

**HAZEL CREST SCHOOL DISTRICT 152.5**

**COOK COUNTY, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

FOR THE YEAR ENDED  
JUNE 30, 2025



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Education  
Hazel Crest School District 152.5  
East Hazel Crest, Illinois

### Report on the Audit of Financial Statements

#### *Qualified Opinions*

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of Hazel Crest School District 152.5 (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, except for the effects of the matter described in the Basis for Qualified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of the District, as of June 30, 2024, and the respective changes in the modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

#### *Basis for Qualified Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 qualified audit opinions.

The Thornton Township School Treasurer (the Treasurer's Office) maintains custody of the District's cash and investments within bank accounts as authorized by the Thornton Township School Treasurer's Office Trustees. During the year ended June 30, 2022, the Treasurer's Office began experiencing issues in relation to cash and investment balances that stemmed from a lack of bank reconciliations being performed. Therefore, accounting errors were not being identified or corrected in a timely manner. As a result, the District is unable to obtain verification that bank balances reported are accurate. While reconciliations through June 30, 2025 have been performed, the reconciliations included variances which the Treasurer's Office has been unable to resolve. In addition, preliminary analysis indicated that the balances of cash and investments held in the pooled accounts at the Treasurer's Office were materially different than the total amounts reflected on the member Districts' records. The impact to the financial statements of these uncorrected variances could not be determined.

#### *Emphasis of Matter – Basis of Accounting*

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

### ***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 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.

### ***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 combining and individual fund financial statements and schedules, as listed in the table of contents, and the Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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 GAAS. In our opinion, except for the effects on the supplementary information of the qualified opinion on the basic financial statements as explained in the Basis for the Qualified Opinion section, the combining and individual fund financial statements and schedules, as listed in the table of contents, and the Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

We have also previously audited, in accordance with GAAS, the District's basic financial statements for the year ended June 30, 2024, which are not presented with the accompanying financial statements and we expressed qualified opinions on the respective financial statements of the governmental activities and each major fund, as we were unable to obtain sufficient appropriate audit evidence about the carrying amount of the District's cash and investments. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The 2024 actual amounts in the schedules of revenues received, expenditures disbursed, and changes in fund balances – budget and actual are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2024 basic financial statements. The information was subjected to the audit procedures applied in the audit of those 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 GAAS. In our opinion, except for the effects on the supplementary information of the qualified opinion on the basic financial statements as explained in the Basis for the Qualified Opinion section, the 2024 actual amounts in the schedules of revenues received, expenditures disbursed, and changes in fund balances – budget and actual, are fairly stated in all material respects, in relation to the basic financial statements from which they have been derived.

#### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the management's discussion and analysis and the other information, as listed in the table of contents, 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 have also issued our report dated March 5, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Calumet City, Illinois  
March 5, 2026

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**Overview of the Financial Statements**

This annual report consists of four parts – management's discussion and analysis (this section), the basic financial statements, supplementary information and other information. The basic financial statements include two kinds of statements that present different views of the District:

**District-Wide Financial Statements**

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

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

The statement of net position presents information about the District's assets and liabilities. The difference between the total assets and liabilities is reported as total net position. The ending net position balance relates largely to the net change in capital assets and long-term debt as reported. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information about how the District's net position changed during the fiscal year. In addition, the statement of activities presents the District in a functional format to identify the different activities that are accounted for in the various fund statements. All changes in net position are reported when revenue is received and expenses are paid. Depreciation and amortization expense on capital assets are included in the related functional segment where the assets is primarily in use.

The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.

**Fund Financial Statements**

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

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

The District considers all governmental funds to be major funds.

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

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**Notes to the Financial Statements**

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The statements are followed by a section of other information that further explains and supports the financial statements including a comparison of the District’s budget versus actual results of operations for the year.

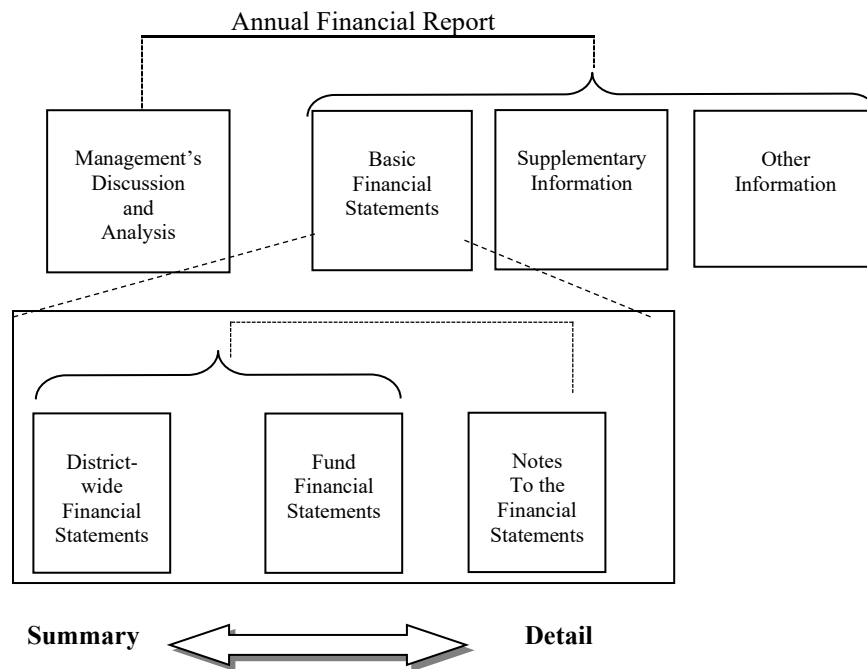
- The remaining statements are fund financial statements that focus on individual parts of the district, reporting the District’s operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services like regular and special education were financed in the short term as well as what remains for future spending.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain other information concerning the District’s progress in funding its obligation to provide pension and other postretirement benefits to its employees.

Figure A-1 shows how the various parts of this annual report are arranged and how they relate to one another.

Figure A-1. Organization of Hazel Crest School District 152.5’s



**HAZEL CREST SCHOOL DISTRICT 152.5**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this section of management’s discussion and analysis highlights the structure and contents of each of the statements.

| FIGURE A-2<br>Major Features of the District-wide and Fund Financial Statements |                                                                                                                  |                                                                                                                                                                 |
|---------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                 | District-Wide Statements                                                                                         | Fund Financial Statements                                                                                                                                       |
|                                                                                 |                                                                                                                  | Governmental Funds                                                                                                                                              |
| Scope                                                                           | Entire District                                                                                                  | The activities of the District that are not proprietary, such as Educational and Operations and Maintenance.                                                    |
| Required financial statements                                                   | <ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul> | <ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balance.</li> </ul>                  |
| Accounting basis and measurement focus.                                         | Modified Cash basis of accounting and economic resources focus.                                                  | Modified cash basis of accounting and current financial resources focus.                                                                                        |
| Type of asset/liability information                                             | All assets and liabilities, both financial and capital, short-term and long-term                                 | Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included. |

|                                    |                                                                                                                                              |                                                                                                           |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| Type of inflow/outflow Information | All revenues received and expenses paid during year, modified to include capital assets, net of accumulated depreciation and long-term debt. | Revenues for which amounts are received and recorded; expenditures when goods or services have been paid. |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|

This section of the District’s annual financial report presents its discussion and analysis of its financial performance during the year ending June 30, 2025. The management of the District encourages readers to consider the information presented herein in conjunction with the financial statements to enhance their understanding of the District’s financial performance.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2025

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**Financial Highlights**

**On the District Fund Financial Statements**

- State and Federal (outside of Evidence-based funding) revenue received in FY25 decreased by \$1,260,882 in comparison to FY24 revenue received.
- Evidence-based funding received in FY25 increased by \$603,910 in comparison to FY24 revenue received.
- Property tax and replacement tax revenue received in FY25 increased by \$616,006 in comparison to FY24 revenue received.
- Expenditures disbursed increased in FY25 by \$13,988,190 in comparison to FY24 expenditures disbursed, primarily due to an increases in support services of \$4,625,748, non-programmed charges of \$959,614, capital outlay of \$963,876, and debt service of \$7,645,747.

**Financial Analysis of the District's Funds**

As the District completed the year, its governmental funds reported a combined fund balance of \$36,629,494. Revenues received from the District's statement of revenues received, expenditures disbursed and changes in fund balances were \$29,295,377. Expenditures disbursed from the District's statement of revenues received, expenditures disbursed and changes in fund balances were \$38,719,206.

**Governmental Budgetary Highlights**

The original budget as passed by the Board of Education was not amended during the year. The District's final budget for the Governmental Funds (General, Debt Service, Transportation, Municipal Retirement/Social Security, Capital Projects, and Fire Prevention and Safety), anticipated that revenues would exceed expenditures by approximately \$81,772; however, the actual reports for the year show expenditures exceeding revenues by \$9,423,829. See more budget information under notes to supplementary information.

| <b>Table 1</b>                                 |                      |                      |                    |
|------------------------------------------------|----------------------|----------------------|--------------------|
| <b>Budgetary highlights</b>                    |                      |                      |                    |
| Anticipated revenues over (under) expenditures |                      |                      |                    |
|                                                | <u>Revenue</u>       | <u>Expenditures</u>  | <u>Anticipated</u> |
| General                                        | \$ 19,887,000        | \$ 19,436,028        | \$ 450,972         |
| Debt Services                                  | 992,000              | 1,146,000            | (154,000)          |
| Transportation                                 | 390,000              | 1,433,865            | (1,043,865)        |
| Municipal Retirement/Social Security           | 1,265,000            | 438,335              | 826,665            |
| Fire Prevention and Safety                     | 2,000                | -                    | 2,000              |
| Total                                          | <u>\$ 22,536,000</u> | <u>\$ 22,454,228</u> | <u>\$ 81,772</u>   |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2025

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**District-Wide Financial Analysis**

**Statement of Net Position:**

The District's net position is \$63,098,935.

