10,476,429</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
None	<u>-</u>
Total deferred inflows of resources	<u>-</u>
Total liabilities and deferred inflows of resources	<u>10,476,429</u>
<b>NET POSITION</b>	
Unrestricted (deficit)	<u>(10,465,619)</u>
<b>TOTAL NET POSITION (DEFICIT)</b>	<u><u>\$ (10,465,619)</u></u>

See accompanying notes to financial statements.

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

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

For the Year Ended June 30, 2025

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	<b>Internal Service Fund</b>
<b>OPERATING REVENUES</b>	
Employee contributions	\$ 1,567,246
Employer contributions	6,702,799
Miscellaneous	179,047
	<hr/>
Total operating revenues	8,449,092
	<hr/>
<b>OPERATING EXPENSES</b>	
Claims	9,218,530
Administrative fees/premiums	2,678,415
	<hr/>
Total operating expenses	11,896,945
	<hr/>
OPERATING INCOME (LOSS)	(3,447,853)
	<hr/>
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
None	-
	<hr/>
Total non-operating revenues (expenses)	-
	<hr/>
CHANGE IN NET POSITION	(3,447,853)
NET POSITION (DEFICIT), JULY 1	(7,017,766)
	<hr/>
<b>NET POSITION (DEFICIT), JUNE 30</b>	<b>\$ (10,465,619)</b>
	<hr/> <hr/>

See accompanying notes to financial statements.

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

STATEMENT OF CASH FLOWS  
PROPRIETARY FUND

For the Year Ended June 30, 2025

	<b>Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ 1,749,620
Receipts from interfund service transactions	6,702,799
Payments to suppliers	(10,644,954)
Net cash from operating activities	(2,192,535)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Increase in interfund loan	2,192,535
Net cash from noncapital financing activities	2,192,535
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
None	-
Net cash from capital and related financing activities	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
None	-
Net cash from investing activities	-
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	-
<b>CASH AND CASH EQUIVALENTS, JULY 1</b>	-
<b>CASH AND CASH EQUIVALENTS, JUNE 30</b>	\$ -
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating income (loss)	\$ (3,447,853)
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Effects of changes in operating assets and liabilities	
Other receivables	3,327
Claims payable	1,251,991
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ (2,192,535)</b>

See accompanying notes to financial statements.

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

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2025

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

a. Nature of Operations

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

b. Reporting Entity

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

c. Fund Accounting

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

c. Fund Accounting (Continued)

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

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

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

The District reports the following major governmental funds:

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

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

c. Fund Accounting (Continued)

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

The District reports the following internal service funds:

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

d. Government-Wide Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and shared revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Indirect expenses not allocated to functions are reported separately. Interest on general long-term debt is considered such an indirect expense. Depreciation expense is specifically identified by function and is included in the direct expenses of each function.

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

f. Cash and Investments

Cash and Cash Equivalents

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

f. Cash and Investments (Continued)

Investments

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

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District held no investments subject to measure at fair value at June 30, 2025.

g. Property Taxes

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. The 2024 and 2023 levies were passed by the Board on December 17, 2024 and December 13, 2023, respectively. Property taxes attached as an enforceable lien on property as of January 1 and are payable in two installments on approximately June 1 and September 1. The District receives significant distributions of tax receipts during July, August, September, October and November.

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

h. Capital Assets

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

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

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

h. Capital Assets (Continued)

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

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

Intangible assets represent the District’s right-to-use leased assets for equipment and vehicles, as defined by GASB Statements No. 87, *Leases*. Intangible assets are amortized over the shorter of the lease term or useful life of the intangible asset.

i. Deferred Outflows/Inflows of Resources

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

j. Compensated Absences/Other

District employees receive various numbers of sick days per years based on the collective bargaining agreements or policies in place. These days may accumulate to a maximum of 360 days.

For the year ended June 30, 2025, the District began recording sick time in accordance with GASB Statement No. 101, *Compensated Absences*. The balance is recorded based on the average usage and average pay rate by functional allocation. A liability is recognized for the portion of accumulating sick leave benefits that is estimated to be more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Beginning net position was not restated as the implementation did not materially impact the financial statements of the District.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

k. Long-Term Liabilities

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

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

l. Net Position/Fund Balances

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

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

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

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

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

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

l. Net Position/Fund Balances (Continued)

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

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

m. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report, if any, are recorded as prepaid items/expenses. Prepaid expenditures are recognized on the consumption method in governmental funds.

n. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either due to/from other funds (i.e., the current portion of interfund loans).

Interfund service transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund service transactions and reimbursements, are reported as transfers.

o. Use of Estimates

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

## **2. DEPOSITS AND INVESTMENTS**

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

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

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

The Illinois School District Liquid Asset Fund Plus (ISDLAF), operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at net asset value (NAV) rather than fair value. The Multi-Class Series invests in high-quality short-term debt instruments (money market instruments), and shares may be redeemed on any Illinois banking day. The Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shares may be redeemed with seven day's advance notice.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

## **2. DEPOSITS AND INVESTMENTS (Continued)**

### Deposits with Financial Institutions

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

### Investments

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

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

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

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

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

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

**3. CAPITAL ASSETS**

Changes in capital assets during the year ended June 30, 2025, are as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 822,541	\$ -	\$ -	\$ 822,541
Construction in progress	1,894,524	10,472,003	7,393,920	4,972,607
Total capital assets not being depreciated	2,717,065	10,472,003	7,393,920	5,795,148
Tangible capital assets being depreciated				
Buildings	63,293,544	7,371,820	-	70,665,364
Improvements	5,585,000	-	-	5,585,000
Equipment	4,016,908	39,118	-	4,056,026
Vehicles*	2,105,814	1,426,974	63,045	3,469,743
Total tangible capital assets being depreciated	75,001,266	8,837,912	63,045	83,776,133
Intangible capital assets being amortized				
Equipment*	2,837,475	22,490	1,124,680	1,735,285
Vehicles	515,855	-	-	515,855
Total intangible capital assets being amortized	3,353,330	22,490	1,124,680	2,251,140
Less accumulated depreciation for Tangible capital assets being depreciated				
Buildings	46,122,277	963,032	-	47,085,309
Improvements	1,856,991	284,169	-	2,141,160
Equipment	2,773,894	197,603	-	2,971,497
Vehicles*	1,436,318	1,056,738	63,045	2,430,011
Total accumulated depreciation	52,189,480	2,501,542	63,045	54,627,977
Less accumulated amortization for intangible capital assets being amortized				
Equipment*	1,767,064	348,950	1,094,284	1,021,730
Vehicles	109,989	103,171	-	213,160
Total accumulated amortization for intangible capital assets being amortized	1,877,053	452,121	1,094,284	1,234,890
Total tangible and intangible capital assets being depreciated and amortized, net	24,288,063	5,906,739	30,396	30,164,406
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 27,005,128</b>	<b>\$16,378,742</b>	<b>\$ 7,424,316</b>	<b>\$ 35,959,554</b>

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

**3. CAPITAL ASSETS (Continued)**

\*In fiscal year 2025, the District did a partial buyout on a lease resulting in the intangible capital assets and accumulated amortization being reclassified to tangible capital assets.

Depreciation and amortization expense was charged to governmental activities as follows:

Regular programs	\$ 1,699,322
Instructional staff	<u>1,254,341</u>
<b>TOTAL</b>	<b><u><u>\$ 2,953,663</u></u></b>

**4. LONG-TERM DEBT**

a. General obligation bonds outstanding at June 30, 2025 consisted of the following:

	Date of Issuance	Maturity Date	Interest Rate	Original Issue	Carrying Amount
General obligation bonds					
General Obligation Limited School Bonds, Series 2014	5/5/2014	2/1/2025	2.00% to 4.25%	\$ 4,890,000	\$ 420,000
General Obligation Limited School Bonds, Series 2018A	6/1/2018	2/1/2035	3.00% to 5.00%	15,285,000	9,610,000
General Obligation Limited Tax School Bonds, Series 2020A	10/20/2020	10/01/2040	4.00%	14,215,000	10,200,000
Taxable General Obligation Limited School Bonds, Series 2020B	10/20/2020	10/01/2035	1.75% to 3.30%	4,380,000	4,300,000
General Obligation Limited Refunding School Bonds, Series 2023A	12/14/2023	10/1/2043	5.00%	7,745,000	6,330,000
Taxable General Obligation Limited School Bonds, Series 2023B	12/14/2023	10/1/2041	6.10%	1,170,000	520,000
General Obligation Limited Tax School Bonds, Series 2025A	3/11/2025	10/1/2049	5.00%	7,285,000	7,285,000
Taxable General Obligation Limited School Bonds, Series 2025B	3/11/2025	10/1/2047	5.80% to 5.88%	10,000,000	10,000,000
General Obligation School Bonds, Series 2025C	3/11/2025	10/1/2049	5.00%	14,205,000	<u>14,205,000</u>
<b>TOTAL GENERAL OBLIGATION BONDS</b>					<b><u><u>\$ 62,870,000</u></u></b>

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

**4. LONG-TERM DEBT (Continued)**

b. Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2025:

	Beginning Balances	Additions	Reductions/ Refundings	Ending Balances	Current Portion
General obligation bonds	\$ 42,325,000	\$ 31,490,000	\$ 10,945,000	\$ 62,870,000	\$ 1,275,000
Unamortized bond premium	2,209,732	941,888	193,679	2,957,941	193,679
Lease liability <sup>^</sup>	2,294,920	22,490	918,269	1,399,141	467,151
Compensated absences*	-	800,144	-	800,144	200,036
Net pension liability - IMRF	1,249,268	758,193	-	2,007,461	-
Net pension liability - TRS	2,215,589	208,969	-	2,424,558	-
Total OPEB liability - THIS	6,941,164	1,116,060	-	8,057,224	203,311
Total OPEB liability - District Plan	671,235	-	11,205	660,030	41,475
<b>TOTAL</b>	<b>\$ 57,906,908</b>	<b>\$ 35,337,744</b>	<b>\$ 12,068,153</b>	<b>\$ 81,176,499</b>	<b>\$ 2,380,652</b>

In fiscal year 2025, the District issued \$10,000,000 of Taxable General Obligation Limited School Bonds, Series 2025B to refund a portion of the General Obligation Limited School Bonds, Series 2014, 2018A, 2020A, 2020B, 2023A and 2023B.

The refunding was not done to save money on the prior bonds but to enable within the confines of the Debt Service Extension Base to access the unused end years of the Debt Service Extension Base and resulted in a cash flow difference of \$(7,859,296) an economic loss (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$2,148,283.

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

\*The amount displayed as additions or reductions represents the net change in the liability.

<sup>^</sup>There was \$622,226 decrease in the liability related to the buyout and return of leased intangible assets.

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

**4. LONG-TERM DEBT (Continued)**

c. Future Debt Service Requirements

A summary of the future debt service requirements to amortize the remaining outstanding general obligation bonds as of June 30, 2025, is as follows:

Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2026	\$ 1,275,000	\$ 3,035,122	\$ 4,310,122
2027	1,500,000	2,904,523	4,404,523
2028	1,540,000	2,866,793	4,406,793
2029	1,580,000	2,825,875	4,405,875
2030	1,640,000	2,766,563	4,406,563
2031-2035	9,400,000	12,621,673	22,021,673
2036-2040	11,875,000	10,152,173	22,027,173
2041-2045	14,890,000	7,135,510	22,025,510
2046-2050	19,170,000	2,560,097	21,730,097
<b>TOTAL</b>	<b>\$ 62,870,000</b>	<b>\$ 46,868,329</b>	<b>\$ 109,738,329</b>

d. Legal Debt Margin

The June 30, 2025 legal debt limit of the District was \$58,693,782 based upon 13.80% of its 2024 equalized assessed valuation of \$425,317,258. Total debt applicable to the limit was \$62,870,000, which includes the outstanding general obligation bonds. As a result, the remaining legal debt margin was a deficit of \$4,176,218. The District exceeded the legal debt limitation due to an exception associated with 105 ILCS 5/20-2.

e. Leases

The District entered into a lease arrangement on August 1, 2019, for the right-to-use school buses. Payments of \$194,642 to \$652,500 are due in annual installments, through July 2024. In fiscal year 2025, the District did a partial buyout on a lease and returned the remaining buses, resulting in the applicable intangible capital assets and accumulated amortization being reclassified to tangible capital assets for the buses that were purchased.

The District entered into a lease arrangement on April 25, 2023, for the right-to-use copier machines. Payments of \$4,336 are due in monthly installments, through March 2028. Total intangible right-to-use assets acquired under this agreement are \$242,134.

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

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**4. LONG-TERM DEBT (Continued)**

e. Leases (Continued)

The District entered into a lease arrangement on July 15, 2023, for the right-to-use printers. Payments of \$60,572 are due in annual installments, through July 2027. Total intangible right-to-use assets acquired under this agreement are \$273,721.

The District entered into a lease arrangement on July 20, 2020, for the right-to-use school buses. Payments of \$116,280 to \$277,000 are due in annual installments, through July 2025. Total intangible right-to-use assets acquired under this agreement are \$686,181.

The District entered into a lease arrangement on July 15, 2023, for the right-to-use school buses. Payments of \$129,971 to \$560,000 are due in annual installments, through July 2028. Total intangible right-to-use assets acquired under this agreement are \$1,026,614.

The District entered into a lease arrangement on September 30, 2024, for the right-to-use fork lifts. Payments of \$976 are due in monthly installments, through September 2026. Total intangible right-to-use assets acquired under this agreement are \$22,490.

Future principal and interest payments, were as follows:

Fiscal Year Ending June 30,	Leases	
	Principal	Interest
2026	\$ 467,151	\$ 64,131
2027	201,120	44,382
2028	196,605	37,298
2029	534,265	26,532
<b>TOTAL</b>	<b>\$ 1,399,141</b>	<b>\$ 172,343</b>

**5. RETIREMENT PLAN COMMITMENTS**

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

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

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**5. RETIREMENT PLAN COMMITMENTS (Continued)**

The table below is a summary for all net pension liability plans as of and for the year ended June 30, 2025:

	TRS		IMRF		Total
Net pension liability	\$ 2,424,558	\$	2,007,461	\$	4,432,019
Deferred outflows of resources	571,214		2,854,347		3,425,561
Deferred inflows of resources	102,690		11,109		113,799
Pension expense	397,298		2,416,151		2,813,449

a. Teachers' Retirement System of the State of Illinois

*Plan Description*

The District participates in the TRS. TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration. TRS issues a publicly available financial report that can be obtained at <http://trsil.org/financial/acfrs/fy2024>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, Illinois 62794; or by calling (888) 678-3675, option 2.

*Benefits Provided*

TRS provides retirement, disability and death benefits. Tier 1 members have TRS or reciprocal system service prior to January 1, 2011. Tier 1 members qualify for retirement benefits at age 62 with five years of service, at age 60 with ten years, or age 55 with 20 years. The benefit is determined by the average of the four highest years of creditable earnings within the last ten years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.20% of final average salary up to a maximum of 75% with 34 years of service.

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

**5. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*Benefits Provided* (Continued)

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 2026. One program allows retiring Tier 1 members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier 1 and 2 members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the State.

*Contributions*

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

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, 2025, was 9% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

*On-Behalf Contributions to TRS*

The State makes employer pension contributions on behalf of the District. For the year ended June 30, 2025, state contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability (NPL) associated with the employer, and the employer recognized revenue and expenditures of \$16,182,913 in pension contributions from the State.

**5. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*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, 2025 were \$188,435 and are deferred because they were paid after the June 30, 2024 measurement date.

*Federal and Special Trust Fund Contributions*

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

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

For the year ended June 30, 2025, the employer pension contribution was 10.34% of salaries paid from federal and special trust funds. For the year ended June 30, 2025, salaries totaling \$1,687,278 were paid from federal and special trust funds that required employer contributions of \$174,465. These contributions are deferred because they were paid after the June 30, 2024 measurement date.

*Employer Retirement Cost Contributions*

Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members granted salary increases over 6% 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, 2025, the employer paid \$44,114 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.

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

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**5. RETIREMENT PLAN COMMITMENTS (Continued)**

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

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

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

District's proportionate share of the net pension liability	\$ 2,424,558
State's proportionate share of the net pension liability associated with the District	<u>202,156,148</u>
<b>TOTAL</b>	<b><u>\$ 204,580,706</u></b>

The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 and rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2024, relative to the projected contributions of all participating TRS employers and the State during that period. At June 30, 2024, the employer's proportion was 0.0028236630%, which was an increase of 0.0002164924% from its proportion measured as of June 30, 2023 (0.0026071706%).

For the year ended June 30, 2025, the employer recognized the following pension expense/expenditures and revenue pertaining to the District's employees:

	<u>Governmental Activities</u>	<u>General Fund</u>
State on-behalf contributions - revenue and expense/expenditure	\$ 16,182,913	\$ 15,728,401
District TRS pension (benefit) expense	<u>397,298</u>	<u>362,900</u>
<b>TOTAL TRS EXPENSE/EXPENDITURE</b>	<b><u>\$ 16,580,211</u></b>	<b><u>\$ 16,091,301</u></b>

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

**5. RETIREMENT PLAN COMMITMENTS (Continued)**

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

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

At June 30, 2025, the employer 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
Differences between expected and actual experience	\$ 9,117	\$ 6,294
Net difference between projected and actual earnings on pension plan investments	-	20,816
Assumption changes	33,407	1,286
Changes in proportion and differences between employer contributions and proportionate share of contributions	165,790	74,294
District contributions subsequent to the measurement date	362,900	-
<b>TOTAL</b>	<b>\$ 571,214</b>	<b>\$ 102,690</b>

\$362,900 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2026	\$ (30,229)
2027	44,082
2028	36,132
2029	37,876
2030	17,763
<b>TOTAL</b>	<b>\$ 105,624</b>

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

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**5. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*Actuarial Assumptions*

The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

In the June 30, 2024, 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-2021. 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.

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	37.00%	7.55%
Private Equity	15.00%	10.28%
Public Income	18.00%	5.81%
Private Credit	8.00%	9.20%
Real Assets	18.00%	7.01%
Diversifying Strategies	4.00%	5.18%
TOTAL	100.00%	

**5. RETIREMENT PLAN COMMITMENTS (Continued)**

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

*Discount Rate*

At June 30, 2024, the discount rate used to measure the total pension liability was 7%, which was the same as the June 30, 2023, rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, district contributions and state contributions will be made at the current statutorily required rates.

Based on those assumptions, TRS' fiduciary net position at June 30, 2024, was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier 1's liability is partially funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Employer's proportionate share of the net pension liability	\$ 2,994,398	\$ 2,424,558	\$ 1,952,187

*TRS Fiduciary Net Position*

Detailed information about the TRS' fiduciary net position as of June 30, 2024 is available in the separately issued TRS Annual Comprehensive Financial Report.

**5. RETIREMENT PLAN COMMITMENTS (Continued)**

b. Illinois Municipal Retirement Fund

*Plan Description*

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

*Plan Administration*

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

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

*Plan Membership*

At December 31, 2024, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	342
Inactive employees entitled to but not yet receiving benefits	358
Active employees	455
 TOTAL	 1,155

*Benefits Provided*

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

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

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**5. RETIREMENT PLAN COMMITMENTS (Continued)**

b. Illinois Municipal Retirement Fund (Continued)

*Benefits Provided* (Continued)

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

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

*Contributions*

Participating members are required to contribute 4.50% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended June 30, 2025 was 5.47% of covered payroll.

*Actuarial Assumptions*

The District's net pension liability was measured as of December 31, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the actuarial methods and assumptions.

Actuarial valuation date	December 31, 2024
Actuarial cost method	Entry-age normal
Assumptions	
Price inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%
Asset valuation method	Fair value

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

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**5. RETIREMENT PLAN COMMITMENTS (Continued)**

b. Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions* (Continued)

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables and future mortality improvements projected using scale MP-2021. 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. 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.

*Single Discount Rate*

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

*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 table below.

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	33.50%	4.35%
International equity	18.00%	5.40%
Fixed income	24.50%	5.20%
Real estate	10.50%	6.40%
Alternative investments	12.50%	4.85% to 6.25%
Cash equivalents	1.00%	3.60%
<b>TOTAL</b>	<b>100.00%</b>	

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

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**5. RETIREMENT PLAN COMMITMENTS (Continued)**

b. Illinois Municipal Retirement Fund (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2024	\$ 47,683,700	\$ 46,434,432	\$ 1,249,268
Changes for the period			
Service cost	1,000,768	-	1,000,768
Interest	3,402,729	-	3,402,729
Difference between expected and actual experience	1,625,335	-	1,625,335
Changes in assumptions	-	-	-
Employer contributions	-	607,159	(607,159)
Employee contributions	-	545,313	(545,313)
Net investment income	-	4,623,918	(4,623,918)
Benefit payments and refunds	(2,499,774)	(2,499,774)	-
Other (net transfer)	-	(505,751)	505,751
Net changes	3,529,058	2,770,865	758,193
BALANCES AT DECEMBER 31, 2024	\$ 51,212,758	\$ 49,205,297	\$ 2,007,461

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

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**5. RETIREMENT PLAN COMMITMENTS (Continued)**

b. Illinois Municipal Retirement Fund (Continued)

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

For the year ended June 30, 2025, the District recognized pension expense of \$2,416,151.

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,378,120	\$ -
Assumption changes	-	11,109
Net difference between projected and actual earnings on pension plan investments	1,084,181	-
Employer contributions after the measurement date	392,046	-
<b>TOTAL</b>	<u>\$ 2,854,347</u>	<u>\$ 11,109</u>

\$392,046 reported as deferred outflows of resources resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2026	\$ 1,462,828
2027	1,839,220
2028	(585,937)
2029	(264,919)
2030	-
Thereafter	-
<b>TOTAL</b>	<u>\$ 2,451,192</u>

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

**5. RETIREMENT PLAN COMMITMENTS (Continued)**

b. Illinois Municipal Retirement Fund (Continued)

*Discount Rate Sensitivity*

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 7,744,819	\$ 2,007,461	\$ (2,624,076)

**6. OTHER POSTEMPLOYMENT BENEFITS**

The table below is a summary for other postemployment benefit plans as of and for the year ended June 30, 2025:

	District's Plan	THIS	Total
Total OPEB liability	\$ 660,030	\$ 8,057,224	\$ 8,717,254
Deferred outflows of resources	80,719	2,969,519	3,050,238
Deferred inflows of resources	145,009	15,402,385	15,547,394
OPEB expense (benefit)	39,370	(2,503,403)	(2,464,033)

a. Retirees Health Plan

*Plan Description*

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

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

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**6. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

a. Retirees Health Plan (Continued)

*Benefits Provided*

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

*Membership*

At June 30, 2024 (most recent information available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	1
Active employees	<u>338</u>
<b>TOTAL</b>	<b><u><u>339</u></u></b>
Participating employers	<u>1</u>

*Total OPEB Liability*

The District's total OPEB liability of \$660,030 was measured as of June 30, 2025 and was determined by an actuarial valuation as of July 1, 2023.

*Actuarial Assumptions and Other Inputs*

The total OPEB liability at June 30, 2025 as determined by an actuarial valuation as of July 1, 2023, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updated procedures to June 30, 2025, including updating the discount rate, as noted below.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Fair value
Salary increases	4.00%
Discount rate	4.81%
Healthcare cost trend rates	7.00% to 4.50%

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

**6. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

a. Retirees Health Plan (Continued)

*Actuarial Assumptions and Other Inputs* (Continued)

The discount rate was based on the 20-year municipal bond yield at June 30, 2025.

Mortality rates were based on the Pub-2010 mortality tables with future mortality improvement using Scale MP-2021.

*Changes in the Total OPEB Liability*

	<u>Total OPEB Liability</u>
BALANCES AT JULY 1, 2024	<u>\$ 671,235</u>
Changes for the period	
Service cost	26,988
Interest	27,386
Difference between expected and actual experience	-
Changes in benefit terms	-
Changes in assumptions	(24,104)
Benefit payments	<u>(41,475)</u>
Net changes	<u>(11,205)</u>
BALANCES AT JUNE 30, 2025	<u>\$ 660,030</u>

There were changes in assumptions related to the discount rate.

*Rate Sensitivity*

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the District calculated using the discount rate of 4.81% as well as what the District total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.81%) or 1 percentage point higher (5.81%) than the current rate:

	1% Decrease (3.81%)	Current Discount Rate (4.81%)	1% Increase (5.81%)
Total OPEB liability	\$ 702,656	\$ 660,030	\$ 620,770

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

**6. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

a. Retirees Health Plan (Continued)

*Rate Sensitivity* (Continued)

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 7.00% to 4.50% as well as what the District's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (6.00% to 3.50%) or 1 percentage point higher (8.00% to 5.50%) than the current rate:

	1% Decrease	Current Healthcare Rate	1% Increase
Total OPEB liability	\$ 608,973	\$ 660,030	\$ 719,005

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

For the year ended June 30, 2025, the District recognized OPEB expense of \$39,370. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 30,158	\$ 48,814
Changes in assumptions	50,561	96,195
<b>TOTAL</b>	<b>\$ 80,719</b>	<b>\$ 145,009</b>

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

Year Ending June 30,	
2026	\$ (15,005)
2027	(15,172)
2028	(15,549)
2029	(13,996)
2030	(2,139)
Thereafter	(2,429)
<b>TOTAL</b>	<b>\$ (64,290)</b>

**6. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

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

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

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

- On-behalf contributions to the THIS Fund - The State makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 0.90% of pay during the year ended June 30, 2025. State contributions were \$292,400 and the District recognized revenue and expenditures of this amount during the year.
- Employer contributions to the THIS Fund - The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67% during the year ended June 30, 2025. For the year ended June 30, 2025, the District paid \$217,676 to the THIS Fund, which was 100% of the required contribution.

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

**6. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

*Actuarial Assumptions*

The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.25%
Salary increases	Depends on service and ranges from 8.50% at one 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 rates	Trend for plan year 2025 based on actual premium increases. For non-Medicare costs, trend rates start at 8.00% for plan year 2026 and decrease gradually to an ultimate rate of 4.25% in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15.00% in 2026 to 2030 and 7.00% in 2031, declining gradually to an ultimate rate of 4.25% in 2041.

Mortality rates for retirement and beneficiary annuitants: PubT-2010 Retiree Mortality Table, adjusted for TRS experience. Disabled Annuitants: PubNS-2010 Non-Safety Disabled Retiree Table. Pre-Retirement: PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.

*Single Discount Rate*

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

Since the THIS Fund is financed on a pay-as-you-go basis, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index described above. The discount rates are 3.97% as of June 30, 2024 and 3.86% as of June 30, 2023.

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

**6. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

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

The following presents the District's proportionate share of the collective net OPEB liability, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.97%) or 1 percentage point higher (4.97%) than the current discount rate:

	1% Decrease (2.97%)	Current Discount Rate (3.97%)	1% Increase (4.97%)
Employer's proportionate share of the collective net OPEB liability	\$ 8,991,867	\$ 8,057,224	\$ 7,233,310

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

The following table shows the District's net OPEB liability as of June 30, 2024, using current trend rates and sensitivity trend rates that are either 1 percentage point higher or lower. The current claims trend rates are 6% in 2025, 8% in 2026, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041.

	1% Decrease <sup>a</sup>	Current Discount Rate	1% Increase <sup>b</sup>
Employer's proportionate share of the collective net OPEB liability	\$ 6,937,269	\$ 8,057,224	\$ 9,389,929

<sup>a</sup> One percentage point decrease in healthcare trend rates -

*Pre-Medicare per capita costs: 5.00% in 2025, 7.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2041.*

*Post-Medicare per capita costs: Based on actual increase in 2025, 14% from 2026 to 2030, 6% in 2031 decreasing ratably to an ultimate trend rate of 3.25% in 2041.*

<sup>b</sup> One percentage point increase in healthcare trend rates -

*Pre-Medicare per capita costs: 7.00% in 2025, 9.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2041.*

*Post-Medicare per capita costs: Based on actual increase in 2025, 16% from 2026 to 2030, 8% in 2031 decreasing ratably to an ultimate trend rate of 5.25% in 2041.*

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

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**6. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

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

The collective net OPEB liability was measured as of June 30, 2024 and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of that date. The District proportion of the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of the District actuarially determined. At June 30, 2024, the District's proportion was 0.101854%, which was an increase of 0.004466% from its proportion measured as of June 30, 2023 (0.097388%). The State's support and total are for disclosure purposes only.

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

Employer's proportionate share of the net OPEB liability	\$ 8,057,224
State's proportionate share of the net OPEB liability associated with the employer	<u>10,942,047</u>
<b>TOTAL</b>	<b><u>\$ 18,999,271</u></b>

For the year ended June 30, 2025, the employer recognized the following OPEB expense/expenditures and revenue pertaining to the District's employees:

	<u>Governmental Activities</u>	<u>General Fund</u>
State on-behalf contributions - revenue and expense/expenditure	\$ 316,596	\$ 292,400
District OPEB (benefit) expense	<u>(2,503,403)</u>	<u>217,676</u>
<b>TOTAL OPEB EXPENSE/EXPENDITURE</b>	<b><u>\$ (2,186,807)</u></b>	<b><u>\$ 510,076</u></b>

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

**6. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

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

At June 30, 2025, the District disclosed deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 222,333	\$ 3,395,943
Changes of assumptions	243,511	11,577,527
Net difference between projected and actual earnings on OPEB plan investments	-	4,374
Changes in the proportion and differences between employer contributions and proportionate share of contributions	2,285,999	424,541
Employer contributions subsequent to the measurement date	217,676	-
<b>TOTAL</b>	<u>\$ 2,969,519</u>	<u>\$ 15,402,385</u>

\$217,676 disclosed as deferred outflows of resources related to OPEB resulting from the District's contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2026. Other amounts disclosed as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

<u>Year Ended June 30,</u>	
2026	\$ (1,396,699)
2027	(1,396,699)
2028	(1,396,699)
2029	(1,396,699)
2030	(1,396,699)
Thereafter	<u>(5,667,047)</u>
<b>TOTAL</b>	<u>\$ (12,650,542)</u>

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

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**7. RISK MANAGEMENT**

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

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

The District is self-insuring its employee medical benefits for each employee or dependent covered and maintains coverage with an insurance carrier for excess amounts. This plan is administered by outside administrators who process the claims. As of June 30, 2025, a liability has been provided for all known claims plus an estimate for those claims incurred but not reported. All claims incurred and not reported are expected to be paid from currently available resources. The costs related to this plan for the year ended June 30, 2025, were accounted for in the Internal Service Fund.

An analysis of claims activity consisted of the following:

	<u>2024 to 2025</u>	<u>2023 to 2024</u>
SELF-INSURANCE LIABILITY, JULY 1	\$ 976,238	\$ 881,712
Current year claims and changes in estimate	7,513,572	5,380,085
Claims paid	<u>(6,261,580)</u>	<u>(5,285,559)</u>
SELF-INSURANCE LIABILITY, JUNE 30	<u>\$ 2,228,230</u>	<u>\$ 976,238</u>

**8. COMMITMENTS AND CONTINGENCIES**

a. Grantor Agencies

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

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

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**8. COMMITMENTS AND CONTINGENCIES (Continued)**

b. Litigation

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

**9. INDIVIDUAL FUND DISCLOSURES**

Transfers From/To Other Funds

Transfers from/to other funds at June 30, 2025, consisted of the following:

	Transfer In	Transfer Out
	<u>                    </u>	<u>                    </u>
General Fund	\$ 3,301,505	\$ 7,241,237
Operations and Maintenance	-	4,760,948
Debt Service	101,478	9,530
Capital Projects	8,608,732	-
	<u>8,608,732</u>	<u>-</u>
<b>TOTAL</b>	<b><u>\$ 12,011,715</u></b>	<b><u>\$ 12,011,715</u></b>

The purpose of significant transfers is as follows:

\$3,301,505 was transferred to the General Fund from the Operations and Maintenance Fund for operations costs. This transfer will not be repaid.

\$101,478 was transferred to the Debt Service Fund from the General Fund to pay for principal and interest on leases. This transfer will not be repaid.

\$8,608,732 was transferred to the Capital Projects Fund from the General Fund, Operations and Maintenance Fund, and Debt Service Fund to fund capital projects of the District. This transfer will not be repaid.