The District's financial position is the product of many factors. However, several events of the last year stand out:

- Current assets consist of cash and investments of \$19,269,487, which is in a shared pool of investments managed by the township's treasurer, \$34,509 of cash maintained at the District and \$17,325,498 of investments maintained at the District.
- Net capital assets at June 30, 2025, totaled \$44,145,611.
- Current liabilities consist of the portion of the outstanding bonds and leases due within the next fiscal year of \$574,893.
- Long-term liabilities include the portion of the outstanding bonds, bond premiums, and leases due after one year of \$17,101,277.

| <b>Table 2</b>                                         |                      |                      |
|--------------------------------------------------------|----------------------|----------------------|
| <b>Statement of Net Position - Modified Cash Basis</b> |                      |                      |
|                                                        | <b>2025</b>          | <b>2024</b>          |
| Current and other assets                               | \$ 36,629,494        | \$ 21,367,774        |
| Capital assets, net                                    | 44,145,611           | 43,116,107           |
| <b>Total assets</b>                                    | <b>80,775,105</b>    | <b>64,483,881</b>    |
| Current liabilities                                    | 574,893              | 1,215,979            |
| Noncurrent liabilities                                 | 17,101,277           | -                    |
| <b>Total liabilities</b>                               | <b>17,676,170</b>    | <b>1,215,979</b>     |
| Net position:                                          |                      |                      |
| Net investment in capital assets                       | 36,923,148           | 41,953,281           |
| Restricted                                             | 12,840,977           | 6,661,447            |
| Unrestricted                                           | 13,334,810           | 14,653,174           |
| <b>Total net position</b>                              | <b>\$ 63,098,935</b> | <b>\$ 63,267,902</b> |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

**Statement of Activities:**

The District's total general revenues were \$19,226,684, of which taxes represent \$7,714,366, and Evidence-based funding of \$10,240,522.

District charges for services along with State and Federal aid for specific programs brought in \$9,928,689 in revenues (includes on-behalf contributions from the State of Illinois of \$2,876,385).

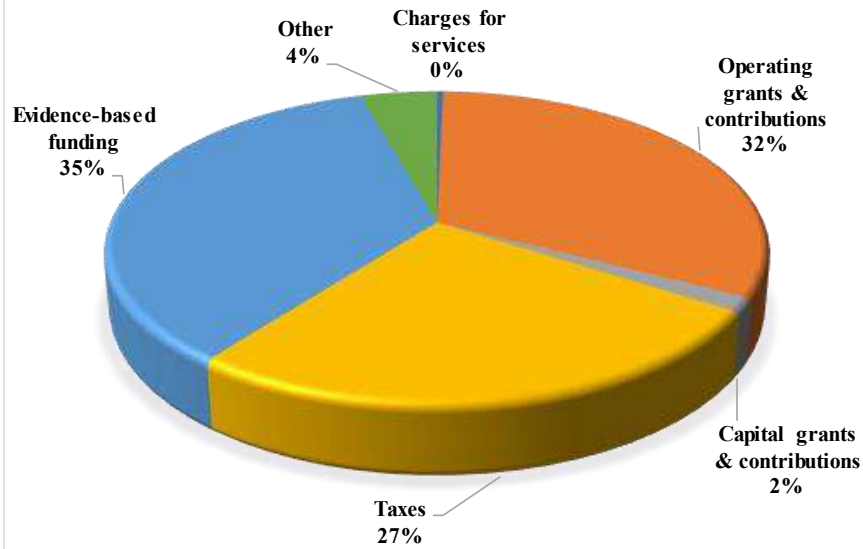
The total cost of all programs and services was \$29,324,340. The District's expenses are predominantly related to instruction and support services. Other major expenses were incurred to cover the cost of outside special education services, building operations and transportation (includes on-behalf contributions from the State of Illinois of \$2,876,385).

| <b>Table 3</b>                                       |                      |                      |                                   |
|------------------------------------------------------|----------------------|----------------------|-----------------------------------|
| <b>Statement of Activities - Modified Cash Basis</b> |                      |                      |                                   |
|                                                      | <b>2025</b>          | <b>2024</b>          | <b>Increase<br/>(Decrease) \$</b> |
| <b>Revenues:</b>                                     |                      |                      |                                   |
| Program revenues:                                    |                      |                      |                                   |
| Charges for services                                 | \$ 102,085           | \$ 72,854            | \$ 29,231                         |
| Operating grants & contributions                     | 9,402,480            | 9,852,922            | (450,442)                         |
| Capital grants & contributions                       | 424,124              | 343,377              | 80,747                            |
|                                                      | <u>9,928,689</u>     | <u>10,269,153</u>    | <u>(340,464)</u>                  |
| General revenues:                                    |                      |                      |                                   |
| Taxes                                                | 7,714,366            | 7,098,360            | 616,006                           |
| Evidence-based funding                               | 10,240,522           | 9,636,612            | 603,910                           |
| Other                                                | 1,271,796            | 518,964              | 752,832                           |
|                                                      | <u>19,226,684</u>    | <u>17,253,936</u>    | <u>1,972,748</u>                  |
| <b>Total revenue</b>                                 | <u>29,155,373</u>    | <u>27,523,089</u>    | <u>1,632,284</u>                  |
| <b>Expenses:</b>                                     |                      |                      |                                   |
| Instruction                                          | 8,598,128            | 8,473,924            | 124,204                           |
| Support services                                     | 17,364,054           | 12,976,865           | 4,387,189                         |
| Community services                                   | 132,420              | 125,514              | 6,906                             |
| Non-programmed charges                               | 2,553,224            | 1,593,610            | 959,614                           |
| Other                                                | 676,514              | 55,999               | 620,515                           |
| <b>Total expenses</b>                                | <u>29,324,340</u>    | <u>23,225,912</u>    | <u>6,098,428</u>                  |
| Change in net position                               | (168,967)            | 4,297,177            | <u>\$ (4,466,144)</u>             |
| Net Position - Beginning                             | <u>63,267,902</u>    | <u>58,970,725</u>    |                                   |
| Net Position - Ending                                | <u>\$ 63,098,935</u> | <u>\$ 63,267,902</u> |                                   |

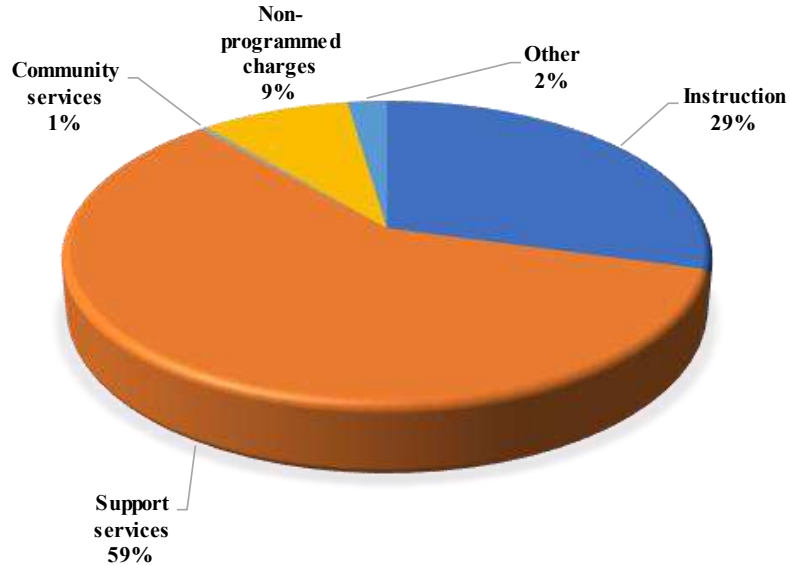
**HAZEL CREST SCHOOL DISTRICT 152.5**  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2025

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**DISTRICT REVENUES FY 2025**



**DISTRICT EXPENSES FY 2025**



**HAZEL CREST SCHOOL DISTRICT 152.5**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**Capital Asset and Long-Term Debt**

**Capital Assets**

As of June 30, 2025, the District has invested \$44,145,611 (net of depreciation and amortization) in a broad range of capital assets, including land, buildings, improvements, equipment (i.e. computer, audio-visual, transportation and maintenance equipment and furniture), and lease assets (i.e. office equipment). This amount represents a net increase (including additions and deductions) of \$1,029,504.

| <b>Table 4</b>                                               |                      |                      |
|--------------------------------------------------------------|----------------------|----------------------|
| <b>Capital Assets (net of depreciation and amortization)</b> |                      |                      |
|                                                              | <b>2025</b>          | <b>2024</b>          |
| Land                                                         | \$ 280,244           | \$ 280,244           |
| Buildings                                                    | 51,961,591           | 50,726,725           |
| Improvements                                                 | 1,363,007            | 837,177              |
| Equipment                                                    | 2,526,694            | 2,182,976            |
| Lease assets - equipment                                     | 313,551              | 212,129              |
| Total                                                        | 56,445,087           | 54,239,251           |
| Total accumulated depreciation and amortization              | 12,299,476           | 11,123,144           |
| Net Capital Assets                                           | <u>\$ 44,145,611</u> | <u>\$ 43,116,107</u> |

**Long-Term Debt**

As of June 30, 2025, the District had \$16,700,000 in general obligation bonds outstanding, a bond premium of \$715,415, and \$260,755 in leases outstanding.