The following fund has a fund balance deficit as of June 30, 2025:

<u>Fund</u>	<u>Deficit</u>
Internal Service	\$ 10,465,619

**REQUIRED SUPPLEMENTARY INFORMATION**

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Educational property taxes	\$ 15,091,628	\$ 13,863,278	\$ (1,228,350)
Leasing property taxes	238,251	233,592	(4,659)
Special education property taxes	2,904,577	2,847,887	(56,690)
Mobile home privilege tax	16,605	22,480	5,875
Working cash property taxes	169,032	166,334	(2,698)
Regular - tuition from other Districts	-	22,576	22,576
Summer school tuition from pupils or parents	1,000	-	(1,000)
CTE tution from other districts	23,000	24,275	1,275
Interest on investments	370,000	153,885	(216,115)
Sales to pupils - lunch	72	20	(52)
Sales to adults	7,000	5,627	(1,373)
Other food service	89,500	102,189	12,689
Admission - athletics	58,000	51,452	(6,548)
Student activity fund revenues	-	113,127	113,127
Rentals - regular textbooks	-	49	49
Sales - regular textbooks	1,500	1,366	(134)
Donations	8,200	2,297	(5,903)
Driver's education fees	14,000	10,638	(3,362)
Refund of prior years expenditures	18,700	880	(17,820)
Payment of surplus moneys from TIF districts	59,950	170,134	110,184
Proceeds from vendors' contracts	450	7,555	7,105
Other local fees	29,000	24,962	(4,038)
<b>Total local sources</b>	<b>19,100,465</b>	<b>17,824,603</b>	<b>(1,275,862)</b>
State sources			
Evidence based funding formula	26,397,628	26,397,626	(2)
Special education - private facility tuition	720,000	517,513	(202,487)
Special education - orphanage - individual	94,000	316,087	222,087
Special education - orphanage - summer individual	30,000	-	(30,000)
CTE - secondary program improvement (CTEI)	27,452	27,115	(337)
CTE - agriculture education	38,026	34,003	(4,023)
State free lunch and breakfast	31,900	30,633	(1,267)
Driver's education	21,000	18,323	(2,677)
Early childhood - block grant	817,545	821,183	3,638
Other restricted revenue from state sources	935,592	644,665	(290,927)
<b>Total state sources</b>	<b>29,113,143</b>	<b>28,807,148</b>	<b>(305,995)</b>
Federal sources			
Other restricted grants-in-aid received directly from federal government	84,885	75,346	(9,539)
Title V - Rural education initiative (REI)	228,562	150,121	(78,441)
National school lunch program	1,950,000	1,868,079	(81,921)
School breakfast program	790,000	591,927	(198,073)
Food service - other	95,000	17,760	(77,240)
Title I - low income	2,555,048	2,543,879	(11,169)

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES (Continued)</b>			
Federal sources (Continued)			
Title I - other	\$ 391,091	\$ 512,436	\$ 121,345
Title IV	204,204	161,902	(42,302)
Federal special education - preschool flow-through	36,834	29,011	(7,823)
Federal special education - IDEA flow-through	1,045,844	947,634	(98,210)
Federal special education - IDEA room & board	-	122,121	122,121
CTE - other	2,800	-	(2,800)
Title III - instruction for english learners & immigrant students	-	5,269	5,269
Title III - language inst program - limited eng (LIPLEP)	36,831	27,517	(9,314)
Title II - teacher quality	392,653	288,568	(104,085)
Medicaid matching funds - administrative outreach	254,000	310,506	56,506
Medicaid matching funds - fee-for-service program	506,130	539,968	33,838
Other restricted revenues from federal sources	963,804	1,387,041	423,237
	<u>9,537,686</u>	<u>9,579,085</u>	<u>41,399</u>
Total federal sources	9,537,686	9,579,085	41,399
Total revenues	<u>57,751,294</u>	<u>56,210,836</u>	<u>(1,540,458)</u>
<b>EXPENDITURES</b>			
Instruction			
Regular programs			
Salaries	14,340,893	14,442,534	101,641
Employee benefits	3,516,402	3,597,601	81,199
Purchased services	249,819	172,081	(77,738)
Supplies and materials	925,435	770,771	(154,664)
Capital outlay	36,000	13,654	(22,346)
Noncapitalized equipment	258,356	253,348	(5,008)
Termination benefits	50,000	723	(49,277)
	<u>19,376,905</u>	<u>19,250,712</u>	<u>(126,193)</u>
Total regular programs	19,376,905	19,250,712	(126,193)
Pre-K programs			
Salaries	754,136	669,215	(84,921)
Employee benefits	138,055	137,713	(342)
Supplies and materials	10,916	13,524	2,608
	<u>903,107</u>	<u>820,452</u>	<u>(82,655)</u>
Total Pre-K programs	903,107	820,452	(82,655)
Special education programs			
Salaries	4,246,194	4,282,513	36,319
Employee benefits	884,377	901,255	16,878
Purchased services	13,000	37,637	24,637
Supplies and materials	100,800	89,329	(11,471)
Noncapitalized equipment	5,000	1,025	(3,975)
Termination benefits	10,000	100	(9,900)
	<u>5,259,371</u>	<u>5,311,859</u>	<u>52,488</u>
Total special education programs	5,259,371	5,311,859	52,488

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
Remedial and supplemental programs K-12			
Salaries	\$ 1,032,846	\$ 695,842	\$ (337,004)
Employee benefits	260,400	150,831	(109,569)
Purchased services	190,116	202,755	12,639
Supplies and materials	508,258	800,845	292,587
Noncapitalized equipment	7,000	5,496	(1,504)
Total remedial and supplemental programs K-12	1,998,620	1,855,769	(142,851)
CTE programs			
Salaries	811,403	801,963	(9,440)
Employee benefits	217,849	231,465	13,616
Purchased services	19,535	5,585	(13,950)
Supplies and materials	33,370	26,714	(6,656)
Capital outlay	10,964	-	(10,964)
Noncapitalized equipment	14,653	17,139	2,486
Total CTE programs	1,107,774	1,082,866	(24,908)
Interscholastic programs			
Salaries	668,400	729,348	60,948
Employee benefits	47,502	50,385	2,883
Purchased services	102,193	108,531	6,338
Supplies and materials	179,542	187,939	8,397
Capital outlay	3,400	-	(3,400)
Other objects	3,300	1,581	(1,719)
Noncapitalized equipment	574	1,240	666
Total interscholastic programs	1,004,911	1,079,024	74,113
Summer school programs			
Salaries	236,954	206,735	(30,219)
Employee benefits	17,478	16,087	(1,391)
Purchased services	6,068	6,038	(30)
Supplies and materials	34,585	33,948	(637)
Total summer school programs	295,085	262,808	(32,277)
Gifted programs			
Salaries	444,493	444,493	-
Employee benefits	129,233	126,283	(2,950)
Total gifted programs	573,726	570,776	(2,950)

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
Driver's education programs			
Salaries	\$ 154,684	\$ 162,383	\$ 7,699
Employee benefits	27,574	36,174	8,600
Purchased services	1,093	3,088	1,995
Supplies and materials	1,707	1,529	(178)
Total driver's education programs	<u>185,058</u>	<u>203,174</u>	<u>18,116</u>
 Bilingual programs			
Salaries	1,206,986	1,365,162	158,176
Employee benefits	249,301	356,245	106,944
Purchased services	15,000	11,158	(3,842)
Supplies and materials	165,901	59,520	(106,381)
Total bilingual programs	<u>1,637,188</u>	<u>1,792,085</u>	<u>154,897</u>
 Truant alternative and optional programs			
Employee benefits	74,111	55,659	(18,452)
Purchased services	160,000	72,286	(87,714)
Supplies and materials	13,000	12,985	(15)
Total truant alternative and optional programs	<u>247,111</u>	<u>140,930</u>	<u>(106,181)</u>
 Special education programs K-12 private tuition			
Other objects	800,000	2,373,711	1,573,711
Total special education programs K-12 private tuition	<u>800,000</u>	<u>2,373,711</u>	<u>1,573,711</u>
 Remedial/supplemental programs K-12 private tuition			
Other objects	10,000	-	(10,000)
Total remedial/supplemental programs K-12 private tuition	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
 Student activity fund expenditures			
Other objects	-	141,610	141,610
Total student activity fund expenditures	<u>-</u>	<u>141,610</u>	<u>141,610</u>
Total instruction	<u>33,398,856</u>	<u>34,885,776</u>	<u>1,486,920</u>
 Support services			
Pupils			
Attendance and social work services			
Salaries	1,175,049	1,008,604	(166,445)
Employee benefits	285,629	291,422	5,793
Purchased services	2,200	74,726	72,526

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Pupils (Continued)			
Attendance and social work services (Continued)			
Supplies and materials	\$ 13,175	\$ 1,995	\$ (11,180)
Termination benefits	5,000	-	(5,000)
Total attendance and social work services	1,481,053	1,376,747	(104,306)
Guidance services			
Salaries	1,012,920	872,808	(140,112)
Employee benefits	218,194	218,080	(114)
Purchased services	192,260	187,410	(4,850)
Supplies and materials	-	999	999
Total guidance services	1,423,374	1,279,297	(144,077)
Health services			
Salaries	1,010,457	1,053,584	43,127
Employee benefits	186,211	182,927	(3,284)
Purchased services	5,200	1,260	(3,940)
Supplies and materials	10,000	8,770	(1,230)
Total health services	1,211,868	1,246,541	34,673
Psychological services			
Salaries	414,863	378,331	(36,532)
Employee benefits	58,756	62,878	4,122
Purchased services	5,400	137,993	132,593
Termination benefits	15,000	-	(15,000)
Total psychological services	494,019	579,202	85,183
Speech pathology and audiology services			
Salaries	391,398	646,178	254,780
Employee benefits	182,749	176,358	(6,391)
Purchased services	25,000	129,563	104,563
Supplies and materials	5,000	-	(5,000)
Total speech pathology and audiology services	604,147	952,099	347,952
Other support services - pupils			
Salaries	221,541	194,664	(26,877)
Employee benefits	38,188	46,465	8,277
Total other support services - pupils	259,729	241,129	(18,600)
Total pupils	5,474,190	5,675,015	200,825

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Instructional staff			
Improvement of instructional services			
Salaries	\$ 2,947,983	\$ 3,034,666	\$ 86,683
Employee benefits	963,555	1,134,529	170,974
Purchased services	1,680,315	1,797,290	116,975
Supplies and materials	121,475	124,186	2,711
Other objects	29,500	26,343	(3,157)
Total improvement of instructional services	5,742,828	6,117,014	374,186
Educational media services			
Salaries	1,086,514	1,163,855	77,341
Employee benefits	266,304	287,878	21,574
Purchased services	612,380	474,041	(138,339)
Supplies and materials	403,885	309,422	(94,463)
Capital outlay	7,101	-	(7,101)
Non-capitalized equipment	472,778	229,057	(243,721)
Total educational media services	2,848,962	2,464,253	(384,709)
Assessment and testing			
Purchased services	246,001	150,639	(95,362)
Supplies and materials	5,000	5,000	-
Total assessment and testing	251,001	155,639	(95,362)
Total instructional staff	8,842,791	8,736,906	(105,885)
General administration			
Board of Education services			
Salaries	3,500	3,735	235
Employee benefits	28,321	26,612	(1,709)
Purchased services	160,480	95,527	(64,953)
Supplies and materials	1,500	557	(943)
Other objects	18,165	16,722	(1,443)
Total Board of Education services	211,966	143,153	(68,813)
Executive administration services			
Salaries	338,385	371,081	32,696
Employee benefits	55,253	43,688	(11,565)
Purchased services	12,700	9,968	(2,732)
Supplies and materials	9,950	7,941	(2,009)
Other objects	8,352	8,585	233
Total executive administration services	424,640	441,263	16,623

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
General administration (Continued)			
Special area administration services			
Salaries	\$ 614,915	\$ 613,643	\$ (1,272)
Employee benefits	136,587	138,876	2,289
Purchased services	40,204	54,670	14,466
Supplies and materials	35,940	22,798	(13,142)
Total special area administration services	827,646	829,987	2,341
Tort immunity services			
Purchased services	40,000	28,985	(11,015)
Total tort immunity services	40,000	28,985	(11,015)
Total general administration	1,504,252	1,443,388	(60,864)
School administration			
Office of the principal services			
Salaries	2,929,985	2,874,835	(55,150)
Employee benefits	789,511	842,537	53,026
Purchased services	50,463	40,133	(10,330)
Supplies and materials	144,310	164,401	20,091
Other objects	17,459	12,995	(4,464)
Noncapitalized equipment	3,913	2,171	(1,742)
Termination benefits	20,000	-	(20,000)
Total office of the principal services	3,955,641	3,937,072	(18,569)
Other support services - school administration			
Salaries	1,046,951	1,036,622	(10,329)
Employee benefits	264,765	248,975	(15,790)
Supplies and materials	4,500	953	(3,547)
Termination benefits	2,838	-	(2,838)
Total other support services - school administration	1,319,054	1,286,550	(32,504)
Total school administration	5,274,695	5,223,622	(51,073)
Business			
Direction of business support services			
Salaries	226,479	264,242	37,763
Employee benefits	99,210	63,384	(35,826)
Purchased services	287,000	359,003	72,003
Supplies and materials	2,000	608	(1,392)
Other objects	30,700	33,836	3,136
Total direction of business support services	645,389	721,073	75,684

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Business (Continued)			
Operation and maintenance of plant services			
Supplies and materials	\$ -	\$ 3,973	\$ 3,973
Capital outlay	4,506	286,708	282,202
Total operation and maintenance of plant services	4,506	290,681	286,175
Fiscal services			
Salaries	177,526	176,600	(926)
Employee benefits	93,251	87,319	(5,932)
Purchased services	9,180	5,816	(3,364)
Supplies and materials	7,486	-	(7,486)
Termination benefits	5,000	-	(5,000)
Total fiscal services	292,443	269,735	(22,708)
Pupil transportation services			
Purchased services	2,301	30,816	28,515
Supplies and materials	15,962	25,026	9,064
Total pupil transportation services	18,263	55,842	37,579
Food services			
Salaries	1,290,998	1,373,444	82,446
Employee benefits	187,437	198,909	11,472
Purchased services	87,004	49,378	(37,626)
Supplies and materials	1,352,249	2,184,348	832,099
Capital outlay	85,000	12,854	(72,146)
Other objects	8,000	3,623	(4,377)
Non-capitalized equipment	25,399	1,360	(24,039)
Termination benefits	3,000	-	(3,000)
Total food service	3,039,087	3,823,916	784,829
Internal services			
Salaries	104,489	110,473	5,984
Employee benefits	24,868	26,204	1,336
Purchased services	10,000	9,999	(1)
Supplies and materials	400	400	-
Total internal services	139,757	147,076	7,319
Total business	4,139,445	5,308,323	1,168,878

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Central			
Information services			
Salaries	\$ 97,934	\$ 75,796	\$ (22,138)
Employee benefits	24,068	16,647	(7,421)
Purchased services	10,600	10,489	(111)
Supplies and materials	9,500	9,427	(73)
Other objects	19,500	18,740	(760)
Total information services	161,602	131,099	(30,503)
Staff services			
Salaries	348,435	397,195	48,760
Employee benefits	94,220	102,973	8,753
Purchased services	102,734	130,596	27,862
Supplies and materials	90,933	40,270	(50,663)
Other objects	2,600	2,975	375
Termination benefits	15,000	9,165	(5,835)
Total staff services	653,922	683,174	29,252
Data processing services			
Purchased services	140,000	132,414	(7,586)
Total data processing services	140,000	132,414	(7,586)
Total central	955,524	946,687	(8,837)
Other support services			
Purchased services	33,320	150	(33,170)
Supplies and materials	831	-	(831)
Total other support services	34,151	150	(34,001)
Total support services	26,225,048	27,334,091	1,109,043
Community services			
Salaries	122,658	105,426	(17,232)
Employee benefits	25,260	9,555	(15,705)
Purchased services	107,609	82,875	(24,734)
Supplies and materials	73,228	67,096	(6,132)
Other objects	275	-	(275)
Total community services	329,030	264,952	(64,078)
Payments to other districts and governmental units			
Payments for regular programs			
Purchased services	-	9,405	9,405
Total payments for regular programs	-	9,405	9,405

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
<b>EXPENDITURES (Continued)</b>			
Payments to other districts and governmental units (Continued)			
Payments for regular programs - tuition			
Purchased services	\$ 3,000	\$ 594	\$ (2,406)
Total payments for regular programs - tuition	<u>3,000</u>	<u>594</u>	<u>(2,406)</u>
Payments for CTE programs			
Purchased services	134,000	128,331	(5,669)
Total payments for CTE programs	<u>134,000</u>	<u>128,331</u>	<u>(5,669)</u>
Payments for CTE programs - tuition			
Other objects	220,000	168,648	(51,352)
Total payments for CTE programs - tuition	<u>220,000</u>	<u>168,648</u>	<u>(51,352)</u>
Total payments to other districts and governmental units	<u>357,000</u>	<u>306,978</u>	<u>(50,022)</u>
Debt service			
Interest and fiscal charges	60,573	464,733	404,160
Total debt service	<u>60,573</u>	<u>464,733</u>	<u>404,160</u>
Total expenditures	<u>60,370,507</u>	<u>63,256,530</u>	<u>2,886,023</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(2,619,213)</u>	<u>(7,045,694)</u>	<u>(4,426,481)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	325,000	3,301,505	2,976,505
Transfers (out)	(10,351,247)	(7,241,237)	3,110,010
Principal on bonds sold	9,339,200	17,285,000	7,945,800
Premium on bonds sold	-	183,363	183,363
Payment to escrow agent	-	(9,736,206)	(9,736,206)
Proceeds from sale of asset	31,361	4,739	(26,622)
Total other financing sources (uses)	<u>(655,686)</u>	<u>3,797,164</u>	<u>4,452,850</u>
NET CHANGE IN FUND BALANCE (BUDGETARY BASIS)	<u>\$ (3,274,899)</u>	<u>(3,248,530)</u>	<u>\$ 26,369</u>
<b>ADJUSTMENTS TO GAAP BASIS</b>			
On-behalf revenues		16,020,801	
On-behalf expenditures		<u>(16,020,801)</u>	
NET CHANGE IN FUND BALANCE (GAAP BASIS)		(3,248,530)	
FUND BALANCE, JULY 1		<u>11,028,521</u>	
<b>FUND BALANCE, JUNE 30</b>		<u>\$ 7,779,991</u>	

(See independent auditor's report.)