| <b>Table 5</b>                    |                      |                     |
|-----------------------------------|----------------------|---------------------|
| <b>Outstanding Long-Term Debt</b> |                      |                     |
|                                   | <b>2025</b>          | <b>2024</b>         |
| General obligation bonds          | \$ 16,700,000        | \$ 1,110,000        |
| Bond premium                      | 715,415              | -                   |
| Lease liability                   | 260,755              | 52,826              |
| Total                             | <u>\$ 17,676,170</u> | <u>\$ 1,162,826</u> |

- The state limits the amount of general obligation debt that the District can issue to 6.9% of the assessed value of all taxable property within the District's limits.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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**Factors Bearing on the District's Future**

- The District relies on state funding via Evidence-based funding for operational purposes as they are a Tier I school district. On November 13, 2024, the District issued \$7,000,000 General Obligation Debt Certificates (Limited Tax) for the purpose of improving school sites and altering, repairing, and equipping school buildings and facilities. The certificates bear interest at the initial rate of 5.50 percent per annum from the delivery date through and including March 12, 2025. Beginning March 13, 2025, the interest rate reset to 6.00 percent with a maturity date of December 1, 2034.
- In February 2025, the District issued \$16,700,000 in General Obligation Limited Tax School Bonds, Series 2025. This new Bond issue has an average coupon or interest rate of 4.76 percent, with a maturity date of December 1, 2049. Part of the Bonds proceeds were used to pay off the \$7,000,000 of debt certificates dated November 13, 2024 and for the costs of demolition of the existing educational facility. The remaining amount will be used for the future construction of a new two story facility, which will house the District administrative offices and conference spaces, an 800 seat auditorium, multipurpose meeting rooms, kitchen, and support spaces. The District will contribute approximately \$2,000,000 of operating funds to complete the Project. The District expects to start construction on the Project in the next few months.
- In 2025 the District acquired a property across the future construction site. Eventually the small building on the property will be torn down and converted into a parking lot.
- The District was awarded an EV Grant / ComEd rebate and is in the process of acquiring six electric buses, which are funded through this grant. Currently, the District has a contract for student bus service with Illinois School Bus Company Inc. Once all six EV buses are acquired, the District is planning to collaborate with its existing busing service company to operate these buses.
- The District is currently obtaining competitive quotes to install six EV bus charging stations, which will be located at the rear of the District's administration building. The cost of the EV buses is covered by the State EV grant and the ComEd rebate. A portion of the cost for the EV bus chargers and their installation is covered by the State EV grant, and the District may also receive a rebate from ComEd for the chargers.

**Request for Information**

This financial report is designed to provide a general overview of the District's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to Business Services, 1223 173rd Street, East Hazel Crest, Illinois 60429.

## **BASIC FINANCIAL STATEMENTS**

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**STATEMENT OF NET POSITION - MODIFIED CASH BASIS**  
**JUNE 30, 2025**

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|                                                                  | Governmental<br>Activities      |
|------------------------------------------------------------------|---------------------------------|
| <b>ASSETS</b>                                                    |                                 |
| Cash and investments - pooled accounts                           | \$ 19,269,487                   |
| Cash at district                                                 | 34,509                          |
| Investments at district                                          | 17,325,498                      |
| Capital assets not being depreciated or amortized                | 280,244                         |
| Capital assets, net of accumulated depreciation and amortization | <u>43,865,367</u>               |
| <br>Total Assets                                                 | <br><u><u>\$ 80,775,105</u></u> |
| <b>LIABILITIES</b>                                               |                                 |
| Due within one year                                              | \$ 574,893                      |
| Due in more than one year                                        | <u>17,101,277</u>               |
| <br>Total Liabilities                                            | <br><u>17,676,170</u>           |
| <b>NET POSITION</b>                                              |                                 |
| Net investment in capital assets                                 | 36,923,148                      |
| Restricted for                                                   |                                 |
| Transportation                                                   | 3,995,517                       |
| Municipal retirement/social security                             | 1,874,362                       |
| Debt service                                                     | 168,226                         |
| Capital projects                                                 | 6,618,588                       |
| Fire prevention and safety                                       | 184,284                         |
| Unrestricted                                                     | <u>13,334,810</u>               |
| <br>Total Net Position                                           | <br><u>63,098,935</u>           |
| <br>Total Liabilities and Net Position                           | <br><u><u>\$ 80,775,105</u></u> |

*The accompanying notes are an integral part of the financial statements.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

| Functions/Programs                  | Expenses             | Program Revenues  |                     |                   | Net (Expense)        |
|-------------------------------------|----------------------|-------------------|---------------------|-------------------|----------------------|
|                                     |                      | Charges for       | Operating           | Capital           | Revenue and          |
|                                     |                      | Services          | Grants and          | Grants and        | Changes in           |
|                                     |                      |                   | Contributions       | Contributions     | Net Position         |
|                                     |                      |                   |                     |                   | Total                |
|                                     |                      |                   |                     |                   | Governmental         |
|                                     |                      |                   |                     |                   | Activities           |
| Governmental Activities             |                      |                   |                     |                   |                      |
| Instructional services              |                      |                   |                     |                   |                      |
| Regular programs                    | \$ 5,120,646         | \$ 34,563         | \$ 2,491,767        | \$ 24,124         | \$ (2,570,192)       |
| Special programs                    | 1,746,391            | -                 | 2,016,064           | -                 | 269,673              |
| Other instructional programs        | 215,759              | -                 | 82,815              | -                 | (132,944)            |
| Student activities                  | 69,124               | 67,522            | -                   | -                 | (1,602)              |
| State retirement contributions      | 1,446,208            | -                 | 1,446,208           | -                 | -                    |
| Support services                    |                      |                   |                     |                   |                      |
| Pupils                              | 1,538,317            | -                 | -                   | -                 | (1,538,317)          |
| Instructional staff                 | 2,513,727            | -                 | 53,418              | -                 | (2,460,309)          |
| General administration              | 2,716,070            | -                 | -                   | -                 | (2,716,070)          |
| School administration               | 1,324,944            | -                 | -                   | -                 | (1,324,944)          |
| Business                            | 1,684,274            | -                 | 914,751             | -                 | (769,523)            |
| Operation and                       |                      |                   |                     |                   |                      |
| maintenance of facilities           | 4,257,209            | -                 | -                   | 400,000           | (3,857,209)          |
| Transportation                      | 1,568,394            | -                 | 967,280             | -                 | (601,114)            |
| Central                             | 28,983               | -                 | -                   | -                 | (28,983)             |
| Other                               | 301,959              | -                 | -                   | -                 | (301,959)            |
| State retirement contributions      | 1,430,177            | -                 | 1,430,177           | -                 | -                    |
| Community services                  | 132,420              | -                 | -                   | -                 | (132,420)            |
| Non-programmed charges              | 2,553,224            | -                 | -                   | -                 | (2,553,224)          |
| Interest on long-term               |                      |                   |                     |                   |                      |
| liabilities and fiscal charges      | 676,514              | -                 | -                   | -                 | (676,514)            |
| Total governmental activities       | <u>\$ 29,324,340</u> | <u>\$ 102,085</u> | <u>\$ 9,402,480</u> | <u>\$ 424,124</u> | <u>(19,395,651)</u>  |
| <b>General revenues</b>             |                      |                   |                     |                   |                      |
| Property taxes levied for           |                      |                   |                     |                   |                      |
| Current operating purposes          |                      |                   |                     |                   | 6,345,956            |
| Debt service                        |                      |                   |                     |                   | 1,083,354            |
| Intergovernmental - unrestricted    |                      |                   |                     |                   |                      |
| Personal property replacement taxes |                      |                   |                     |                   | 285,056              |
| Evidence-based funding              |                      |                   |                     |                   | 10,240,522           |
| Earnings on investments             |                      |                   |                     |                   | 1,059,176            |
| Miscellaneous                       |                      |                   |                     |                   | 212,620              |
| Total general revenues              |                      |                   |                     |                   | <u>19,226,684</u>    |
| Change in net position              |                      |                   |                     |                   | (168,967)            |
| Net position, beginning of year     |                      |                   |                     |                   | <u>63,267,902</u>    |
| Net position, end of year           |                      |                   |                     |                   | <u>\$ 63,098,935</u> |

*The accompanying notes are an integral part of the financial statements.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**BALANCE SHEET - MODIFIED CASH BASIS**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2025**

|                                        | General              | Transportation      | Municipal<br>Retirement/<br>Social<br>Security | Debt<br>Service   |
|----------------------------------------|----------------------|---------------------|------------------------------------------------|-------------------|
| <b>ASSETS</b>                          |                      |                     |                                                |                   |
| Cash and investments - pooled accounts | \$ 12,362,669        | \$ 3,995,517        | \$ 2,213,262                                   | \$ 513,755        |
| Cash at district                       | 34,509               | -                   | -                                              | -                 |
| Investments at district                | 10,110,560           | -                   | -                                              | 121,240           |
| Total Assets                           | <u>\$ 22,507,738</u> | <u>\$ 3,995,517</u> | <u>\$ 2,213,262</u>                            | <u>\$ 634,995</u> |
| <b>LIABILITIES</b>                     | <u>\$ -</u>          | <u>\$ -</u>         | <u>\$ -</u>                                    | <u>\$ -</u>       |
| <b>FUND BALANCES</b>                   |                      |                     |                                                |                   |
| Restricted                             |                      |                     |                                                |                   |
| Transportation                         | -                    | 3,995,517           | -                                              | -                 |
| Municipal retirement/social security   | -                    | -                   | 1,874,362                                      | -                 |
| Debt service                           | -                    | -                   | -                                              | 168,226           |
| Capital projects                       | -                    | -                   | -                                              | -                 |
| Fire prevention and safety             | -                    | -                   | -                                              | -                 |
| Assigned                               |                      |                     |                                                |                   |
| Student activities                     | 27,259               | -                   | -                                              | -                 |
| Municipal retirement/social security   | -                    | -                   | 338,900                                        | -                 |
| Debt service                           | -                    | -                   | -                                              | 466,769           |
| Capital projects                       | -                    | -                   | -                                              | -                 |
| Unassigned                             | 22,480,479           | -                   | -                                              | -                 |
| Total Fund Balances                    | <u>22,507,738</u>    | <u>3,995,517</u>    | <u>2,213,262</u>                               | <u>634,995</u>    |
| Total Liabilities and Fund Balances    | <u>\$ 22,507,738</u> | <u>\$ 3,995,517</u> | <u>\$ 2,213,262</u>                            | <u>\$ 634,995</u> |

*The accompanying notes are an integral part of the financial statements.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**BALANCE SHEET - MODIFIED CASH BASIS (CONTINUED)**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2025**

|                                        | Capital<br>Projects | Fire<br>Prevention<br>and Safety | Total                |
|----------------------------------------|---------------------|----------------------------------|----------------------|
| <b>ASSETS</b>                          |                     |                                  |                      |
| Cash and investments - pooled accounts | \$ -                | \$ 184,284                       | \$ 19,269,487        |
| Cash at district                       | -                   | -                                | 34,509               |
| Investments at district                | 7,093,698           | -                                | 17,325,498           |
|                                        | <u>7,093,698</u>    | <u>-</u>                         | <u>17,325,498</u>    |
| Total Assets                           | <u>\$ 7,093,698</u> | <u>\$ 184,284</u>                | <u>\$ 36,629,494</u> |
| <b>LIABILITIES</b>                     | <u>\$ -</u>         | <u>\$ -</u>                      | <u>\$ -</u>          |
| <b>FUND BALANCES</b>                   |                     |                                  |                      |
| Restricted                             |                     |                                  |                      |
| Transportation                         | -                   | -                                | 3,995,517            |
| Municipal retirement/social security   | -                   | -                                | 1,874,362            |
| Debt service                           | -                   | -                                | 168,226              |
| Capital projects                       | 6,618,588           | -                                | 6,618,588            |
| Fire prevention and safety             | -                   | 184,284                          | 184,284              |
| Assigned                               |                     |                                  |                      |
| Student activities                     | -                   | -                                | 27,259               |
| Municipal retirement/social security   | -                   | -                                | 338,900              |
| Debt service                           | -                   | -                                | 466,769              |
| Capital projects                       | 475,110             | -                                | 475,110              |
| Unassigned                             | -                   | -                                | 22,480,479           |
|                                        | <u>-</u>            | <u>-</u>                         | <u>22,480,479</u>    |
| Total Fund Balances                    | <u>7,093,698</u>    | <u>184,284</u>                   | <u>36,629,494</u>    |
| Total Liabilities and Fund Balances    | <u>\$ 7,093,698</u> | <u>\$ 184,284</u>                | <u>\$ 36,629,494</u> |

*The accompanying notes are an integral part of the financial statements.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS**  
**JUNE 30, 2025**

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|                                                                                                                                          |                             |
|------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| Total fund balances - governmental funds                                                                                                 | \$ 36,629,494               |
| Amounts reported for governmental activities in the statement of net position - modified cash basis<br>are different because:            |                             |
| Capital assets used in governmental activities are not financial resources, and therefore, are<br>not reported in the governmental funds | 44,145,611                  |
| Long-term liabilities are not due and payable in the current period and,<br>therefore, are not reported in the governmental funds:       |                             |
| General obligation bonds                                                                                                                 | (16,700,000)                |
| Bond premium                                                                                                                             | (715,415)                   |
| Lease liability                                                                                                                          | <u>(260,755)</u>            |
| Net position of governmental activities                                                                                                  | <u><u>\$ 63,098,935</u></u> |

*The accompanying notes are an integral part of the financial statements.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,**  
**AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

|                                                                                 | General       | Transportation | Municipal<br>Retirement/<br>Social<br>Security | Debt<br>Service |
|---------------------------------------------------------------------------------|---------------|----------------|------------------------------------------------|-----------------|
| <b>REVENUES RECEIVED</b>                                                        |               |                |                                                |                 |
| Local sources                                                                   |               |                |                                                |                 |
| Property taxes                                                                  | \$ 5,725,283  | \$ 317,624     | \$ 303,049                                     | \$ 1,083,354    |
| Personal property replacement taxes                                             | 246,556       | -              | 38,500                                         | -               |
| Earnings on investments                                                         | 683,509       | 143,515        | 77,474                                         | 7,254           |
| Student activities                                                              | 67,522        | -              | -                                              | -               |
| Other                                                                           | 247,183       | -              | -                                              | -               |
| Evidence-based funding                                                          | 9,701,755     | -              | -                                              | 63,657          |
| Restricted state aid                                                            | 1,232,745     | 967,280        | -                                              | -               |
| Restricted federal aid                                                          | 4,750,194     | -              | -                                              | -               |
| State retirement contributions                                                  | 3,016,389     | -              | -                                              | -               |
| Total Revenues Received                                                         | 25,671,136    | 1,428,419      | 419,023                                        | 1,154,265       |
| <b>EXPENDITURES DISBURSED</b>                                                   |               |                |                                                |                 |
| Current                                                                         |               |                |                                                |                 |
| Instruction                                                                     | 8,530,294     | -              | 138,226                                        | -               |
| Support services                                                                | 14,618,869    | 1,564,675      | 350,456                                        | -               |
| Community services                                                              | 125,125       | -              | 7,295                                          | -               |
| Non-programmed charges                                                          | 2,553,224     | -              | -                                              | -               |
| Capital outlay                                                                  | 1,492,880     | -              | -                                              | -               |
| Debt service                                                                    |               |                |                                                |                 |
| Principal                                                                       | -             | -              | -                                              | 8,162,796       |
| Interest and fiscal charges                                                     | -             | -              | -                                              | 686,250         |
| Total Expenditures Disbursed                                                    | 27,320,392    | 1,564,675      | 495,977                                        | 8,849,046       |
| Excess (deficiency) of revenues received<br>over (under) expenditures disbursed | (1,649,256)   | (136,256)      | (76,954)                                       | (7,694,781)     |
| <b>OTHER FINANCING SOURCES</b>                                                  |               |                |                                                |                 |
| Issuance of lease                                                               | 313,551       | -              | -                                              | -               |
| Principal on bonds sold                                                         | 9,322,893     | -              | -                                              | 7,377,107       |
| Premium on bonds sold                                                           | 606,088       | -              | -                                              | 119,063         |
| Principal on debt certificates sold                                             | -             | -              | -                                              | 33,700          |
| Total Other Financing Sources                                                   | 10,242,532    | -              | -                                              | 7,529,870       |
| Net change in fund balances                                                     | 8,593,276     | (136,256)      | (76,954)                                       | (164,911)       |
| Fund balances at beginning of year                                              | 13,914,462    | 4,131,773      | 2,290,216                                      | 799,906         |
| Fund balances at end of year                                                    | \$ 22,507,738 | \$ 3,995,517   | \$ 2,213,262                                   | \$ 634,995      |

*The accompanying notes are an integral part of the financial statements.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,**  
**AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS (CONTINUED)**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

|                                                                                 | Capital<br>Projects | Fire<br>Prevention<br>and Safety | Total                |
|---------------------------------------------------------------------------------|---------------------|----------------------------------|----------------------|
| <b>REVENUES RECEIVED</b>                                                        |                     |                                  |                      |
| Local sources                                                                   |                     |                                  |                      |
| Property taxes                                                                  | \$ -                | \$ -                             | \$ 7,429,310         |
| Personal property replacement taxes                                             | -                   | -                                | 285,056              |
| Earnings on investments                                                         | 140,443             | 6,981                            | 1,059,176            |
| Student activities                                                              | -                   | -                                | 67,522               |
| Other                                                                           | -                   | -                                | 247,183              |
| Evidence-based funding                                                          | 475,110             | -                                | 10,240,522           |
| Restricted state aid                                                            | -                   | -                                | 2,200,025            |
| Restricted federal aid                                                          | -                   | -                                | 4,750,194            |
| State retirement contributions                                                  | -                   | -                                | 3,016,389            |
|                                                                                 | <u>615,553</u>      | <u>6,981</u>                     | <u>29,295,377</u>    |
| Total Revenues Received                                                         |                     |                                  |                      |
|                                                                                 | <u>615,553</u>      | <u>6,981</u>                     | <u>29,295,377</u>    |
| <b>EXPENDITURES DISBURSED</b>                                                   |                     |                                  |                      |
| Current                                                                         |                     |                                  |                      |
| Instruction                                                                     | -                   | -                                | 8,668,520            |
| Support services                                                                | -                   | -                                | 16,534,000           |
| Community services                                                              | -                   | -                                | 132,420              |
| Non-programmed charges                                                          | -                   | -                                | 2,553,224            |
| Capital outlay                                                                  | 489,116             | -                                | 1,981,996            |
| Debt service                                                                    |                     |                                  |                      |
| Principal                                                                       | -                   | -                                | 8,162,796            |
| Interest and fiscal charges                                                     | -                   | -                                | 686,250              |
|                                                                                 | <u>489,116</u>      | <u>-</u>                         | <u>38,719,206</u>    |
| Total Expenditures Disbursed                                                    |                     |                                  |                      |
|                                                                                 | <u>489,116</u>      | <u>-</u>                         | <u>38,719,206</u>    |
| Excess (deficiency) of revenues received<br>over (under) expenditures disbursed | <u>126,437</u>      | <u>6,981</u>                     | <u>(9,423,829)</u>   |
| <b>OTHER FINANCING SOURCES</b>                                                  |                     |                                  |                      |
| Issuance of lease                                                               | -                   | -                                | 313,551              |
| Principal on bonds sold                                                         | -                   | -                                | 16,700,000           |
| Premium on bonds sold                                                           | -                   | -                                | 725,151              |
| Principal on debt certificates sold                                             | 6,966,300           | -                                | 7,000,000            |
|                                                                                 | <u>6,966,300</u>    | <u>-</u>                         | <u>24,738,702</u>    |
| Total Other Financing Sources                                                   |                     |                                  |                      |
|                                                                                 | <u>6,966,300</u>    | <u>-</u>                         | <u>24,738,702</u>    |
| Net change in fund balances                                                     | 7,092,737           | 6,981                            | 15,314,873           |
| Fund balances at beginning of year                                              | <u>961</u>          | <u>177,303</u>                   | <u>21,314,621</u>    |
| Fund balances at end of year                                                    | <u>\$ 7,093,698</u> | <u>\$ 184,284</u>                | <u>\$ 36,629,494</u> |