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Ten Fiscal Years

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Actuarially determined contribution	\$ 681,593	\$ 588,066	\$ 542,470	\$ 583,668	\$ 608,874	\$ 663,942	\$ 637,618	\$ 542,161	\$ 609,482	\$ 713,070
Contributions in relation to the actuarially determined contribution	681,593	588,066	542,470	583,668	608,874	663,942	637,618	542,161	609,482	713,070
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 7,557,360	\$ 7,596,749	\$ 7,917,509	\$ 8,384,238	\$ 8,890,268	\$ 8,785,019	\$ 9,155,360	\$ 9,788,926	\$ 11,442,052	\$ 13,047,129
Contributions as a percentage of covered payroll	9.02%	7.74%	6.85%	6.96%	6.85%	7.56%	6.96%	5.54%	5.33%	5.47%

Notes to Required Supplemental Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 19 years; the asset valuation method was five-year smoothed; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.75% to 13.75% compounded annually, and wage growth of 2.75%.

(See independent auditor's report.)

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

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

Last Ten Fiscal Years

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Actuarially determined contribution	\$ 381,125	\$ 360,605	\$ 194,002	\$ 185,853	\$ 209,053	\$ 207,503	\$ 325,264	\$ 373,162	\$ 406,763	\$ 362,900
Contributions in relation to the actuarially determined contribution	381,125	360,605	194,002	185,853	209,053	207,503	325,264	373,162	406,763	362,900
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 22,103,212	\$ 21,679,362	\$ 22,200,271	\$ 23,058,737	\$ 23,705,761	\$ 23,709,569	\$ 26,133,451	\$ 27,428,126	\$ 30,355,578	\$ 32,488,941
Contributions as a percentage of covered payroll	1.72%	1.66%	0.87%	0.81%	0.88%	0.88%	1.24%	1.36%	1.34%	1.12%

Notes to Required Supplemental Information

Changes of assumptions: For the 2024 measurement year, the assumed investment rate of return was of 7%, 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 Aug. 16, 2024. For the 2023-2022 and 2020-2016 measurement years, the assumed investment rate of return was 7%, including an inflation rate of 2.50% and a real return of 4.50%. 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 7.50%, including an inflation rate of 3% and a real return of 4.50%. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ended June 30, 2014.

(See independent auditor's report.)

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

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

Last Eight Fiscal Years

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Statutorily required contribution	\$ 195,362	\$ 212,140	\$ 218,093	\$ 218,128	\$ 175,094	\$ 183,768	\$ 203,248	\$ 217,676
Contributions in relation to the statutorily required contribution	195,362	212,140	218,093	218,128	175,094	183,768	203,248	217,676
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 22,200,271	\$ 23,058,737	\$ 23,705,761	\$ 23,709,569	\$ 26,133,451	\$ 27,428,126	\$ 30,355,578	\$ 32,488,941
Contributions as a percentage of covered payroll	0.88%	0.92%	0.92%	0.92%	0.67%	0.67%	0.67%	0.67%

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

(See independent auditor's report.)

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

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

Last Ten Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>TOTAL PENSION LIABILITY</b>										
Service cost	\$ 868,864	\$ 834,137	\$ 828,431	\$ 799,652	\$ 893,974	\$ 910,563	\$ 846,571	\$ 903,514	\$ 892,227	\$ 1,000,768
Interest	2,528,857	1,071,526	2,588,020	2,630,530	2,747,095	2,879,266	2,931,167	3,101,011	3,191,488	3,402,729
Differences between expected and actual experience	(21,134,709)	20,061,513	161,968	319,803	243,545	(472,531)	800,303	(423,756)	1,238,363	1,625,335
Changes in assumptions	-	-	(1,161,970)	1,016,757	-	(448,708)	-	-	(39,557)	-
Benefit payments, including refunds of member contributions	(1,659,913)	(1,693,555)	(1,795,256)	(1,875,261)	(2,118,077)	(2,021,638)	(2,219,792)	(2,307,889)	(2,346,454)	(2,499,774)
Net change in total pension liability	(19,396,901)	20,273,621	621,193	2,891,481	1,766,537	846,952	2,358,249	1,272,880	2,936,067	3,529,058
Total pension liability - beginning	34,113,621	14,716,720	34,990,341	35,611,534	38,503,015	40,269,552	41,116,504	43,474,753	44,747,633	47,683,700
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 14,716,720</b>	<b>\$ 34,990,341</b>	<b>\$ 35,611,534</b>	<b>\$ 38,503,015</b>	<b>\$ 40,269,552</b>	<b>\$ 41,116,504</b>	<b>\$ 43,474,753</b>	<b>\$ 44,747,633</b>	<b>\$ 47,683,700</b>	<b>\$ 51,212,758</b>
<b>PLAN FIDUCIARY NET POSITION</b>										
Contributions - employer	\$ 714,851	\$ 669,916	\$ 518,016	\$ 581,578	\$ 585,807	\$ 631,768	\$ 739,409	\$ 549,794	\$ 544,206	\$ 607,159
Contributions - member	350,800	339,561	348,442	373,869	396,121	403,443	420,316	418,554	466,337	545,313
Net investment income	172,259	1,106,726	6,317,235	(2,101,767)	6,591,885	5,832,982	7,558,952	(6,349,551)	4,650,615	4,623,918
Benefit payments, including refunds of member contributions	(1,659,913)	(1,693,555)	(1,795,256)	(1,875,261)	(2,118,077)	(2,021,638)	(2,219,792)	(2,307,889)	(2,346,454)	(2,499,774)
Other (net transfer)	(19,006,494)	19,411,783	(3,009,891)	429,286	168,924	(418,292)	(777,010)	(796,347)	889,270	(505,751)
Net change in plan fiduciary net position	(19,428,497)	19,834,431	2,378,546	(2,592,295)	5,624,660	4,428,263	5,721,875	(8,485,439)	4,203,974	2,770,865
Plan fiduciary net position - beginning	34,748,914	15,320,417	35,154,848	37,533,394	34,941,099	40,565,759	44,994,022	50,715,897	42,230,458	46,434,432
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 15,320,417</b>	<b>\$ 35,154,848</b>	<b>\$ 37,533,394</b>	<b>\$ 34,941,099</b>	<b>\$ 40,565,759</b>	<b>\$ 44,994,022</b>	<b>\$ 50,715,897</b>	<b>\$ 42,230,458</b>	<b>\$ 46,434,432</b>	<b>\$ 49,205,297</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ (603,697)</b>	<b>\$ (164,507)</b>	<b>\$ (1,921,860)</b>	<b>\$ 3,561,916</b>	<b>\$ (296,207)</b>	<b>\$ (3,877,518)</b>	<b>\$ (7,241,144)</b>	<b>\$ 2,517,175</b>	<b>\$ 1,249,268</b>	<b>\$ 2,007,461</b>

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Plan fiduciary net position as a percentage of the total pension liability	104.10%	100.47%	105.40%	90.75%	100.74%	109.43%	116.66%	94.37%	97.38%	96.08%
Covered payroll	\$ 7,795,546	\$ 7,541,109	\$ 7,743,132	\$ 8,307,769	\$ 8,802,712	\$ 8,811,270	\$ 9,324,199	\$ 9,256,508	\$ 10,363,077	\$ 12,118,951
Employer's net pension liability (asset) as a percentage of covered payroll	(7.74%)	(2.18%)	(24.82%)	42.87%	(3.36%)	(44.01%)	(77.66%)	27.19%	12.05%	16.56%

Notes to Required Supplemental Information

Assumption Changes:

2015 - changes in assumptions related to investment rate of return, retirement age and mortality rates.

2016 - changes in assumptions related to retirement age and mortality rates.

2017 - changes in assumptions related to inflation rates, salary rates and mortality rates.

2018 - changes in assumptions related to the investment rate of return

2020 - changes in assumptions related to inflation rates, salary increases and mortality rates.

2023 - changes in assumptions related to mortality rates.

(See independent auditor's report.)

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

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

Last Ten Fiscal Years

<b>MEASUREMENT DATE JUNE 30,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
District's proportion of the net pension liability	0.011022%	0.009842%	0.008753%	0.003099%	0.002953%	0.002820%	0.002644%	0.002577%	0.002607%	0.002824%
District's proportionate share of the net pension liability	\$ 7,220,538	\$ 7,768,915	\$ 6,687,028	\$ 2,415,531	\$ 2,395,217	\$ 2,431,656	\$ 2,062,233	\$ 2,160,926	\$ 2,215,589	\$ 2,424,558
State's proportionate share of the net pension liability associated with the District	139,996,613	175,481,832	160,529,209	165,473,979	170,464,973	190,459,966	172,837,048	187,445,988	191,206,432	202,156,148
<b>TOTAL</b>	<b>\$ 147,217,151</b>	<b>\$ 183,250,747</b>	<b>\$ 167,216,237</b>	<b>\$ 167,889,510</b>	<b>\$ 172,860,190</b>	<b>\$ 192,891,622</b>	<b>\$ 174,899,281</b>	<b>\$ 189,606,914</b>	<b>\$ 193,422,021</b>	<b>\$ 204,580,706</b>
District's covered payroll	\$ 21,620,966	\$ 22,103,212	\$ 21,679,362	\$ 22,200,271	\$ 23,058,737	\$ 23,705,761	\$ 23,709,569	\$ 26,133,451	\$ 27,428,126	\$ 30,355,578
District's proportionate share of the net pension liability associated with the employer as a percentage of its covered payroll	680.90%	829.07%	771.32%	756.25%	749.65%	813.69%	737.67%	725.53%	705.20%	673.95%
Plan fiduciary net position as a percentage of the total pension liability	41.50%	36.40%	39.30%	40.00%	39.60%	37.80%	45.10%	42.80%	43.90%	45.40%

(See independent auditor's report.)

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

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

Last Six Fiscal Years

MEASUREMENT DATE JUNE 30,	2020	2021	2022	2023	2024	2025
<b>TOTAL OPEB LIABILITY</b>						
Service cost	\$ 36,144	\$ 36,868	\$ 42,243	\$ 30,888	\$ 29,807	\$ 26,988
Interest	12,329	13,010	12,036	23,610	25,062	27,386
Changes of benefit terms	-	-	117,703	-	-	-
Differences between expected and actual experience	-	-	(100,251)	-	43,892	-
Changes of assumptions	3,147	17,900	(41,682)	(1,827)	(16,164)	(24,104)
Benefit payments	-	(9,507)	-	(9,825)	(36,381)	(41,475)
Other changes	332	-	-	-	-	-
Net change in total OPEB liability	51,952	58,271	30,049	42,846	46,216	(11,205)
Total OPEB liability - beginning	441,901	493,853	552,124	582,173	625,019	671,235
<b>TOTAL OPEB LIABILITY - ENDING</b>	<b>\$ 493,853</b>	<b>\$ 552,124</b>	<b>\$ 582,173</b>	<b>\$ 625,019</b>	<b>\$ 671,235</b>	<b>\$ 660,030</b>
Covered payroll	\$ 7,010,000	\$ 7,010,000	\$ 6,910,624	\$ 7,184,126	\$ 9,380,398	\$ 9,749,335
Employer's total OPEB liability as a percentage of covered payroll	7.04%	7.88%	8.42%	8.70%	7.16%	6.77%

There were changes in assumptions related to the discount rate made in 2020, 2021, 2023 and 2025.

There were changes in assumptions related to the discount rate, per capita costs, health care trend rates, material status assumptions and benefits were changed to the current policy in 2022.

There were changes in assumptions related to the discount rate, starting per capita costs were updated, health care trend rates were reset and decrements were changed to those in the most recent IMRF pension plan valuation report in 2024.

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

(See independent auditor's report.)

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

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

Last Eight Fiscal Years

<b>MEASUREMENT DATE JUNE 30,</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
District's proportion of the collective net OPEB liability	0.094254%	0.093645%	0.093812%	0.093711%	0.091317%	0.096054%	0.097388%	0.101854%
District's proportionate share of the collective net OPEB liability	\$ 24,458,465	\$ 24,671,518	\$ 25,964,703	\$ 25,054,571	\$ 20,140,329	\$ 6,574,608	\$ 6,941,164	\$ 8,057,224
State's proportionate share of the collective net OPEB liability associated with the District	32,120,042	33,128,610	35,159,443	33,942,046	27,307,405	8,959,202	9,386,669	10,942,047
<b>TOTAL</b>	<b>\$ 56,578,507</b>	<b>\$ 57,800,128</b>	<b>\$ 61,124,146</b>	<b>\$ 58,996,617</b>	<b>\$ 47,447,734</b>	<b>\$ 15,533,810</b>	<b>\$ 16,327,833</b>	<b>\$ 18,999,271</b>
Plan's fiduciary net position as a percentage of the total pension liability	(0.17%)	(0.07%)	0.25%	0.70%	1.40%	5.24%	6.21%	7.43%
District's covered payroll	\$ 21,679,362	\$ 22,200,271	\$ 23,058,737	\$ 23,705,761	\$ 23,709,569	\$ 26,133,451	\$ 27,428,126	\$ 30,355,578
Proportionate of the collective net OPEB liability associated with employer as a percentage of its covered payroll	260.98%	260.36%	265.08%	248.87%	200.12%	59.44%	59.53%	62.59%

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

(See independent auditor's report.)

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

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2025

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**1. BUDGETS AND BUDGETARY ACCOUNTING**

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

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

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

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

**2. EXCESS EXPENDITURES OVER APPROPRIATIONS**

The following fund over expended appropriations in fiscal year 2025:

Fund	Appropriations	Expenditures	Excess
General	\$ 60,370,507	\$ 63,256,530	\$ 2,886,023
Illinois Municipal Retirement/ Social Security	2,177,669	2,182,016	4,347
Capital Projects	6,500,000	6,607,815	107,815
Tort	866,346	1,120,356	254,010

**SUPPLEMENTARY INFORMATION**

**MAJOR GOVERNMENTAL FUNDS**

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

COMBINING BALANCE SHEET  
GENERAL FUND - BY ACCOUNT

June 30, 2025

	Educational Accounts	Working Cash Accounts	Eliminations	Total
<b>ASSETS</b>				
Cash	\$ (1,043,607)	\$ 3,253,013	\$ -	\$ 2,209,406
Investments	-	1,000	-	1,000
Receivables				
Property taxes, net	17,680,907	169,659	-	17,850,566
Intergovernmental	1,894,194	-	-	1,894,194
Other assets	5,255	-	-	5,255
Due from other funds	-	4,000,000	(4,000,000)	-
<b>TOTAL ASSETS</b>	<b>\$ 18,536,749</b>	<b>\$ 7,423,672</b>	<b>\$ (4,000,000)</b>	<b>\$ 21,960,421</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 110,533	\$ -	\$ -	\$ 110,533
Salaries and wages payable	5,099,962	-	-	5,099,962
Due to other funds	4,000,000	-	(4,000,000)	-
Unearned revenue	44,652	-	-	44,652
<b>Total liabilities</b>	<b>9,255,147</b>	<b>-</b>	<b>(4,000,000)</b>	<b>5,255,147</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes levied for subsequent years	8,840,453	84,830	-	8,925,283
<b>Total deferred inflows of resources</b>	<b>8,840,453</b>	<b>84,830</b>	<b>-</b>	<b>8,925,283</b>
<b>FUND BALANCES</b>				
Assigned for future years' budget	1,830,226	-	-	1,830,226
Assigned for working cash	-	7,338,842	-	7,338,842
Unassigned (deficit)	(1,389,077)	-	-	(1,389,077)
<b>Total fund balances</b>	<b>441,149</b>	<b>7,338,842</b>	<b>-</b>	<b>7,779,991</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 18,536,749</b>	<b>\$ 7,423,672</b>	<b>\$ (4,000,000)</b>	<b>\$ 21,960,421</b>

(See independent auditor's report.)

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

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

For the Year Ended June 30, 2025

	Educational Accounts	Working Cash Accounts	Eliminations	Total
<b>REVENUES</b>				
Property taxes	\$ 16,944,757	\$ 166,334	\$ -	\$ 17,111,091
State aid	44,827,949	-	-	44,827,949
Federal aid	9,579,085	-	-	9,579,085
Investment income	107,249	46,636	-	153,885
Other	557,933	1,694	-	559,627
<b>Total revenues</b>	<b>72,016,973</b>	<b>214,664</b>	<b>-</b>	<b>72,231,637</b>
<b>EXPENDITURES</b>				
Current				
Instruction				
Regular programs	25,411,767	-	-	25,411,767
Pre-K programs	1,105,933	-	-	1,105,933
Special programs	9,809,291	-	-	9,809,291
Other instructional programs	8,711,730	-	-	8,711,730
Support services				
Pupils	7,447,146	-	-	7,447,146
Instructional staff	10,527,957	-	-	10,527,957
General administration	1,865,056	-	-	1,865,056
School administration	6,892,214	-	-	6,892,214
Business	5,008,761	-	-	5,008,761
Central	1,116,127	-	-	1,116,127
Other support services	150	-	-	150
Community services	309,926	-	-	309,926
Intergovernmental	306,978	-	-	306,978
Capital outlay	299,562	-	-	299,562
Debt service				
Interest and fiscal charges	11,125	453,608	-	464,733
<b>Total expenditures</b>	<b>78,823,723</b>	<b>453,608</b>	<b>-</b>	<b>79,277,331</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(6,806,750)</b>	<b>(238,944)</b>	<b>-</b>	<b>(7,045,694)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,348,141	-	(46,636)	3,301,505
Transfers (out)	(101,478)	(7,186,395)	46,636	(7,241,237)
Issuance of bonds	-	17,285,000	-	17,285,000
Premium on issuance of bonds	-	183,363	-	183,363
Payment to escrow agent	-	(9,736,206)	-	(9,736,206)
Proceeds from sale of asset	4,739	-	-	4,739
<b>Total other financing sources (uses)</b>	<b>3,251,402</b>	<b>545,762</b>	<b>-</b>	<b>3,797,164</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(3,555,348)</b>	<b>306,818</b>	<b>-</b>	<b>(3,248,530)</b>
<b>FUND BALANCES, JULY 1</b>	<b>3,996,497</b>	<b>7,032,024</b>	<b>-</b>	<b>11,028,521</b>
<b>FUND BALANCES, JUNE 30</b>	<b>\$ 441,149</b>	<b>\$ 7,338,842</b>	<b>\$ -</b>	<b>\$ 7,779,991</b>

(See independent auditor's report.)

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

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

For the Year Ended June 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
<b>REVENUES</b>			
Local sources			
Educational property taxes	\$ 15,091,628	\$ 13,863,278	\$ (1,228,350)
Leasing property taxes	238,251	233,592	(4,659)
Special education property taxes	2,904,577	2,847,887	(56,690)
Mobile home privilege tax	16,605	22,480	5,875
Regular - tuition from other Districts	-	22,576	22,576
Summer school tuition from pupils or parents	1,000	-	(1,000)
CTE tuition from other districts	23,000	24,275	1,275
Interest on investments	220,000	107,249	(112,751)
Sales to pupils - lunch	72	20	(52)
Sales to adults	7,000	5,627	(1,373)
Other food service	89,500	102,189	12,689
Admission - athletics	58,000	51,452	(6,548)
Student activity fund revenues	-	113,127	113,127
Rentals - regular textbooks	-	49	49
Sales - regular textbooks	1,500	1,366	(134)
Donations	8,200	2,297	(5,903)
Driver's education fees	14,000	10,638	(3,362)
Refund of prior years expenditures	18,700	880	(17,820)
Payment of surplus moneys from TIF districts	59,300	168,440	109,140
Proceeds from vendors' contracts	450	7,555	7,105
Other local fees	29,000	24,962	(4,038)
Total local sources	<u>18,780,783</u>	<u>17,609,939</u>	<u>(1,170,844)</u>
State sources			
Evidence based funding formula	26,397,628	26,397,626	(2)
Special education - private facility tuition	720,000	517,513	(202,487)
Special education - orphanage - individual	94,000	316,087	222,087
Special education - orphanage - summer individual	30,000	-	(30,000)
CTE - secondary program improvement (CTEI)	27,452	27,115	(337)
CTE - agriculture education	38,026	34,003	(4,023)
State free lunch and breakfast	31,900	30,633	(1,267)
Driver's education	21,000	18,323	(2,677)
Early childhood - block grant	817,545	821,183	3,638
Other restricted revenue from state sources	935,592	644,665	(290,927)
Total state sources	<u>29,113,143</u>	<u>28,807,148</u>	<u>(305,995)</u>

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES (Continued)</b>			
Federal sources			
Other restricted grants-in-aid received			
directly from federal government	\$ 84,885	\$ 75,346	\$ (9,539)
Title V - Rural education initiative (REI)	228,562	150,121	(78,441)
National school lunch program	1,950,000	1,868,079	(81,921)
School breakfast program	790,000	591,927	(198,073)
Food service - other	95,000	17,760	(77,240)
Title I - low income	2,555,048	2,543,879	(11,169)
Title I - other	391,091	512,436	121,345
Title IV	204,204	161,902	(42,302)
Federal special education - preschool flow-through	36,834	29,011	(7,823)
Federal special education - IDEA flow-through	1,045,844	947,634	(98,210)
Federal special education - IDEA room & board	-	122,121	122,121
CTE - other	2,800	-	(2,800)
Title III - instruction for english learners & immigrant students	-	5,269	5,269
Title III - language inst program - limited eng (LIPLEP)	36,831	27,517	(9,314)
Title II - teacher quality	392,653	288,568	(104,085)
Medicaid matching funds - administrative outreach	254,000	310,506	56,506
Medicaid matching funds - fee-for-service program	506,130	539,968	33,838
Other restricted revenues from federal sources	963,804	1,387,041	423,237
	<hr/>	<hr/>	<hr/>
Total federal sources	9,537,686	9,579,085	41,399
	<hr/>	<hr/>	<hr/>
Total revenues	57,431,612	55,996,172	(1,435,440)
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Instruction			
Regular programs			
Salaries	14,340,893	14,442,534	101,641
Employee benefits	3,516,402	3,597,601	81,199
Purchased services	249,819	172,081	(77,738)
Supplies and materials	925,435	770,771	(154,664)
Capital outlay	36,000	13,654	(22,346)
Noncapitalized equipment	258,356	253,348	(5,008)
Termination benefits	50,000	723	(49,277)
	<hr/>	<hr/>	<hr/>
Total regular programs	19,376,905	19,250,712	(126,193)
	<hr/>	<hr/>	<hr/>
Pre-K programs			
Salaries	754,136	669,215	(84,921)
Employee benefits	138,055	137,713	(342)
Supplies and materials	10,916	13,524	2,608
	<hr/>	<hr/>	<hr/>
Total Pre-K programs	903,107	820,452	(82,655)
	<hr/>	<hr/>	<hr/>

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
Special education programs			
Salaries	\$ 4,246,194	\$ 4,282,513	\$ 36,319
Employee benefits	884,377	901,255	16,878
Purchased services	13,000	37,637	24,637
Supplies and materials	100,800	89,329	(11,471)
Noncapitalized equipment	5,000	1,025	(3,975)
Termination benefits	10,000	100	(9,900)
	5,259,371	5,311,859	52,488
Total special education programs			
Remedial and supplemental programs K-12			
Salaries	1,032,846	695,842	(337,004)
Employee benefits	260,400	150,831	(109,569)
Purchased services	190,116	202,755	12,639
Supplies and materials	508,258	800,845	292,587
Noncapitalized equipment	7,000	5,496	(1,504)
	1,998,620	1,855,769	(142,851)
Total remedial and supplemental programs K-12			
CTE programs			
Salaries	811,403	801,963	(9,440)
Employee benefits	217,849	231,465	13,616
Purchased services	19,535	5,585	(13,950)
Supplies and materials	33,370	26,714	(6,656)
Capital outlay	10,964	-	(10,964)
Noncapitalized equipment	14,653	17,139	2,486
	1,107,774	1,082,866	(24,908)
Total CTE programs			
Interscholastic programs			
Salaries	668,400	729,348	60,948
Employee benefits	47,502	50,385	2,883
Purchased services	102,193	108,531	6,338
Supplies and materials	179,542	187,939	8,397
Capital outlay	3,400	-	(3,400)
Other objects	3,300	1,581	(1,719)
Noncapitalized equipment	574	1,240	666
	1,004,911	1,079,024	74,113
Total interscholastic programs			

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
Summer school programs			
Salaries	\$ 236,954	\$ 206,735	\$ (30,219)
Employee benefits	17,478	16,087	(1,391)
Purchased services	6,068	6,038	(30)
Supplies and materials	34,585	33,948	(637)
Total summer school programs	<u>295,085</u>	<u>262,808</u>	<u>(32,277)</u>
Gifted programs			
Salaries	444,493	444,493	-
Employee benefits	129,233	126,283	(2,950)
Total gifted programs	<u>573,726</u>	<u>570,776</u>	<u>(2,950)</u>
Driver's education programs			
Salaries	154,684	162,383	7,699
Employee benefits	27,574	36,174	8,600
Purchased services	1,093	3,088	1,995
Supplies and materials	1,707	1,529	(178)
Total driver's education programs	<u>185,058</u>	<u>203,174</u>	<u>18,116</u>
Bilingual programs			
Salaries	1,206,986	1,365,162	158,176
Employee benefits	249,301	356,245	106,944
Purchased services	15,000	11,158	(3,842)
Supplies and materials	165,901	59,520	(106,381)
Total bilingual programs	<u>1,637,188</u>	<u>1,792,085</u>	<u>154,897</u>
Truant alternative and optional programs			
Employee benefits	74,111	55,659	(18,452)
Purchased services	160,000	72,286	(87,714)
Supplies and materials	13,000	12,985	(15)
Total truant alternative and optional programs	<u>247,111</u>	<u>140,930</u>	<u>(106,181)</u>
Special education programs K-12 private tuition			
Other objects	800,000	2,373,711	1,573,711
Total special education programs K-12 private tuition	<u>800,000</u>	<u>2,373,711</u>	<u>1,573,711</u>

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>EXPENDITURES (Continued)</b>			
Instruction (Continued)			
Remedial/supplemental programs K-12 private tuition			
Other objects	\$ 10,000	\$ -	\$ (10,000)
Total remedial/supplemental programs K-12 private tuition	10,000	-	(10,000)
Student activity fund expenditures			
Other objects	-	141,610	141,610
Total instruction	33,398,856	34,885,776	1,486,920
Support services			
Pupils			
Attendance and social work services			
Salaries	1,175,049	1,008,604	(166,445)
Employee benefits	285,629	291,422	5,793
Purchased services	2,200	74,726	72,526
Supplies and materials	13,175	1,995	(11,180)
Termination benefits	5,000	-	(5,000)
Total attendance and social work services	1,481,053	1,376,747	(104,306)
Guidance services			
Salaries	1,012,920	872,808	(140,112)
Employee benefits	218,194	218,080	(114)
Purchased services	192,260	187,410	(4,850)
Supplies and materials	-	999	999
Total guidance services	1,423,374	1,279,297	(144,077)
Health services			
Salaries	1,010,457	1,053,584	43,127
Employee benefits	186,211	182,927	(3,284)
Purchased services	5,200	1,260	(3,940)
Supplies and materials	10,000	8,770	(1,230)
Total health services	1,211,868	1,246,541	34,673

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Pupils (Continued)			
Psychological services			
Salaries	\$ 414,863	\$ 378,331	\$ (36,532)
Employee benefits	58,756	62,878	4,122
Purchased services	5,400	137,993	132,593
Termination benefits	15,000	-	(15,000)
Total psychological services	494,019	579,202	85,183
Speech pathology and audiology services			
Salaries	391,398	646,178	254,780
Employee benefits	182,749	176,358	(6,391)
Purchased services	25,000	129,563	104,563
Supplies and materials	5,000	-	(5,000)
Total speech pathology and audiology services	604,147	952,099	347,952
Other support services - pupils			
Salaries	221,541	194,664	(26,877)
Employee benefits	38,188	46,465	8,277
Total other support services - pupils	259,729	241,129	(18,600)
Total pupils	5,474,190	5,675,015	200,825
Instructional staff			
Improvement of instructional services			
Salaries	2,947,983	3,034,666	86,683
Employee benefits	963,555	1,134,529	170,974
Purchased services	1,680,315	1,797,290	116,975
Supplies and materials	121,475	124,186	2,711
Other objects	29,500	26,343	(3,157)
Total improvement of instructional services	5,742,828	6,117,014	374,186
Educational media services			
Salaries	1,086,514	1,163,855	77,341
Employee benefits	266,304	287,878	21,574
Purchased services	612,380	474,041	(138,339)
Supplies and materials	403,885	309,422	(94,463)
Capital outlay	7,101	-	(7,101)
Non-capitalized equipment	472,778	229,057	(243,721)
Total educational media services	2,848,962	2,464,253	(384,709)

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Instructional staff (Continued)			
Assessment and testing			
Purchased services	\$ 246,001	\$ 150,639	\$ (95,362)
Supplies and materials	5,000	5,000	-
Total assessment and testing	<u>251,001</u>	<u>155,639</u>	<u>(95,362)</u>
Total instructional staff	<u>8,842,791</u>	<u>8,736,906</u>	<u>(105,885)</u>
General administration			
Board of Education services			
Salaries	3,500	3,735	235
Employee benefits	28,321	26,612	(1,709)
Purchased services	160,480	95,527	(64,953)
Supplies and materials	1,500	557	(943)
Other objects	18,165	16,722	(1,443)
Total Board of Education services	<u>211,966</u>	<u>143,153</u>	<u>(68,813)</u>
Executive administration services			
Salaries	338,385	371,081	32,696
Employee benefits	55,253	43,688	(11,565)
Purchased services	12,700	9,968	(2,732)
Supplies and materials	9,950	7,941	(2,009)
Other objects	8,352	8,585	233
Total executive administration services	<u>424,640</u>	<u>441,263</u>	<u>16,623</u>
Special area administration services			
Salaries	614,915	613,643	(1,272)
Employee benefits	136,587	138,876	2,289
Purchased services	40,204	54,670	14,466
Supplies and materials	35,940	22,798	(13,142)
Total special area administration services	<u>827,646</u>	<u>829,987</u>	<u>2,341</u>
Tort immunity services			
Purchased services	<u>40,000</u>	<u>28,985</u>	<u>(11,015)</u>
Total tort immunity services	<u>40,000</u>	<u>28,985.00</u>	<u>(11,015)</u>
Total general administration	<u>1,504,252</u>	<u>1,443,388</u>	<u>(60,864)</u>

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
School administration			
Office of the principal services			
Salaries	\$ 2,929,985	\$ 2,874,835	\$ (55,150)
Employee benefits	789,511	842,537	53,026
Purchased services	50,463	40,133	(10,330)
Supplies and materials	144,310	164,401	20,091
Other objects	17,459	12,995	(4,464)
Noncapitalized equipment	3,913	2,171	(1,742)
Termination benefits	20,000	-	(20,000)
Total office of the principal services	3,955,641	3,937,072	(18,569)
Other support services - school administration			
Salaries	1,046,951	1,036,622	(10,329)
Employee benefits	264,765	248,975	(15,790)
Supplies and materials	4,500	953	(3,547)
Termination benefits	2,838	-	(2,838)
Total support services - school administration	1,319,054	1,286,550	(32,504)
Total school administration	5,274,695	5,223,622	(51,073)
Business			
Direction of business support services			
Salaries	226,479	264,242	37,763
Employee benefits	99,210	63,384	(35,826)
Purchased services	287,000	359,003	72,003
Supplies and materials	2,000	608	(1,392)
Other objects	30,700	33,836	3,136
Total direction of business support services	645,389	721,073	75,684
Operation and maintenance of plant services			
Supplies and materials	-	3,973	3,973
Capital outlay	4,506	286,708	282,202
Total operation and maintenance of plant services	4,506	290,681	286,175
Fiscal services			
Salaries	177,526	176,600	(926)
Employee benefits	93,251	87,319	(5,932)
Purchased services	9,180	5,816	(3,364)
Supplies and materials	7,486	-	(7,486)
Termination benefits	5,000	-	(5,000)
Total fiscal services	292,443	269,735	(22,708)

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Business (Continued)			
Pupil transportation services			
Purchased services	\$ 2,301	\$ 30,816	\$ 28,515
Supplies and materials	15,962	25,026	9,064
Total pupil transportation services	18,263	55,842	37,579
Food services			
Salaries	1,290,998	1,373,444	82,446
Employee benefits	187,437	198,909	11,472
Purchased services	87,004	49,378	(37,626)
Supplies and materials	1,352,249	2,184,348	832,099
Capital outlay	85,000	12,854	(72,146)
Other objects	8,000	3,623	(4,377)
Non-capitalized equipment	25,399	1,360	(24,039)
Termination benefits	3,000	-	(3,000)
Total food service	3,039,087	3,823,916	784,829
Internal services			
Salaries	104,489	110,473	5,984
Employee benefits	24,868	26,204	1,336
Purchased services	10,000	9,999	(1)
Supplies and materials	400	400	-
Total internal services	139,757	147,076	7,319
Total business	4,139,445	5,308,323	1,168,878
Central			
Information services			
Salaries	97,934	75,796	(22,138)
Employee benefits	24,068	16,647	(7,421)
Purchased services	10,600	10,489	(111)
Supplies and materials	9,500	9,427	(73)
Other objects	19,500	18,740	(760)
Total information services	161,602	131,099	(30,503)