*The accompanying notes are an integral part of the financial statements.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**RECONCILIATION OF THE STATEMENT OF REVENUES RECEIVED,**  
**EXPENDITURES DISBURSED, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

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|                                                                                                                                                                                                                                                          |                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| Net change in fund balances - total governmental funds                                                                                                                                                                                                   | \$ 15,314,873              |
| Amounts reported for governmental activities in the statement of activities - modified cash basis are different because:                                                                                                                                 |                            |
| Governmental funds report capital outlay as expenditures. However, in the statement of activities - modified cash basis, the cost of these assets are allocated over their estimated useful lives and reported as depreciation and amortization expense. |                            |
| Capital outlay reported in the governmental funds                                                                                                                                                                                                        | 2,417,965                  |
| Depreciation and amortization expense reported in the statement of activities - modified cash basis                                                                                                                                                      | (1,332,176)                |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of the governmental funds:                                        |                            |
| Repayment of bond principal                                                                                                                                                                                                                              | 1,110,000                  |
| Repayment of lease liability                                                                                                                                                                                                                             | 52,796                     |
| Repayment of debt certificate principal                                                                                                                                                                                                                  | 7,000,000                  |
| Amortization of bond premium                                                                                                                                                                                                                             | 9,736                      |
| Bond proceeds                                                                                                                                                                                                                                            | (16,700,000)               |
| Premium on bond proceeds                                                                                                                                                                                                                                 | (725,151)                  |
| Debt certificate proceeds                                                                                                                                                                                                                                | (7,000,000)                |
| Issuance of lease                                                                                                                                                                                                                                        | (313,551)                  |
| Loss on cancellation of lease                                                                                                                                                                                                                            | (3,459)                    |
|                                                                                                                                                                                                                                                          | <hr/>                      |
| Change in net position of governmental activities                                                                                                                                                                                                        | <u><u>\$ (168,967)</u></u> |

*The accompanying notes are an integral part of the financial statements.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. REPORTING ENTITY**

Hazel Crest School District 152.5 (the District) operates as a public school system governed by an elected seven-member board. The District serves the communities of Hazel Crest, East Hazel Crest, Markham, and South Harvey, Illinois. Its accounting structure conforms to the guidelines prescribed by the Illinois State Board of Education for public local educational agencies in the State of Illinois.

The accompanying financial statements of the District have been prepared in conformity with the modified cash basis of accounting, which is a special purpose framework other than 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. Although these financial statements are not prepared in accordance with generally accepted accounting principles, they follow the presentation format and include similar disclosures required by GAAP.

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

**B. BASIS OF PRESENTATION**

Government-Wide Financial Statements

The Statement of Net Position – Modified Cash Basis and the Statement of Activities – Modified Cash Basis display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements present governmental activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities – Modified Cash Basis presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (1) charges paid by the recipients of goods or services offered by the programs and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes are presented as general revenues.

Fund Financial Statements

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All of the District's governmental funds are considered major funds.

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use, and balances of the District's expendable financial resources and the related liabilities (arising from cash transactions) are accounted for through governmental funds.

The General Fund is the general operating fund of the District. It accounts for all financial resources except those accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and government aid. The General Fund includes the Educational, Operations and Maintenance, Working Cash, and Tort Immunity sub-funds.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. BASIS OF PRESENTATION (CONTINUED)**

The Transportation Fund is a special revenue fund used to account for the costs of transporting pupils for any purpose. Revenue is derived primarily from a separate tax levy and state grants.

The Municipal Retirement/Social Security Fund is a special revenue fund created when a separate tax is levied for the purpose of providing resources for the District's share of retirement benefits and/or social security and Medicare payment for covered employees.

The Debt Service Fund is a debt service fund maintained to account for separate taxes levied to provide cash to retire bonds and to pay the interest and other related costs.

The Capital Projects Fund is a capital projects fund created to account for financial resources to be used for the acquisition or construction of major capital facilities.

The Fire Prevention and Safety Fund is a capital projects fund created when a tax is levied or bonds issued for fire prevention, safety, energy conservation or school security purposes. The moneys received from the levy or the proceeds of the bonds issued may only be used for the purposes stipulated in Section 17-2.11 of the Illinois School Code.

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING**

**Government-Wide Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus. Basis of accounting refers to when revenues and expenses are recognized in the accounts and how they are reported on the financial statements. The government-wide financial statements are reported in these financial statements using the modified cash basis of accounting. Accordingly, revenues are recognized and recorded in the accounts when cash is collected.

In the same manner expenses, except for depreciation and amortization, are recognized and recorded upon the payments of cash. Assets are only recorded when a right to collect cash exists, which arises from a previous cash transaction or upon the payments of cash to acquire capital assets. Liabilities, similarly, result from previous cash transactions. Modified cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

The presentation in these financial statements differs from GAAP, which require that the government-wide financial statements be reported using the accrual basis of accounting. Under the accrual basis of accounting revenues would be recorded when earned and expenses would be recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes would be recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations would be recognized in the fiscal year in which all eligibility requirements have been satisfied.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (CONTINUED)**

Governmental Fund Financial Statements

Governmental funds are reported in these financial statements using the current financial resources measurement focus and the cash basis of accounting. The financial statements of all governmental funds focus on the measurement of spending or financial flow and the determination of changes in financial position rather than upon net income determination. This means that only current assets and current liabilities are generally included on their statements of assets and liabilities arising from cash transactions. Their reported fund balance is considered a measure of available spendable resources. Governmental fund operating statements present increases (cash collected and other financing sources) and decreases (cash payments and other financing uses) in fund balance. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period. General capital asset acquisitions are reported as expenditures disbursed in governmental funds upon the payments of cash or the acquisition of a lease. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

The governmental funds presented in these financial statements are reported on the modified cash basis of accounting. Accordingly, revenues are recognized and recorded in the accounts when cash is collected. In the same manner expenditures are recognized and recorded upon the payments of cash. Assets of a fund are only recorded when a right to collect cash exists, which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

The presentation in these financial statements differs from generally accepted accounting principles, which require that the governmental fund financial statements be reported using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues would be recognized when measurable and available. Expenditures would be recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which would be recognized as expenditures to the extent they have matured.

**D. CASH AND INVESTMENTS**

The Thornton Township School Treasurer is the official custodian of monies for the school districts within the township, including the District, as prescribed by Chapter 105, Section 5, Article 8 of the *Illinois Compiled Statutes* (ILCS). The Thornton Township School Treasurer's Office (the Treasurer's Office), a legally separate entity under the oversight of the Thornton Township Trustees of Schools, maintains an external investment pool in which it invests the District's funds. The Thornton Township School Treasurer is separately audited and is not included in these financial statements. Financial information may be obtained directly from the Thornton Township School Treasurer at 16333 South Kilbourn Avenue, Suite 5220, Oak Forest, Illinois 60452.

The District's cash, displayed as Cash at district on the governmental funds balance sheet, is maintained in checking accounts at financial institutions.

The District's equity in the Treasurer's Office external investment pool is reported at net asset value and displayed as Cash and investments – pooled accounts on the governmental funds balance sheet. Interest earned on the District's equity in the Treasurer's Office external investment pool is recognized quarterly.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. CAPITAL ASSETS**

Capital assets are defined by the District as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated or amortized using the straight-line method over the following estimated useful lives:

| <u>Asset Class</u> | <u>Estimated Useful<br/>Lives</u> |
|--------------------|-----------------------------------|
| Building           | 50 years                          |
| Improvements       | 20 years                          |
| Equipment          | 10 years                          |
| Lease assets       | Term of agreement                 |

The District maintains totals for each asset class rather than maintaining detailed property records for the historical cost of individual capital assets. Each class of capital assets is increased by the amount of additions during the year. Fully depreciated equipment and improvements are assumed to be retired at the end of their estimated useful lives and are removed from the capital asset and accumulated depreciation accounts in the year after they become fully depreciated.

**F. LEASES**

At the commencement of a lease, the District measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made, less any lease incentives received, at or before commencement of the lease term, plus initial direct costs that are ancillary charges necessary to place the lease asset into service. The lease assets are generally amortized on a straight-line basis over the shorter of the lease term or the asset's useful life.

The District generally uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

**G. PERSONAL PROPERTY REPLACEMENT TAXES**

Personal property replacement tax revenues are first allocated to the Municipal Retirement/Social Security Fund, with the balance allocated to the remaining funds at the discretion of the District.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. NET POSITION AND FUND BALANCE**

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

- *Net investment in capital assets* – Consists of capital assets, net of accumulated depreciation and amortization or other liabilities that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* – Consists of net position with constraints placed on its use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- *Unrestricted* – All other net position that does not meet the definition of restricted or net investment in capital assets.