(This schedule is continued on the following pages.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Central (Continued)			
Staff services			
Salaries	\$ 348,435	\$ 397,195	\$ 48,760
Employee benefits	94,220	102,973	8,753
Purchased services	102,734	130,596	27,862
Supplies and materials	90,933	40,270	(50,663)
Other objects	2,600	2,975	375
Termination benefits	15,000	9,165	(5,835)
Total staff services	653,922	683,174	29,252
Data processing services			
Purchased services	140,000	132,414	(7,586)
Total data processing services	140,000	132,414	(7,586)
Total central	955,524	946,687	(8,837)
Other support services			
Purchased services	33,320	150	(33,170)
Supplies and materials	831	-	(831)
Total other support services	34,151	150	(34,001)
Total support services	26,225,048	27,334,091	1,109,043
Community services			
Salaries	122,658	105,426	(17,232)
Employee benefits	25,260	9,555	(15,705)
Purchased services	107,609	82,875	(24,734)
Supplies and materials	73,228	67,096	(6,132)
Other objects	275	-	(275)
Total community services	329,030	264,952	(64,078)
Payments to other districts and governmental units			
Payments for regular programs			
Purchased services	-	9,405	9,405
Total payments for regular programs	-	9,405	9,405
Payments for regular programs - tuition			
Other objects	3,000	594	(2,406)
Total payments for regular programs - tuition	3,000	594	(2,406)

(This schedule is continued on the following page.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>EXPENDITURES (Continued)</b>			
Payments to other districts and governmental units (Continued)			
Payments for CTE programs			
Purchased services	\$ 134,000	\$ 128,331	\$ (5,669)
Total payments for CTE programs	134,000	128,331	(5,669)
Payments for CTE programs - tuition			
Other objects	220,000	168,648	(51,352)
Total payments for CTE programs - tuition	220,000	168,648	(51,352)
Total payments to other districts and governmental units	357,000	306,978	(50,022)
Debt service			
Interest and fiscal charges	60,573	11,125	(49,448)
Total debt service	60,573	11,125	(49,448)
Total expenditures	60,370,507	62,802,922	2,432,415
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,938,895)	(6,806,750)	(3,867,855)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	325,000	3,348,141	3,023,141
Transfers (out)	-	(101,478)	(101,478)
Proceeds from sale of asset	31,361	4,739	(26,622)
Total other financing sources (uses)	356,361	3,251,402	2,895,041
NET CHANGE IN FUND BALANCE (BUDGETARY BASIS)	\$ (2,582,534)	(3,555,348)	\$ (972,814)
<b>ADJUSTMENTS TO GAAP BASIS</b>			
On-behalf revenues		16,020,801	
On-behalf expenditures		(16,020,801)	
NET CHANGE IN FUND BALANCE (GAAP BASIS)		(3,555,348)	
FUND BALANCE, JULY 1		3,996,497	
FUND BALANCE, JUNE 30		\$ 441,149	

(See independent auditor's report.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>			
Local sources			
Property taxes	\$ 169,032	\$ 166,334	\$ (2,698)
Interest on investments	150,000	46,636	(103,364)
Payment of surplus moneys from TIF districts	650	1,694	1,044
	319,682	214,664	(105,018)
Total local sources			
	319,682	214,664	(105,018)
Total revenues			
	319,682	214,664	(105,018)
<b>EXPENDITURES</b>			
Debt service			
Interest and fiscal charges	-	453,608	453,608
	-	453,608	453,608
Total expenditures			
	-	453,608	453,608
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	319,682	(238,944)	(558,626)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(10,351,247)	(7,186,395)	3,164,852
Issuance of bonds	9,339,200	17,285,000	7,945,800
Premium on issuance of bonds	-	183,363	183,363
Payment to escrow agent	-	(9,736,206)	(9,736,206)
	(1,012,047)	545,762	1,557,809
Total other financing sources (uses)			
	(1,012,047)	545,762	1,557,809
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (692,365)</b>	<b>306,818</b>	<b>\$ 999,183</b>
<b>FUND BALANCE, JULY 1</b>		<b>7,032,024</b>	
<b>FUND BALANCE, JUNE 30</b>		<b>\$ 7,338,842</b>	

(See independent auditor's report.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (under)</b>
<b>REVENUES</b>			
Local sources			
Property taxes	\$ 1,827,519	\$ 2,264,886	\$ 437,367
Corporate personal property replacement taxes	2,375,429	2,304,612	(70,817)
Interest on investments	270,000	605,781	335,781
Rentals	44,500	56,382	11,882
Refund of prior years expenditures	1,700	499	(1,201)
Payment of surplus moneys from TIF districts	9,300	26,934	17,634
Other local revenue	36,000	7,583	(28,417)
Total local sources	<u>4,564,448</u>	<u>5,266,677</u>	<u>702,229</u>
State sources			
Other restricted revenue from state sources	50,000	50,000	-
Total state sources	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total revenues	<u>4,614,448</u>	<u>5,316,677</u>	<u>702,229</u>
<b>EXPENDITURES</b>			
Support services			
Business			
Direction of business support services			
Other objects	2,300	3,126	826
Total direction of business support services	<u>2,300</u>	<u>3,126</u>	<u>826</u>
Operation and maintenance of plant services			
Salaries	2,567,623	2,470,431	(97,192)
Employee benefits	493,979	565,681	71,702
Purchased services	1,154,047	1,085,004	(69,043)
Supplies and materials	1,912,658	1,681,586	(231,072)
Capital outlay	175,000	4,738	(170,262)
Noncapitalized equipment	50,000	6,608	(43,392)
Termination benefits	40,000	1,761	(38,239)
Total operation and maintenance of plant services	<u>6,393,307</u>	<u>5,815,809</u>	<u>(577,498)</u>
Total support services - business	<u>6,395,607</u>	<u>5,818,935</u>	<u>(576,672)</u>
Debt service			
Payments on long-term debt			
Principal	-	620	620
Interest	-	8,160	8,160
Total payments on long-term debt	<u>-</u>	<u>8,780</u>	<u>8,780</u>
Total expenditures	<u>6,395,607</u>	<u>5,827,715</u>	<u>(567,892)</u>

(This schedule is continued on the following page.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (under)</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (1,781,159)	\$ (511,038)	\$ 1,270,121
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	(4,760,948)	(4,760,948)
Issuance of lease payable	-	22,490	22,490
Insurance proceeds	-	36,618	36,618
Total other financing sources (uses)	-	(4,701,840)	(4,701,840)
NET CHANGE IN FUND BALANCE	\$ (1,781,159)	(5,212,878)	\$ (3,431,719)
FUND BALANCE, JULY 1		11,069,583	
<b>FUND BALANCE, JUNE 30</b>		<b>\$ 5,856,705</b>	

(See independent auditor's report.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>			
Local sources			
Property taxes	\$ 3,313,373	\$ 3,769,070	\$ 455,697
Interest on investments	18,000	9,531	(8,469)
Payment of surplus moneys from TIF districts	11,000	33,320	22,320
Total local sources	<u>3,342,373</u>	<u>3,811,921</u>	<u>469,548</u>
Total revenues	<u>3,342,373</u>	<u>3,811,921</u>	<u>469,548</u>
<b>EXPENDITURES</b>			
Debt service			
Payments on long-term debt			
Principal	1,775,490	1,531,324	(244,166)
Interest	1,425,000	1,647,244	222,244
Total payments on long-term debt	<u>3,200,490</u>	<u>3,178,568</u>	<u>(21,922)</u>
Total expenditures	<u>3,200,490</u>	<u>3,178,568</u>	<u>(21,922)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>141,883</u>	<u>633,353</u>	<u>491,470</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	101,478	101,478
Transfers (out)	-	(9,530)	(9,530)
Total other financing sources (uses)	<u>-</u>	<u>91,948</u>	<u>91,948</u>
NET CHANGE IN FUND BALANCE	<u>\$ 141,883</u>	<u>725,301</u>	<u>\$ 583,418</u>
FUND BALANCE, JULY 1		<u>1,772,060</u>	
FUND BALANCE, JUNE 30		<u>\$ 2,497,361</u>	

(See independent auditor's report.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>			
Local sources			
Property taxes	\$ 1,571,168	\$ 1,747,009	\$ 175,841
Regular transportation fees from other districts	420,000	613,910	193,910
Regular transportation fees from co-curricular activities	33,000	60,831	27,831
Special education transportation fees from other districts	10,000	-	(10,000)
Investment income	305,000	254,053	(50,947)
Payment of surplus moneys from TIF districts	6,900	19,740	12,840
<b>Total local sources</b>	<b>2,346,068</b>	<b>2,695,543</b>	<b>349,475</b>
State sources			
Transportation - regular	845,321	800,372	(44,949)
Transportation - special education	619,547	521,009	(98,538)
Early childhood block grant	-	75,211	75,211
<b>Total state sources</b>	<b>1,464,868</b>	<b>1,396,592</b>	<b>(68,276)</b>
Federal sources			
Medicaid matching funds	40,000	40,000	-
<b>Total federal sources</b>	<b>40,000</b>	<b>40,000</b>	<b>-</b>
<b>Total revenues</b>	<b>3,850,936</b>	<b>4,132,135</b>	<b>281,199</b>
<b>EXPENDITURES</b>			
Support services			
Pupils			
Other support services			
Salaries	22,387	21,635	(752)
<b>Total other support services</b>	<b>22,387</b>	<b>21,635</b>	<b>(752)</b>
<b>Total pupils</b>	<b>22,387</b>	<b>21,635</b>	<b>(752)</b>
Support services - business			
Pupil transportation services			
Salaries	2,306,912	2,528,106	221,194
Employee benefits	536,476	474,284	(62,192)
Purchased services	494,250	382,524	(111,726)
Supplies and materials	544,925	399,484	(145,441)
Capital outlay	1,031,418	788,637	(242,781)
Other objects	2,450	1,569	(881)
Noncapitalized equipment	15,800	10,160	(5,640)
Termination benefits	5,000	-	(5,000)
<b>Total pupil transportation services</b>	<b>4,937,231</b>	<b>4,584,764</b>	<b>(352,467)</b>

(This schedule is continued on the following page.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
Support services - business (Continued)			
Other support services			
Salaries	\$ 28,424	\$ 28,779	\$ 355
Employee benefits	6,729	6,853	124
Purchased services	4,000	4,528	528
Supplies and materials	29,000	28,365	(635)
Other objects	2,069	2,317	248
	70,222	70,842	620
Total other support services			
Total support services - business	5,007,453	4,655,606	(351,847)
Debt service			
Principal	-	189,099	189,099
Interest	-	54,889	54,889
	-	243,988	243,988
Total debt service			
Total expenditures	5,029,840	4,921,229	(108,611)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,178,904)	(789,094)	389,810
<b>OTHER FINANCING SOURCES (USES)</b>			
Insurance proceeds	-	12,409	12,409
	-	12,409	12,409
Total other financing sources (uses)			
NET CHANGE IN FUND BALANCE	\$ (1,178,904)	(776,685)	\$ 402,219
FUND BALANCE, JULY 1		7,180,471	
<b>FUND BALANCE, JUNE 30</b>		<b>\$ 6,403,786</b>	

(See independent auditor's report.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>			
Local sources			
Property taxes	\$ 764,909	\$ 752,692	\$ (12,217)
FICA/Medicare only property taxes	1,023,360	1,006,979	(16,381)
Personal property replacement taxes	77,254	125,510	48,256
Interest on investments	96,200	67,868	(28,332)
Payment of surplus moneys from TIF districts	6,600	17,922	11,322
	<hr/>	<hr/>	<hr/>
Total local sources	1,968,323	1,970,971	2,648
	<hr/>	<hr/>	<hr/>
Total revenues	1,968,323	1,970,971	2,648
<b>EXPENDITURES</b>			
Instruction			
Regular programs	150,235	249,367	99,132
Pre-K programs	135,806	29,089	(106,717)
Special education programs	212,985	254,128	41,143
Remedial and supplemental programs - K-12	25,322	21,886	(3,436)
CTE programs	12,289	12,317	28
Interscholastic programs	30,240	31,807	1,567
Summer school programs	11,078	8,123	(2,955)
Gifted programs	6,435	6,024	(411)
Driver's education programs	2,273	2,289	16
Bilingual programs	29,769	35,677	5,908
	<hr/>	<hr/>	<hr/>
Total instruction	616,432	650,707	34,275
Support services			
Pupils			
Attendance and social work services	65,586	64,357	(1,229)
Guidance services	22,150	23,271	1,121
Health services	98,045	92,532	(5,513)
Psychological services	6,524	5,274	(1,250)
Speech pathology and audiology services	9,209	8,653	(556)
Other services	37,457	27,026	(10,431)
	<hr/>	<hr/>	<hr/>
Total pupils	238,971	221,113	(17,858)
Instructional staff			
Improvement of instructional services	69,038	71,262	2,224
Educational media services	104,889	104,071	(818)
	<hr/>	<hr/>	<hr/>
Total instructional staff	173,927	175,333	1,406

(This schedule is continued on the following page.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>EXPENDITURES (Continued)</b>			
Support services (Continued)			
General administration			
Board of education services	\$ 340	\$ 2,554	\$ 2,214
Executive administration services	16,349	15,750	(599)
Special area administration services	32,923	27,468	(5,455)
Total general administration	49,612	45,772	(3,840)
School administration			
Office of principal services	205,951	171,980	(33,971)
Office support services - school administration	15,910	21,681	5,771
Total school administration	221,861	193,661	(28,200)
Business			
Direction of business support services	22,894	13,242	(9,652)
Fiscal services	35,722	23,053	(12,669)
Operation and maintenance of plant services	324,410	315,645	(8,765)
Pupil transportation services	294,390	325,857	31,467
Food services	140,814	162,765	21,951
Internal services	14,826	14,099	(727)
Total business	833,056	854,661	21,605
Central			
Information services	13,374	9,799	(3,575)
Staff services	23,369	25,023	1,654
Total central	36,743	34,822	(1,921)
Other			
Total other	3,648	3,762	114
Total support services	1,557,818	1,529,124	(28,694)
Community services	3,419	2,185	(1,234)
Total expenditures	2,177,669	2,182,016	4,347
NET CHANGE IN FUND BALANCE	<u>\$ (209,346)</u>	(211,045)	<u>\$ (1,699)</u>
FUND BALANCE, JULY 1		<u>3,284,666</u>	
FUND BALANCE, JUNE 30		<u>\$ 3,073,621</u>	

(See independent auditor's report.)

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

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

For the Year Ended June 30, 2025

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>
<b>REVENUES</b>			
None	\$ -	\$ -	\$ -
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Support services			
Business			
Facilities acquisition and construction services			
Purchased services	500,000	495,391	(4,609)
Capital outlay	6,000,000	6,112,424	112,424
Total facilities acquisition and construction services	6,500,000	6,607,815	107,815
Total expenditures	6,500,000	6,607,815	107,815
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,500,000)	(6,607,815)	(107,815)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	7,826,247	8,608,732	782,485
Total other financing sources (uses)	7,826,247	8,608,732	782,485
NET CHANGE IN FUND BALANCE	\$ 1,326,247	2,000,917	\$ 674,670
FUND BALANCE (DEFICIT), JULY 1		(1,907,414)	
<b>FUND BALANCE, JUNE 30</b>		<b>\$ 93,503</b>	

(See independent auditor's report.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Property taxes	\$ 878,607	\$ 848,672	\$ (29,935)
Investment income	15,500	8,649	(6,851)
Payments of surplus moneys from TIF district	3,200	8,805	5,605
	897,307	866,126	(31,181)
Total local sources			
	897,307	866,126	(31,181)
Total revenues			
	897,307	866,126	(31,181)
<b>EXPENDITURES</b>			
Support services			
General administration			
Board of Education services			
Purchased services	98,444	31,956	(66,488)
	98,444	31,956	(66,488)
Total Board of Education services			
	98,444	31,956	(66,488)
Risk management and claims services payments			
Purchased services	767,902	1,088,400	320,498
	767,902	1,088,400	320,498
Total risk management and claims services payments			
	767,902	1,088,400	320,498
Total support services - general administration			
	866,346	1,120,356	254,010
Total expenditures			
	866,346	1,120,356	254,010
NET CHANGE IN FUND BALANCE	\$ 30,961	(254,230)	\$ (285,191)
FUND BALANCE, JULY 1		1,635,808	
FUND BALANCE, JUNE 30		\$ 1,381,578	

(See independent auditor's report.)

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

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

For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>			
Local sources			
Investment income	\$ 10,400	\$ 160,713	\$ 150,313
Payments of surplus moneys from TIF districts	600	-	(600)
Total local sources	11,000	160,713	149,713
Total revenues	11,000	160,713	149,713
<b>EXPENDITURES</b>			
Support services			
Business			
Facilities acquisition and construction services			
Purchased services	25,000	854,985	829,985
Capital outlay	10,281,401	3,456,644	(6,824,757)
Other objects	87	-	(87)
Total facilities acquisition and construction services	10,306,488	4,311,629	(5,994,859)
Debt service			
Payments on long-term debt			
Interest	-	365,039	365,039
Total payments on long-term debt	-	365,039	365,039
Total expenditures	10,306,488	4,676,668	(5,629,820)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(10,295,488)	(4,515,955)	5,779,533
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	2,200,000	-	(2,200,000)
Issuance of bonds	7,831,401	14,205,000	6,373,599
Premium on issuance of bonds	-	758,525	758,525
Total other financing sources (uses)	10,031,401	14,963,525	4,932,124
NET CHANGE IN FUND BALANCE	\$ (264,087)	10,447,570	\$ 10,711,657
FUND BALANCE, JULY 1		289,238	
FUND BALANCE, JUNE 30		\$ 10,736,808	

(See independent auditor's report.)

## **STATISTICAL SECTION**

## STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	100-109
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	110-114
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	115-119
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	120-121
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	122-124

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

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

SCHEDULE OF NET POSITION BY COMPONENT

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>GOVERNMENTAL ACTIVITIES</b>				
Net investment in capital assets	\$ 17,704,552	\$ 16,589,830	\$ 10,025,204	\$ 5,255,913
Restricted	19,190,511	25,231,826	25,150,841	21,764,665
Unrestricted	(63,540,627)	(56,894,847)	(48,009,362)	(41,710,395)
<b>TOTAL NET POSITION</b>	<b>\$ (26,645,564)</b>	<b>\$ (15,073,191)</b>	<b>\$ (12,833,317)</b>	<b>\$ (14,689,817)</b>

Note: GASB Statement No. 75 was implemented for fiscal year ended June 30, 2020.

Data Source

Annual financial reports

<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
\$ 2,203,591	\$ (313,885)	\$ (6,662,362)	\$ (6,989,062)	\$ (7,198,950)	\$ (7,157,916)
17,361,915	15,173,007	25,212,104	24,520,925	12,405,808	11,511,487
(39,218,638)	(32,685,632)	(34,229,260)	(34,359,449)	(360,629)	(1,641,434)
\$ (19,653,132)	\$ (17,826,510)	\$ (15,679,518)	\$ (16,827,586)	\$ 4,846,229	\$ 2,712,137

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

**SCHEDULE OF EXPENSES BY IDENTIFIABLE ACTIVITY**

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Instruction	\$ 45,691,549	\$ 45,122,155	\$ 43,017,125	\$ 40,906,446
Pupil service	8,074,525	7,299,322	6,637,571	5,594,524
Instructional staff	12,140,243	10,163,336	8,753,429	8,069,697
General administration	3,069,392	2,401,568	2,277,586	1,834,341
School administration	7,541,597	6,880,582	6,434,039	5,754,214
Business services	19,822,714	18,757,876	20,643,015	15,730,320
Central services	1,184,941	997,895	815,873	801,150
Other support services	92,347	74,045	73,371	171,314
Community services	313,455	698,537	422,202	177,201
Payments to other governmental units	306,978	346,356	576,270	390,342
On-behalf - State portion of payments	-	-	-	-
Interest and service charges on long-term debt	2,900,089	2,095,932	1,566,927	1,380,941
<b>TOTAL EXPENSES</b>	<b>\$ 101,137,830</b>	<b>\$ 94,837,604</b>	<b>\$ 91,217,408</b>	<b>\$ 80,810,490</b>

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

Data Source

Annual financial reports

	<b>2021</b>	<b>2020*</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
\$	43,553,508	\$ 39,557,865	\$ 29,396,388	\$ 25,786,991	\$ 26,349,743	\$ 25,176,842
	6,565,586	5,991,300	4,072,674	3,548,077	3,368,345	3,273,702
	6,251,227	6,316,679	4,354,487	4,290,819	4,372,394	4,537,490
	2,084,319	1,947,294	1,336,363	1,387,329	1,429,661	1,701,537
	6,896,564	6,220,817	3,623,957	2,904,653	2,935,512	3,026,860
	16,595,232	12,178,119	11,026,155	10,216,015	10,155,762	10,016,088
	908,447	771,480	604,996	556,864	553,543	638,451
	139,239	144,041	163,946	223,553	224,305	189,051
	195,611	179,093	133,521	130,176	106,299	136,567
	761,529	678,140	640,741	677,235	722,924	687,725
	-	-	15,540,734	15,798,516	8,598,035	8,206,923
	1,610,558	1,293,762	1,834,390	2,220,378	1,588,661	1,548,464
\$	85,561,820	\$ 75,278,590	\$ 72,728,352	\$ 67,740,606	\$ 60,405,184	\$ 59,139,700

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

SCHEDULE OF REVENUES BY SOURCE AND TOTAL CHANGES IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2025	2024	2023	2022
<b>PROGRAM REVENUES</b>				
Charges for services	\$ 875,799	\$ 803,417	\$ 747,261	\$ 718,417
Operating grants and contributions	30,008,574	34,400,090	34,087,329	28,685,861
Capital grants and contributions	-	-	-	-
<b>TOTAL PROGRAM REVENUES</b>	<b>\$ 30,884,373</b>	<b>\$ 35,203,507</b>	<b>\$ 34,834,590</b>	<b>\$ 29,404,278</b>
<b>GENERAL REVENUES</b>				
Local property taxes	\$ 27,500,399	\$ 25,870,179	\$ 25,271,379	\$ 24,620,433
Payments in lieu of taxes	2,430,122	3,664,847	5,563,970	4,922,586
Earnings on investments	26,397,626	25,277,538	24,895,015	24,431,657
General state aid	1,260,480	904,203	732,808	23,745
Other general revenues	495,888	1,675,571	1,769,852	1,676,953
Gain on sale of asset	4,739	1,885	6,294	-
<b>TOTAL GENERAL REVENUES</b>	<b>\$ 58,089,254</b>	<b>\$ 57,394,223</b>	<b>\$ 58,239,318</b>	<b>\$ 55,675,374</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ (12,164,203)</b>	<b>\$ (2,239,874)</b>	<b>\$ 1,856,500</b>	<b>\$ 4,269,162</b>

Data Source

Annual financial reports

<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
\$ 655,040	\$ 769,480	\$ 3,095,849	\$ 2,974,048	\$ 2,931,135	\$ 2,913,018
31,747,835	27,154,277	23,856,758	23,820,601	17,090,888	16,538,862
-	-	-	-	-	-
<b>\$ 32,402,875</b>	<b>\$ 27,923,757</b>	<b>\$ 26,952,607</b>	<b>\$ 26,794,649</b>	<b>\$ 20,022,023</b>	<b>\$ 19,451,880</b>
\$ 24,271,434	\$ 23,691,525	\$ 23,319,902	\$ 22,884,235	\$ 22,785,406	\$ 22,741,952
2,258,335	1,780,464	1,653,543	1,530,154	1,818,855	1,644,539
172,143	525,022	148,841	67,855	59,190	36,730
23,083,712	23,083,717	21,731,524	20,546,665	17,853,802	17,043,459
1,148,518	108,023	-	-	-	-
-	-	-	-	-	-
<b>\$ 50,934,142</b>	<b>\$ 49,188,751</b>	<b>\$ 46,853,810</b>	<b>\$ 45,028,909</b>	<b>\$ 42,517,253</b>	<b>\$ 41,466,680</b>
<b>\$ (2,224,803)</b>	<b>\$ 1,833,918</b>	<b>\$ 1,078,065</b>	<b>\$ 4,082,952</b>	<b>\$ 2,134,092</b>	<b>\$ 1,778,860</b>

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

SCHEDULE OF FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2025	2024	2023	2022
<b>GENERAL FUND</b>				
Nonspendable	\$ -	\$ 15,520	\$ 2,940,068	\$ 1,738,367
Assigned	9,169,068	9,970,919	6,156,863	6,492,283
Unassigned	(1,389,077)	1,042,082	4,093,207	4,872,726
<b>TOTAL GENERAL FUND</b>	<b>\$ 7,779,991</b>	<b>\$ 11,028,521</b>	<b>\$ 13,190,138</b>	<b>\$ 13,103,376</b>
<b>ALL OTHER GOVERNMENT FUNDS</b>				
Nonspendable	\$ 22,540	\$ -	\$ -	\$ -
Restricted	29,927,319	25,231,826	25,150,841	21,764,665
Assigned	93,503	-	-	5,254,932
Unassigned	-	(1,907,414)	(931,624)	-
<b>GOVERNMENTAL FUNDS</b>	<b>\$ 30,043,362</b>	<b>\$ 23,324,412</b>	<b>\$ 24,219,217</b>	<b>\$ 27,019,597</b>
<b>TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 37,823,353</b>	<b>\$ 34,352,933</b>	<b>\$ 37,409,355</b>	<b>\$ 40,122,973</b>

Data Source

Audited financial statements

<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
\$ 704,912	\$ 51,210	\$ 15,177	\$ 15,000	\$ 15,000	\$ 15,000
12,105,271	551,425	386,550	284,525	5,706,047	5,605,887
4,820,214	5,194,681	6,240,281	7,427,527	1,667,895	882,453
<b>\$ 17,630,397</b>	<b>\$ 5,797,316</b>	<b>\$ 6,642,008</b>	<b>\$ 7,727,052</b>	<b>\$ 7,388,942</b>	<b>\$ 6,503,340</b>
\$ -	\$ -	\$ 592,219	\$ 676,822	\$ 951,780	\$ 1,057,533
17,361,915	15,173,007	24,619,885	23,844,103	11,454,028	10,453,954
1,011,072	6,328,270	-	-	-	-
-	-	-	-	-	-
<b>\$ 18,372,987</b>	<b>\$ 21,501,277</b>	<b>\$ 25,212,104</b>	<b>\$ 24,520,925</b>	<b>\$ 12,405,808</b>	<b>\$ 11,511,487</b>
<b>\$ 36,003,384</b>	<b>\$ 27,298,593</b>	<b>\$ 31,854,112</b>	<b>\$ 32,247,977</b>	<b>\$ 19,794,750</b>	<b>\$ 18,014,827</b>

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

CHANGES IN FUND BALANCE - GOVERNMENTAL FUND

Last Ten Fiscal Years

Fiscal Year	2025	2024	2023	2022
<b>REVENUES</b>				
Property taxes	\$ 27,500,399	\$ 25,870,179	\$ 25,271,379	\$ 24,620,433
Corporate personal property replacement taxes	2,430,122	3,664,847	5,563,970	4,922,586
State aid	46,274,541	43,725,114	42,222,245	40,457,541
Federal aid	9,619,085	14,468,777	15,771,241	12,992,126
Investment income	1,260,480	904,203	732,808	23,745
Other	1,405,553	2,559,084	2,575,049	2,371,283
On-behalf - State portion of payments	-	-	-	-
Total revenues	88,490,180	91,192,204	92,136,692	85,387,714
<b>EXPENDITURES</b>				
Instruction	45,689,428	45,114,028	40,985,401	38,748,040
Pupil service	7,689,894	7,139,221	6,486,438	5,562,283
Instructional staff	10,703,290	9,616,206	8,320,083	7,313,696
General administration	3,031,184	2,399,684	2,240,292	1,830,935
School administration	7,085,875	6,584,255	6,193,068	5,657,601
Business services	16,824,122	17,385,170	18,524,741	14,874,650
Central services	1,150,949	1,019,790	844,466	815,509
Other support services	74,754	80,583	94,143	169,734
Community services	312,111	693,263	419,036	176,665
Payments to other governmental units	306,978	346,356	576,270	390,342
On behalf - State portion of payments	-	-	-	-
Capital outlay	10,662,005	9,116,721	6,871,881	2,516,395
Debt Service				
Principal	1,721,043	1,929,549	2,068,391	2,475,329
Interest	2,540,065	1,856,372	1,484,010	1,462,478
Total expenditures	107,791,698	103,281,198	95,108,220	81,993,657
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(19,301,518)	(12,088,994)	(2,971,528)	3,394,057
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	12,011,715	6,629,758	529,226	6,000,000
Transfers (out)	(12,011,715)	(6,629,758)	(529,226)	(6,000,000)
Issuance of bonds	-	-	-	-
Issuance of bonds	31,490,000	8,915,000	-	-
Premium on issuance of bonds	941,888	261,601	-	-
Payment to escrow agent	(9,736,206)	(1,449,349)	-	-
Issuance of lease payable	22,490	1,300,335	242,134	-
Proceeds from sale of asset	4,739	1,885	6,294	30,079
Insurance proceeds	49,027	3,100	9,482	1,300
Total other financing sources (uses)	22,771,938	9,032,572	257,910	31,379
<b>NET CHANGE IN FUND BALANCE</b>	\$ 3,470,420	\$ (3,056,422)	\$ (2,713,618)	\$ 3,425,436
<b>DEBT SERVICES AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	4.0%	3.7%	3.7%	4.8%

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

Data Source

Annual financial reports

	2021	2020*	2019	2018	2017	2016
\$	24,271,434	\$ 23,691,525	\$ 23,319,902	\$ 22,884,235	\$ 22,785,406	\$ 22,741,952
	2,258,335	1,780,464	1,653,543	1,530,154	1,818,855	1,644,539
	172,143	525,022	148,841	67,855	59,190	36,730
	1,767,665	883,749	972,070	965,631	1,054,971	1,282,702
	36,336,209	44,233,921	24,001,233	22,557,297	21,096,575	20,232,901
	8,142,588	5,902,330	6,046,315	6,011,453	5,250,080	5,142,497
	-	-	15,540,734	15,798,516	8,598,035	8,206,923
	72,948,374	77,017,011	71,682,638	69,815,141	60,663,112	59,288,244
	35,976,024	38,913,114	26,816,886	24,664,666	23,589,488	25,025,333
	5,227,484	6,184,594	4,238,567	3,864,741	3,407,960	3,250,360
	4,973,543	6,330,557	4,321,519	4,379,844	4,295,451	4,437,725
	1,826,373	1,967,649	1,364,737	1,444,784	1,436,933	1,699,613
	5,547,212	6,396,270	3,766,885	3,153,513	2,967,573	3,026,860
	12,896,996	10,807,617	9,989,723	10,185,598	9,545,776	9,414,485
	777,702	803,624	533,404	587,451	554,413	638,451
	131,303	161,162	168,834	241,114	226,589	189,051
	183,195	179,108	135,168	133,860	106,847	136,567
	761,529	678,140	640,741	677,235	722,924	687,725
	-	-	15,540,734	15,798,516	8,598,035	8,206,923
	5,581,919	5,644,830	1,770,835	854,475	729,634	980,922
	1,565,000	1,617,252	994,120	1,080,431	1,112,905	1,152,501
	1,182,555	1,132,306	1,839,313	2,220,378	1,588,661	1,548,464
	76,630,835	80,816,223	72,121,466	69,286,606	58,883,189	60,394,980
	(3,682,461)	(3,799,212)	(438,828)	528,535	1,779,923	(1,106,736)
	-	-	11,400,000	17,048,946	19,060	117,431
	-	-	(11,400,000)	(17,048,946)	(19,060)	(15,476)
	14,215,000	-	-	11,924,692	286,559	101,954
	4,380,000	-	-	-	-	-
	1,543,901	-	-	-	-	-
	(8,173,143)	-	-	-	-	-
	-	-	-	-	-	-
	9,762	1,195	44,960	-	-	-
	13,551	30,359	-	-	-	-
	11,989,071	31,554	44,960	11,924,692	286,559	203,909
\$	8,306,610	\$ (3,767,658)	\$ (393,868)	\$ 12,453,227	\$ 2,066,482	\$ (902,827)
	3.6%	3.4%	4.0%	4.8%	4.6%	4.5%

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

SCHEDULE OF MAJOR CATEGORIES OF EAV

Last Ten Levy Years

<b>Tax Levy Year</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>Category</b>	<b>Valuation</b>	<b>Valuation</b>	<b>Valuation</b>	<b>Valuation</b>
Residential	\$ 288,424,296	\$ 254,573,072	\$ 227,018,788	\$ 222,957,777
Commercial	79,784,844	79,186,934	71,925,021	72,035,859
Industrial	18,167,446	16,535,697	15,563,806	15,535,071
Farm	35,566,020	32,446,805	28,582,429	28,093,059
Railroad	3,374,652	2,938,291	2,794,084	2,705,030
<b>TOTAL</b>	<b>\$ 425,317,258</b>	<b>\$ 385,680,799</b>	<b>\$ 345,884,128</b>	<b>\$ 341,326,796</b>