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

Fund Balance is reported in the fund financial statements in the following five categories:

- *Nonspendable* – This includes amounts not in spendable form or amounts required to be maintained intact legally or contractually (principal endowment) (e.g. inventory, pre-paid items, permanent scholarships).
- *Restricted* – This represents fund balances that are constrained by external parties, constitutional provisions, or enabling legislation (e.g. restrictions imposed by creditors, grantors, and contributors).
- *Committed* – This represents fund balances that contain self-imposed constraints of the District from its highest level of decision-making authority, the Board of Education. This formal action (a resolution) must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to constraints, may be determined in the subsequent period. Those committed amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.
- *Assigned* – This represents fund balances that contain self-imposed constraints of the District to be used for a particular purpose. Intent should be expressed by a) the governing body itself or b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.
- *Unassigned* – This includes residual positive fund balance within the General Fund, which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative fund balances in other funds.

It is the District's policy to consider restricted resources to have been spent first when expenditures are incurred, followed by committed and then assigned. Finally, unassigned amounts are used only after the other resources have been used.

**Minimum Fund Balance Policy**

The District has adopted a policy to maintain fund balances adequate to ensure the District's ability to maintain levels of service and pay its obligations in a prompt manner in spite of unforeseen events or unexpected expenditures. The District seeks to maintain a year end fund balances to revenue ratio of no less than 15-20 percent, as calculated under the Illinois State Board of Education's School District Financial Profile.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I. ELIMINATIONS AND RECLASSIFICATIONS**

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

**NOTE 2. DEPOSITS AND INVESTMENTS**

The District is allowed to invest in securities as authorized by the ILCS, Chapter 30, Sections 235/2 and 235/6; and Chapter 105, Section 5/8-7.

The District's policy to manage credit risk and interest rate risk is to invest all funds, except for imprest and activity funds, in the external investment pool managed by the Treasurer's Office. The District's policy to manage custodial credit risk is to have all bank balances fully insured or collateralized.

*Custodial Credit Risk – Cash:* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2025, none of the District's bank balances of \$35,205 were exposed to custodial credit risk.

*Interest Rate Risk:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The following table presents a summarization of investments at June 30, 2025 using the segmented time distribution method:

| Investment Type                               | Amount        | Investment Maturities |                      |
|-----------------------------------------------|---------------|-----------------------|----------------------|
|                                               |               | Less than<br>One Year | One to<br>Five Years |
| Investments measured at fair value            |               |                       |                      |
| Municipal bond                                | \$ 1,014,624  | \$ 1,014,624          | \$ -                 |
| U.S. Treasuries                               | 2,021,264     | 2,021,264             | -                    |
| Certificates of deposit                       | 1,674,104     | 241,183               | 1,432,921            |
| Total investments measured at fair value      | 4,709,992     | 3,277,071             | 1,432,921            |
| Investments measured at net asset value       |               |                       |                      |
| External investment pools                     |               |                       |                      |
| Treasurer's Office                            | 19,269,487    | -                     | 19,269,487           |
| ISDLAF+                                       | 10,998,206    | 10,998,206            | -                    |
| Total investments measured at net asset value | 30,267,693    | 10,998,206            | 19,269,487           |
| Investments measured at amortized cost        |               |                       |                      |
| Certificates of deposit                       | 1,617,300     | 1,617,300             | -                    |
| Total investments measured at amortized cost  | 1,617,300     | 1,617,300             | -                    |
| Total Investments                             | \$ 36,594,985 | \$ 15,892,577         | \$ 20,702,408        |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)**

*Credit Risk – Investments:* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The following table presents a summarization of investments at June 30, 2025 by credit quality rating:

| Investment Type                               | Amount        | Credit Quality Rating (S&P) |               |
|-----------------------------------------------|---------------|-----------------------------|---------------|
|                                               |               | AA+                         | Not Rated     |
| Investments measured at fair value            |               |                             |               |
| Municipal bond                                | \$ 1,014,624  | \$ -                        | \$ 1,014,624  |
| U.S. Treasuries                               | 2,021,264     | 2,021,264                   | -             |
| Certificates of deposit                       | 1,674,104     | -                           | 1,674,104     |
| Total investments measured at fair value      | 4,709,992     | 2,021,264                   | 2,688,728     |
| Investments measured at net asset value       |               |                             |               |
| External investment pools                     |               |                             |               |
| Treasurer's Office                            | 19,269,487    | -                           | 19,269,487    |
| ISDLAF+                                       | 10,998,206    | -                           | 10,998,206    |
| Total investments measured at net asset value | 30,267,693    | -                           | 30,267,693    |
| Investments measured at amortized cost        |               |                             |               |
| Certificates of deposit                       | 1,617,300     | -                           | 1,617,300     |
| Total investments measured at amortized cost  | 1,617,300     | -                           | 1,617,300     |
| Total Investments                             | \$ 36,594,985 | \$ 2,021,264                | \$ 34,573,721 |

*Custodial Credit Risk – Investments:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have an investment policy for custodial credit risk.

*Concentration of Credit Risk:* Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. The District places no limit on the amount the District may invest in any one issuer. At June 30, 2025, the District did not have any investments in a single issuer exceeding 5 percent.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)**

*Fair Value Measurement of Investments:* The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation input 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 which include quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets that are not active; or using other inputs such as interest rates and yield curves at commonly quoted intervals, implied volatilities and credit spreads or market-corroborated inputs.

*Level 3* – Inputs are significant unobservable inputs.

The following table presents a summarization of investments within the fair value hierarchy at June 30, 2025:

| Investment Type                               | Amount        | Quoted Prices in<br>Active Markets<br>for Identical Assets<br>(Level 1) | Significant<br>Other<br>Observable Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |
|-----------------------------------------------|---------------|-------------------------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------|
| Investments measured at fair value            |               |                                                                         |                                                        |                                                    |
| Municipal bond                                | \$ 1,014,624  | \$ -                                                                    | \$ 1,014,624                                           | \$ -                                               |
| U.S. Treasuries                               | 2,021,264     | -                                                                       | 2,021,264                                              | -                                                  |
| Certificates of deposit                       | 1,674,104     | -                                                                       | 1,674,104                                              | -                                                  |
| Total investments measured at fair value      | 4,709,992     | \$ -                                                                    | \$ 4,709,992                                           | \$ -                                               |
| Investments measured at net asset value       |               |                                                                         |                                                        |                                                    |
| External investment pools                     |               |                                                                         |                                                        |                                                    |
| Treasurer's Office                            | 19,269,487    |                                                                         |                                                        |                                                    |
| ISDLAF+                                       | 10,998,206    |                                                                         |                                                        |                                                    |
| Total investments measured at net asset value | 30,267,693    |                                                                         |                                                        |                                                    |
| Investments measured at amortized cost        |               |                                                                         |                                                        |                                                    |
| Certificates of deposit                       | 1,617,300     |                                                                         |                                                        |                                                    |
| Total investments measured at amortized cost  | 1,617,300     |                                                                         |                                                        |                                                    |
| Total Investments                             | \$ 36,594,985 |                                                                         |                                                        |                                                    |

*Level 2 Measurements:* U.S. Treasuries and municipal bonds are generally valued by benchmarking model-derived prices to quoted market prices and trade data for identical or comparable securities. To the extent that quoted prices are not available, fair value is determined based on a valuation model that include inputs such as interest rate yield curves and credit spreads. Securities traded in markets that are not considered active are valued based on quoted market prices, broker to dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Securities that trade infrequently and therefore have little or no price transparency are valued using the investment manager's best estimates. Certain certificates of deposit are valued at cost plus accrued interest which approximates their fair value.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)**

*Net Asset Value (NAV):* Investments measured at net asset value at June 30, 2025 are as follows:

|                    | <u>Amount</u>               | <u>Redemption<br/>Frequency</u> | <u>Redemption<br/>Notice</u> |
|--------------------|-----------------------------|---------------------------------|------------------------------|
| Treasurer's Office | \$ 19,269,487               | Daily                           | 1 day                        |
| ISDLAF+            | <u>10,998,206</u>           | Daily                           | 1 day                        |
| Total              | <u><u>\$ 30,267,693</u></u> |                                 |                              |

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an investment trust formed pursuant to the ILCS to invest available funds so as to enhance their investment opportunities pursuant to an investment program conducted in accordance with the Laws of the State of Illinois. ISDLAF+ is not registered with the Securities and Exchange Commission (SEC) as an investment company. Investments are measured at a NAV of \$1.00 per share.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 3. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2025 was as follows:

|                                                             | Beginning<br>Balance | Increases           | Decreases        | Ending<br>Balance    |
|-------------------------------------------------------------|----------------------|---------------------|------------------|----------------------|
| Governmental Activities                                     |                      |                     |                  |                      |
| Capital assets not being depreciated<br>or amortized        |                      |                     |                  |                      |
| Land                                                        | \$ 280,244           | \$ -                | \$ -             | \$ 280,244           |
| Total capital assets not being<br>depreciated or amortized  | <u>280,244</u>       | <u>-</u>            | <u>-</u>         | <u>280,244</u>       |
| Capital assets being depreciated<br>or amortized            |                      |                     |                  |                      |
| Buildings                                                   | 50,726,725           | 1,234,866           | -                | 51,961,591           |
| Improvements                                                | 837,177              | 525,830             | -                | 1,363,007            |
| Equipment                                                   | 2,182,976            | 343,718             | -                | 2,526,694            |
| Lease assets - equipment                                    | 212,129              | 313,551             | 212,129          | 313,551              |
| Total capital assets being<br>depreciated or amortized      | <u>53,959,007</u>    | <u>2,417,965</u>    | <u>212,129</u>   | <u>56,164,843</u>    |
| Less accumulated depreciation<br>and amortization           |                      |                     |                  |                      |
| Buildings                                                   | 10,382,328           | 1,014,535           | -                | 11,396,863           |
| Improvements                                                | 434,998              | 41,859              | -                | 476,857              |
| Equipment                                                   | 149,974              | 218,298             | -                | 368,272              |
| Lease assets - equipment                                    | 155,844              | 57,484              | 155,844          | 57,484               |
| Total accumulated depreciation<br>and amortization          | <u>11,123,144</u>    | <u>1,332,176</u>    | <u>155,844</u>   | <u>12,299,476</u>    |
| Total capital assets being depreciated<br>or amortized, net | <u>42,835,863</u>    | <u>1,085,789</u>    | <u>56,285</u>    | <u>43,865,367</u>    |
| Governmental activities capital assets, net                 | <u>\$ 43,116,107</u> | <u>\$ 1,085,789</u> | <u>\$ 56,285</u> | <u>\$ 44,145,611</u> |