Data Source

Stephenson County Clerk's Office

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Valuation</b>	<b>Valuation</b>	<b>Valuation</b>	<b>Valuation</b>	<b>Valuation</b>	<b>Valuation</b>
\$ 199,948,978	\$ 190,659,276	\$ 185,861,047	\$ 183,106,423	\$ 184,505,997	\$ 190,529,678
79,955,241	79,887,958	68,624,153	67,943,270	67,419,206	67,097,056
15,759,110	15,493,559	14,952,461	14,744,839	15,224,220	15,467,904
28,286,583	26,957,055	24,443,977	23,350,805	22,193,369	21,276,535
2,465,723	2,264,294	2,374,364	2,617,878	3,220,684	2,634,874
<b>\$ 326,415,635</b>	<b>\$ 315,262,142</b>	<b>\$ 296,256,002</b>	<b>\$ 291,763,215</b>	<b>\$ 292,563,476</b>	<b>\$ 297,006,047</b>

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

**ASSESSED VALUATIONS, TAX RATES AND EXTENSIONS**

Last Ten Levy Years

<b>Tax Levy Year</b>	<b>Equalized Assessed Valuation</b>	<b>Estimated Actual Value</b>	<b>Total Tax Rate</b>	<b>Taxes Extended</b>
2024	\$ 425,317,258	\$ 1,275,951,774	6.6692	\$ 28,365,173
2023	385,680,799	1,157,042,397	6.928	26,720,313
2022	345,884,128	1,037,652,384	7.335	25,638,103
2021	341,326,796	682,653,592	7.561	24,724,980
2020	326,415,635	682,653,592	7.823	24,595,798
2019	315,262,142	908,512,560	7.911	24,956,961
2018	296,256,002	888,768,006	7.937	23,514,876
2017	291,763,215	875,289,645	7.933	23,144,934
2016	292,563,476	877,690,428	7.807	22,839,962
2015	297,006,047	891,018,141	7.692	22,845,052

Data Sources

Annual financial statements, county agency rate reports

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

SCHEDULE OF PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Fiscal Year	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total levies extended	\$ 28,365,173	\$ 26,720,313	\$ 25,638,103	\$ 24,724,980	\$ 24,595,798	\$ 23,956,961	\$ 23,144,934	\$ 22,839,962	\$ 22,845,052	\$ 22,854,352
Collected within the fiscal year of the levy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,013,389	\$ 4,356,296	\$ 3,707,964	\$ 1,803,097
Percentage collected in fiscal year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	13.02%	19.07%	16.23%	7.89%
Collections in subsequent years	\$ 28,592,688	\$ 26,977,246	\$ 25,449,028	\$ 24,919,898	\$ 24,646,565	\$ 24,051,600	\$ 20,257,264	\$ 19,870,846	\$ 19,079,986	\$ 20,943,503
Total collections to date	\$ 28,592,688	\$ 26,977,246	\$ 25,449,028	\$ 24,919,898	\$ 24,646,565	\$ 24,051,600	\$ 23,270,653	\$ 24,227,142	\$ 22,787,950	\$ 22,746,600
Percentage of extension collected	100.80%	100.96%	99.26%	100.79%	100.21%	100.40%	100.54%	106.07%	99.75%	99.53%

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

Data Source

District records

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

TEN PRINCIPAL TAXPAYERS IN THE DISTRICT

Current Year and Eleven Years Prior

<b>Rank</b>	<b>Taxpayer Name</b>	<b>2025 Equalized Assessed Valuation</b>	<b>Percent of District's Total Equalized Assessed Valuation</b>	<b>Rank</b>	<b>Taxpayer Name</b>	<b>2014* Equalized Assessed Valuation</b>	<b>Percent of District's Total Equalized Assessed Valuation</b>
1	Pearl City Elevator Inc	4,206,616	1.09%	1	Titan Tire Corporation	\$ 3,962,719	1.19%
2	Menard Inc	2,384,335	0.62%	2	Bigs Mortgage LLC	3,354,313	1.01%
3	Walmart Stores, Inc.	2,317,401	0.60%	3	Residential Alternatives of IL Inc.	2,672,830	0.80%
4	Freeport IL, LLC Seminole Ctr	2,260,373	0.59%	4	Walmart Stores Inc Store #1740-05	2,121,667	0.64%
5	Super Market Developers Inc	1,854,951	0.48%	5	Menard Inc	2,099,135	0.63%
6	Ream Asset LLC	1,838,418	0.48%	6	Honeywell Micro Switch	1,989,017	0.60%
7	555 West South Street LLC	1,457,460	0.38%	7	Titan Tire Corporation	\$ 3,962,719	1.19%
8	Lena Property Partners LLC	1,161,208	0.30%	8	Meadows LLC	1,584,843	0.48%
9	DJBII Properties LLC	950,477	0.25%	9	Harborside Properties LLC	1,350,126	0.41%
10	Freeport Farm & Fleet Inc	853,904	0.22%	10	Heritage Woods of Freeport LP	1,212,961	0.36%
					Freeport Farm & Fleet	1,197,263	0.36%
	<b>TOTAL</b>	<u>\$ 19,285,143</u>	<u>5.00%</u>		<b>TOTAL</b>	<u>\$ 25,507,593</u>	<u>7.67%</u>

\*Most recent information available

Data Source

Stephenson County Treasurer's Office

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

SCHEDULE OF LEGAL BONDED DEBT MARGIN

Last Ten Levy Years

<b>Tax Year</b>	<b>Debt Limit</b>	<b>General Obligation Bonds</b>	<b>Total Debt Applicable to Limit</b>	<b>Legal Debt Margin</b>	<b>Percentage of Debt to Debt Limit</b>
2025*	\$ 58,693,782	\$ 64,269,141	\$ 64,269,141	\$ (5,575,359)	109.5%
2024	53,223,950	42,325,000	42,325,000	10,898,950	79.5%
2023	48,235,417	36,290,000	36,290,000	11,945,417	75.2%
2022	47,125,917	37,605,323	37,605,323	7,520,594	79.8%
2021	43,384,155	38,935,688	38,935,688	4,448,467	89.7%
2020	43,506,176	27,965,486	27,965,486	15,540,690	64.3%
2019	40,883,328	27,814,883	27,814,883	13,068,445	68.0%
2018	40,263,324	28,809,003	28,809,003	11,454,321	71.6%
2017	40,373,760	18,048,434	18,048,434	22,325,326	44.7%
2016	40,986,834	19,161,339	19,161,339	21,825,495	46.7%

\*The District exceeded the legal debt limitation due to an exception associated with 105 ILCS 5/20-2.

Data Source

Annual financial reports

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

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

<b>Fiscal Year Ended June 30,</b>	<b>General Obligation Bonds</b>	<b>Total</b>	<b>Percentage of Personal Income</b>	<b>Population</b>	<b>Debt per Capita</b>
2025	\$ 64,269,141	\$ 64,269,141	11.25%	23,973	\$ 2,681
2024	42,325,000	42,325,000	7.42%	23,136	1,829
2023	36,290,000	36,290,000	6.31%	24,761	1,466
2022	37,605,323	37,605,323	6.54%	24,761	1,519
2021	38,935,688	38,937,709	6.37%	26,355	1,477
2020	27,965,486	27,965,486	6.19%	25,570	1,094
2019	27,814,883	27,814,883	6.17%	25,684	1,083
2018	28,809,003	28,809,003	5.85%	25,570	1,127
2017	18,048,434	18,048,434	3.55%	25,266	714
2016	19,161,339	19,161,339	4.15%	25,738	744

Data Source

Annual financial report

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

RATIOS OF BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Population	Debt per Capita
2025	\$ 64,269,141	\$ 2,497,361	\$ 61,771,780	14.52%	23,973	\$ 2,577
2024	42,325,000	1,772,060	40,552,940	10.51%	23,136	1,753
2023	36,290,000	1,719,199	34,570,801	9.99%	24,761	1,396
2022	37,605,323	1,683,780	35,921,543	10.52%	24,761	1,451
2021	38,935,688	1,663,995	37,271,693	5.71%	26,355	1,414
2020	27,965,486	2,091,636	25,873,850	8.54%	25,570	1,012
2019	27,814,883	2,151,111	25,663,772	8.66%	25,684	999
2018	28,809,003	2,284,810	26,524,193	9.07%	25,570	1,037
2017	18,048,434	2,547,272	15,501,162	5.22%	25,266	614
2016	19,161,339	2,635,470	16,525,869	5.40%	25,738	642

Data Source

Annual financial report

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

DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

<b>Tax Levy Year</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>DIRECT RATES</b>										
Freeport School District 145	6.66918	6.92809	7.33498	7.56117	7.82364	7.91083	7.93735	7.93278	7.80684	7.69178
Total direct rates	6.66918	6.92809	7.33498	7.56117	7.82364	7.91083	7.93735	7.93278	7.80684	7.69178
<b>OVERLAPPING RATES</b>										
Stephenson County	1.07792	1.22275	1.35153	1.36037	1.39156	1.39850	1.40950	1.40894	1.40414	1.40801
City of Freeport	1.02015	1.05409	1.16960	1.17316	1.17577	1.18118	1.20482	1.20963	1.98990	1.16454
Freeport Library	0.36390	0.37586	0.43928	0.44579	0.46256	0.46791	0.46968	0.47068	0.47004	0.44330
Highland College	0.52859	0.54341	0.55669	0.55903	0.56399	0.57004	0.55585	0.55651	0.56143	0.56690
Freeport Park District	0.93470	0.96144	1.04826	1.04991	1.04524	1.08597	1.07780	1.08094	1.08089	1.08306
Freeport Township	0.18929	0.40409	0.44742	0.46480	0.47708	0.49578	0.50489	0.50202	0.48747	0.46880
Freeport Mosquito District	0.05319	0.05889	0.06439	0.06862	0.07123	0.07400	0.05113	0.05115	0.05115	0.05112
Total overlapping rates	4.16774	4.62053	5.07717	5.12168	5.18743	5.27338	5.27367	5.27987	6.04502	5.18573
<b>TOTAL DIRECT AND OVERLAPPING RATES</b>	<b>10.83692</b>	<b>11.54862</b>	<b>12.41215</b>	<b>12.68285</b>	<b>13.01107</b>	<b>13.18421</b>	<b>13.21102</b>	<b>13.21265</b>	<b>13.85186</b>	<b>12.87751</b>

Data Sources

Stephenson County Treasurer and Collector

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

SCHEDULE OF DIRECT AND OVERLAPPING DEBT

June 30, 2025

Governmental Unit	Gross Debt	Percentage Debt Applicable to the District	District's Share of Debt
Direct Debt			
Freeport School District 145	\$ 64,269,141	100%	\$ 64,269,141
Overlapping Debt			
Stephenson County	3,015,388	49%	1,477,540
City of Freeport	87,411,418	100%	87,411,418
Freeport Park District	1,175,660	100%	1,175,660
Highland Community College	10,696,301	19%	2,032,297
Total Overlapping Debt			<u>92,096,915</u>
Total Direct and Overlapping General Obligation Bonded Debt			<u>\$ 156,366,056</u>
Net Direct General Obligation Bonded Debt			
As a percentage of Equalized Assessed Valuation			17%
As a percentage of Personal Income			11%
Amount per capita			\$ 2,681
Direct and Overlapping General Bonded Debt			
As a percentage of Equalized Assessed Valuation			37%
As a percentage of Estimate Full Valuation			12%

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

Data Sources

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

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

**DEMOGRAPHIC AND ECONOMIC STATISTICS**

Last Ten Fiscal Years

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<b>Fiscal Year</b>	<b>District Population</b>	<b>Total Household Income</b>	<b>Household Income Per Capita</b>	<b>Unemployment Rate</b>
2024	23,973	\$ 571,108,800	\$ 50,811	5.4%
2023	23,136	570,115,027	48,181	5.9%
2022	24,427	601,927,722	53,806	5.6%
2021	24,761	575,246,727	51,421	5.8%
2020	26,355	611,559,729	54,667	7.9%
2019	25,570	451,743,124	40,639	9.5%
2018	25,684	450,527,708	40,380	4.8%
2017	25,570	592,241,659	39,351	4.8%
2016	25,266	508,640,958	40,662	7.5%
2015	25,738	461,376,288	42,531	7.8%

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

Data Sources

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

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

**PRINCIPAL EMPLOYERS**

Current Year and Ten Years Ago

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**2025**

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<b>Employer</b>	<b>Approximate Number Employed</b>	<b>Rank</b>	<b>Percentage of Total Employment</b>
The Helm Group	1,400	1	11.94%
FHN	985	2	8.40%
The Morse Group	905	3	7.72%
Berner Food & Beverage	758	4	6.47%
Freeport School District #145	722	5	6.16%
Honeywell	471	6	4.02%
Farmers Insurance	413	7	3.52%
Walmart	380	8	3.24%
Titan Tire Corporation of Freeport	340	9	2.90%
Snak King	329	10	2.81%

**2015\***

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

\*Most recent information available

Data Sources

2024 Illinois Department of Commerce and Economic Opportunity  
Freeport Chamber of Commerce

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

FACULTY, STAFF AND ADMINISTRATOR STATISTICS  
FULL-TIME EQUIVALENT DATA

Last Ten Fiscal Years

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<b>Fiscal Year</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>FACULTY</b>										
Part-time (FTE)	-	-	2	5	5	5	4	4	3	12
Full-time (FTE)	346	347	342	346	336	337	352	346	343	366
<b>STAFF AND ADMINISTRATORS</b>										
Part-time (FTE)	247	187	172	173	181	203	217	210	201	301
Full-time (FTE)	179	181	177	175	167	173	178	201	167	168
<b>TOTAL EMPLOYEES</b>										
Part-time (FTE)	247	187	174	186	186	208	221	214	204	313
Full-time (FTE)	525	528	519	521	503	510	530	547	510	534

Data Source

District personnel records

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

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

Last Ten Fiscal Years

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<b>Fiscal Year</b>	<b>Average Daily Attendance</b>	<b>Operating Expense Per Pupil</b>	<b>Total Operating Expense</b>
2025	3,663	\$ 20,228	\$ 74,091,765
2024	3,161	21,820	68,979,032
2023	2,993	21,751	65,105,192
2022	2,979	19,619	58,445,669
2021	3,051	20,215	61,677,023
2020	3,490	15,812	55,182,632
2019	3,456	14,648	50,623,046
2018	3,415	13,719	46,850,050
2017	3,797	11,894	45,160,481
2016	3,814	11,904	45,403,106

Data Source

District records

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

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Elementary</b>										
Buildings	5	5	5	5	5	6	6	6	6	6
Square feet	245,193	245,193	245,193	245,193	245,193	252,619	252,619	252,619	252,619	252,619
Capacity (students)	1,650	1,650	1,650	1,650	1,650	1,900	1,900	1,900	1,900	1,900
Enrollment	1,570	1,570	1,570	1,516	1,516	1,516	1,516	1,607	1,651	1,707
<b>Middle</b>										
Buildings	2	2	2	2	2	2	2	2	2	2
Square feet	260,106	260,106	260,106	260,106	260,106	260,106	260,106	260,106	260,106	260,106
Capacity (students)	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Enrollment	896	896	896	1,097	1,097	1,097	1,097	1,142	1,140	1,184
<b>High</b>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	248,681	248,681	248,681	248,681	248,681	248,681	248,681	248,681	248,681	248,681
Capacity (students)	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Enrollment	1,142	1,142	1,142	1,077	1,077	1,077	1,077	1,112	1,159	1,189
<b>Other</b>										
Buildings	2	2	2	2	2	2	2	2	2	2
Square feet	20,883	20,883	20,883	20,883	20,883	20,883	20,883	20,883	20,883	20,883
Capacity (students)	112	112	112	112	112	112	112	112	112	112
Enrollment	81	81	81	81	81	81	81	95	107	59
<b>Administrative</b>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	10,065	10,065	10,065	10,065	10,065	10,065	10,065	10,065	10,065	10,065
<b>Transportation</b>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	56	56	56	56	56	56	56	56	54	54
<b>Athletic Fields</b>										
Football fields	1	1	1	1	1	1	1	1	1	1
Running tracks	1	1	1	1	1	1	1	1	1	1
Baseball/softball	2	2	2	2	2	2	2	2	2	2
Swimming pools	1	1	1	1	2	2	2	2	2	2
Playgrounds	7	7	7	7	7	7	7	7	7	7

Data Sources

Architect's Data and Sixth Day Enrollment Forms