Depreciation and amortization expense is reported on the Statement of Activities – Modified Cash Basis as \$1,274,692 of depreciation charged to operation and maintenance of facilities and \$57,484 of amortization allocated to general administration.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 4. LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities during the year ended June 30, 2025.

|                                      | Beginning<br>Balance | Additions            | Reductions          | Ending<br>Balance    | Amounts<br>Due Within<br>One Year |
|--------------------------------------|----------------------|----------------------|---------------------|----------------------|-----------------------------------|
| General obligation bonds             | \$ 1,110,000         | \$ 16,700,000        | \$ 1,110,000        | \$ 16,700,000        | \$ 515,000                        |
| Bond premium                         | -                    | 725,151              | 9,736               | 715,415              | -                                 |
| General obligation debt certificates | -                    | 7,000,000            | 7,000,000           | -                    | -                                 |
| Lease liability                      | 52,826               | 313,551              | 105,622             | 260,755              | 59,893                            |
| Total                                | <u>\$ 1,162,826</u>  | <u>\$ 24,738,702</u> | <u>\$ 8,225,358</u> | <u>\$ 17,676,170</u> | <u>\$ 574,893</u>                 |

**A. GENERAL OBLIGATION BONDS**

General obligation bonds payable at June 30, 2025, are comprised of the following individual issue:

|                                                           |               |
|-----------------------------------------------------------|---------------|
| Bond Issue of February 19, 2025 General Obligation        |               |
| Limited Tax School Bonds, Series 2025                     | \$ 16,700,000 |
| Original Amount: \$16,700,000                             |               |
| Principal Payment: December 1st of each year              |               |
| Interest Payments: June 1st and December 1st of each year |               |
| Interest rate 4.375% - 5.000%                             |               |

**B. LEASE LIABILITY**

The District has entered into a lease agreement for copier equipment and recognized a lease liability and related lease asset. The agreement has a five-year term ending in July 2029 and has fixed monthly payments of \$5,787. All payments are paid out of the Debt Service Fund.

**C. ANNUAL DEBT SERVICE REQUIREMENTS TO MATURITY**

The annual debt service requirements to maturity, including principal and interest are as follows:

| Fiscal Year | General Obligation Bonds |                     | Lease Liability   |                  |
|-------------|--------------------------|---------------------|-------------------|------------------|
|             | Principal                | Interest            | Principal         | Interest         |
| 2026        | \$ 515,000               | \$ 794,037          | \$ 59,893         | \$ 9,551         |
| 2027        | 365,000                  | 772,037             | 62,389            | 7,055            |
| 2028        | 385,000                  | 753,287             | 64,990            | 4,454            |
| 2029        | 405,000                  | 733,537             | 67,716            | 1,728            |
| 2030        | 425,000                  | 712,787             | 5,767             | 20               |
| 2031-2035   | 2,455,000                | 3,215,935           | -                 | -                |
| 2036-2040   | 3,135,000                | 2,520,189           | -                 | -                |
| 2041-2045   | 3,990,000                | 1,653,143           | -                 | -                |
| 2046-2050   | 5,025,000                | 598,605             | -                 | -                |
| Total       | <u>\$16,700,000</u>      | <u>\$11,753,557</u> | <u>\$ 260,755</u> | <u>\$ 22,808</u> |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 4. LONG-TERM LIABILITIES (CONTINUED)**

**D. LEGAL DEBT MARGIN**

As of June 30, 2025, the District's legal debt margin of \$8,170,074 is based on a debt limitation of \$8,430,829 equal to 6.9 percent of the 2024 equalized assessed valuation (EAV) of \$122,185,926 and outstanding debt of \$260,755. The Illinois School Code permits school districts to issue certain types of bonds, such as the General Obligation Limited Tax School Bonds, Series 2025, in excess of statutory debt limitations.

**NOTE 5. 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. Property is appraised by the County Assessor at various percentages of fair market value and then subjected to equalization by the Illinois Department of Revenue to bring the aggregate County level toward the statutory standard of 33-1/3 of fair market value.

Property taxes levied for any year attach as an enforceable lien on property as of January 1 and are due and payable in the following calendar year. Real estate tax bills are payable in two installments with the first installment computed at 55 percent of the prior year's total tax bill and the second installment is computed after the assessed valuations for the current year have been determined. Typically, the first installment of property taxes is due March 1 and the second installment is due August 1. Final tax bills are mailed with a penalty date at least 30 days after the date of mailing. The District receives significant distributions of tax receipts approximately one month after these due dates. The District considers that the first installment of the 2024 levy is to be used to finance operations in fiscal 2025. The District has determined that the second installment of the 2024 levy is to be used to finance operations in fiscal 2026.

For taxing districts in Cook County, including the District, the tax rate limit is required to be applied to the EAV of property for the levy year prior to the levy year for which taxes are then being extended. The actual levy rate is stated based on the current EAV of property. As a result, a tax rate may be at its maximum for the levy year even though less than its corresponding limit.

The Board passed the current levy on December 16, 2024. The following are the tax rate limits permitted by the School Code and by local referendum and the actual rates levied per \$100.00 of equalized assessed valuation.

|                                    | Limit     | Actual<br>2024 Levy   | Actual<br>2023 Levy   |
|------------------------------------|-----------|-----------------------|-----------------------|
| Educational                        | As needed | 5.604552              | 4.492900              |
| Operations and maintenance         | 0.5500    | 0.393799              | 0.326100              |
| Debt service                       | As needed | 1.051456              | 1.017100              |
| Transportation                     | As needed | 0.236279              | 0.339700              |
| Municipal retirement               | As needed | 0.000788              | 0.000700              |
| Social security                    | As needed | 0.315040              | 0.271700              |
| Working cash                       | 0.0500    | 0.039380              | 0.029200              |
| Tort immunity                      | As needed | 0.078759              | 0.068000              |
| Levy adjustment PA 102-0519        | As needed | 0.123941              | 0.074600              |
|                                    |           | <u>7.843994</u>       | <u>6.620000</u>       |
| Equalized assessed valuation (EAV) |           | <u>\$ 122,185,926</u> | <u>\$ 126,188,890</u> |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 6. JOINT AGREEMENTS**

The District is a participant in Exceptional Children Have Opportunities (ECHO), which was established as a result of a joint agreement between 17 local public-school districts for the purpose of providing special education services to the children of its member districts.

Complete financial statements of the joint agreement may be obtained from its administrative office at 300 West 154<sup>th</sup> Street, South Holland, Illinois 60473. The District paid \$1,871,813 to ECHO for tuition and services during the year ended June 30, 2025.

The following is summary financial information on the joint agreement as of and for the year ended June 30, 2023, the most recent information available:

|                                                 |               |                            |                |
|-------------------------------------------------|---------------|----------------------------|----------------|
| Total assets - modified cash basis              | \$ 48,742,475 | Revenues received          | \$ 37,869,923  |
| Total liabilities - modified cash basis         | \$ 15,216,850 | Expenditures disbursed     | \$ 39,625,654  |
| Net investment in capital assets                | \$ 9,809,150  | Net change in fund balance | \$ (1,755,731) |
| Restricted net position - modified cash basis   | \$ -          |                            |                |
| Unrestricted net position - modified cash basis | \$ 23,716,475 |                            |                |
| Total net position - modified cash basis        | \$ 33,525,625 |                            |                |

**NOTE 7. CONTINGENCIES**

The District has received funding from State and Federal grants in the current and prior years, which are subject to audits by the granting agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, District management believes that such disallowances, if any, would be immaterial.

**NOTE 8. RISK MANAGEMENT**

The District is exposed to various risks of loss including general liability, property and casualty, errors and omissions, workers' compensation, unemployment compensation, and employee health and accident. In lieu of paying unemployment contributions, the District has elected to reimburse the State of Illinois for the actual amount of benefits paid to their former workers. The District has insurance for employee health benefits with Blue Cross, Blue Shield of Illinois and is premium based. For all other risks of loss, the District has joined together with other school districts to form various pools through which to manage its risk of loss. The District is a member of the Collective Liability Insurance Cooperative (CLIC) for its general liability, property and casualty, errors and omissions coverage and workers' compensation coverage. These public entity risk pools operate as common risk management insurance programs. They receive premiums from member districts and reinsure through commercial companies to limit the liability for claims in excess of coverage provided by the pool. There were no significant reductions in coverage from the previous year and claims have not exceeded coverage in the past three fiscal years.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 9. TEACHERS' RETIREMENT SYSTEM**

Plan Description

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active 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 <https://www.trsil.org/financial/acfrs/fy2024>; by writing to TRS at 2815 West Washington Street, Post Office. 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 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest consecutive years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service.

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

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

Public Act 100-0023, enacted in 2017, creates an optional Tier 3 hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, enacted in 2018, requires TRS to offer two temporary benefit buyout programs that expire on June 30, 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 will be funded by bonds issued by the State of Illinois.

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2024, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the District, is submitted to TRS by the District.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 9. TEACHERS' RETIREMENT SYSTEM (CONTINUED)**

On-behalf Contributions to TRS

The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2025, State of Illinois contributions recognized by the District were based on the state's proportionate share of the pension expense associated with the District, and the District recognized revenue and expenses of \$3,601,537 in governmental activities based on the economic resources measurement basis and revenues and expenditures of \$2,957,622 in the General Fund based on the current financial resources measurement basis in pension contributions from the State of Illinois.

2.2 Formula Contributions to TRS

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions due for the year ended June 30, 2025 were \$37,872.

Federal and Special Trust Fund Contributions

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

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

For the year ended June 30, 2025, the District's pension contribution was 10.34 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2025, salaries totaling \$1,159,199 were paid from federal and special trust funds that required employer contributions of \$119,861.

District Retirement Cost Contributions

Contributions that a District is required to pay because of a TRS member retiring are categorized as specific liability payments. The District is required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary.

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 District paid \$44,707 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

Net Pension Liabilities and Pension Expense

At June 30, 2024, the District has a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The amount allocated to 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 follows below:

|                                                                                          |                     |
|------------------------------------------------------------------------------------------|---------------------|
| District's proportionate share of the net pension liability                              | \$ 539,590          |
| State's proportionate share of the net pension liability<br>associated with the District | <u>44,990,223</u>   |
| Total                                                                                    | <u>\$45,529,813</u> |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 9. TEACHERS' RETIREMENT SYSTEM (CONTINUED)**

Net Pension Liabilities and Pension Expense (Continued)

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, 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 contributions of all participating TRS employers and the state during that period. At June 30, 2024, the District's proportion was 0.0006284114 percent, which was an increase of 0.0001726963 from its proportion measured as of June 30, 2023.

Since the net pension liability, deferred outflows of resources, and deferred inflows of resources related to the pension are not the result of cash transactions, the modified cash basis of accounting does not allow for these to be recorded on the government-wide financial statements.

For the year ended June 30, 2025, the District recognized pension expense of \$180,569.

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                 | 2.5 percent                                                               |
| Salary Increases          | Varies by amount of service credit                                        |
| Investment rate of return | 7.00 percent, net of pension plan investment expense, 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.

Long-Term Expected Real Rate of Return

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:

| <u>Asset Class</u>      | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|-------------------------|--------------------------|-----------------------------------------------|
| Global equity           | 37.0%                    | 7.55%                                         |
| Private equity          | 15.0%                    | 10.28%                                        |
| Public income           | 18.0%                    | 5.81%                                         |
| Private credit          | 8.0%                     | 9.20%                                         |
| Real assets             | 18.0%                    | 7.01%                                         |
| Diversifying strategies | 4.0%                     | 5.18%                                         |
| <b>Total</b>            | <b>100.0%</b>            |                                               |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 9. TEACHERS' RETIREMENT SYSTEM (CONTINUED)**

Discount Rate

At June 30, 2024, the discount rate used to measure the total pension liability was 7.0 percent, 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, employer 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 to 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 rate 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 District'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 7.00 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

|                                                                | 1% Decrease<br>6.00% | Current<br>Discount Rate<br>7.00% | 1% Increase<br>8.00% |
|----------------------------------------------------------------|----------------------|-----------------------------------|----------------------|
| Employer's proportionate share of the<br>net pension liability | <u>\$ 666,409</u>    | <u>\$ 539,590</u>                 | <u>\$ 434,463</u>    |

TRS Fiduciary Net Position

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

**NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND**

Plan Description

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

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

Benefits Provided

IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3 percent of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of 3 percent of the original pension amount, or ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2024, the following employees were covered by the benefit terms:

|                                                                  |                   |
|------------------------------------------------------------------|-------------------|
| Retirees and Beneficiaries currently receiving benefits          | 220               |
| Inactive Plan Members entitled to but not yet receiving benefits | 154               |
| Active Plan Members                                              | <u>90</u>         |
| Total                                                            | <u><u>464</u></u> |

Contributions

As set by ILCS, the District's Regular Plan Members are required to contribute 4.5 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's actuarially determined contribution rate for the calendar year 2024 was 2.49 percent. The District's actual contributions for the year ended June 30, 2025 were \$123,238, 3.86 percent of covered payroll. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by ILCS.

Net Pension Liability

The District's net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

As the net pension liability, deferred outflows of resources, and deferred inflows of resources related to the pension are not the result of cash transactions, the modified cash basis of accounting does not allow for these to be recorded on the government-wide financial statements.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability:

- The Inflation Rate was assumed to be 2.25 percent.
- Salary Increases were expected to be 2.85 percent to 13.75 percent, including inflation.
- The Investment Rate of Return was assumed to be 7.25 percent.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from years 2020 to 2022.
- Mortality:
  - For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108 percent) and Female (adjusted 106.4 percent) tables, and future mortality improvements projected using scale MP-2021 were used.
  - For Disabled Retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
  - 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.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2024:

| Asset Class            | Target Allocation | Projected Returns/Risk |           |
|------------------------|-------------------|------------------------|-----------|
|                        |                   | One Year               | Ten year  |
|                        |                   | Arithmetic             | Geometric |
| Equities               | 33.5%             | 5.70%                  | 4.35%     |
| International equities | 18.0%             | 7.10%                  | 5.40%     |
| Fixed income           | 24.5%             | 5.30%                  | 5.20%     |
| Real estate            | 10.5%             | 7.30%                  | 6.40%     |
| Alternatives           | 12.5%             |                        |           |
| Private equity         |                   | 10.00%                 | 6.25%     |
| Hedge funds            |                   | N/A                    | N/A       |
| Commodities            |                   | 6.05%                  | 4.85%     |
| Cash equivalents       | 1.0%              | 3.60%                  | 3.60%     |
| Total                  | <u>100.00%</u>    |                        |           |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

Discount Rate

A discount rate of 7.25 percent was used to measure the total pension liability. The projection of cash flow used to determine this discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25 percent, the municipal bond rate is 4.08 percent, and the resulting discount rate is 7.25 percent.

Changes in the Net Pension Liability

|                                                                                      | Total<br>Pension<br>Liability<br>(A) | Plan Fiduciary<br>Net Position<br>(B) | Net Pension<br>Liability (Asset)<br>(A) - (B) |
|--------------------------------------------------------------------------------------|--------------------------------------|---------------------------------------|-----------------------------------------------|
| Balances at beginning of year                                                        | \$ 7,731,028                         | \$ 8,012,902                          | \$ (281,874)                                  |
| Changes for the year:                                                                |                                      |                                       |                                               |
| Service cost                                                                         | 247,722                              | -                                     | 247,722                                       |
| Interest on the total pension liability                                              | 551,958                              | -                                     | 551,958                                       |
| Differences between expected and actual<br>experience of the total pension liability | 141,039                              | -                                     | 141,039                                       |
| Contributions - employer                                                             | -                                    | 73,362                                | (73,362)                                      |
| Contributions - employee                                                             | -                                    | 132,582                               | (132,582)                                     |
| Net investment income                                                                | -                                    | 792,641                               | (792,641)                                     |
| Benefit payments, including refunds<br>of employee contribution                      | (483,345)                            | (483,345)                             | -                                             |
| Other (net transfer)                                                                 | -                                    | (163,722)                             | 163,722                                       |
| Net changes                                                                          | 457,374                              | 351,518                               | 105,856                                       |
| Balances at end of year                                                              | \$ 8,188,402                         | \$ 8,364,420                          | \$ (176,018)                                  |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)**

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using a discount rate of 7.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percent lower or 1 percent higher:

|                               | 1% Decrease       | Current<br>Discount Rate | 1% Increase         |
|-------------------------------|-------------------|--------------------------|---------------------|
|                               | 6.25%             | 7.25%                    | 8.25%               |
| Net pension liability (asset) | <u>\$ 727,009</u> | <u>\$ (176,018)</u>      | <u>\$ (905,147)</u> |

Pension Expense

For the year ended June 30, 2025, the District recognized pension expense of \$471,684.

**NOTE 11. TEACHER HEALTH INSURANCE SECURITY**

Plan Description

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

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

Benefits Provided

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.5) 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.

Contributions

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.6) requires that all active contributors of the TRS, who are not employees of the state to make contributions to the THIS Fund. CMS determines, by rule, the percentage required, which each year shall not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year. Employer and non-employer contributing entity contributions are recognized as revenue when due pursuant to statutory or contractual requirements.

The District's THIS Fund contribution was 0.71 percent of covered-employee payroll during the year ended June 30, 2025. Contributions for the year ended June 30, 2025 were \$46,185.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 11. TEACHER HEALTH INSURANCE SECURITY (CONTINUED)**

On Behalf Contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 0.90 percent of pay during the year ended June 30, 2025. State of Illinois contributions of \$58,767 were recognized as revenues and expenditures by the District during the year in the General Fund based on the current financial resources measurement basis. On the economic resources measurement basis, the District recognizes revenues and expenses of (\$725,152) in Governmental Activities equal to the proportion of the State of Illinois' OPEB expense associated with the employer.

THIS Fund Fiduciary Net Position

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

Net OPEB Liability

At June 30, 2025, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for the state's retiree insurance support provided to the District. The state's support and total are for disclosure purposes only.

The amount allocated to 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 follows below:

|                                                                                       |                            |
|---------------------------------------------------------------------------------------|----------------------------|
| District's proportionate share of the net OPEB liability                              | \$ 1,525,230               |
| State's proportionate share of the net OPEB liability<br>associated with the District | <u>2,071,331</u>           |
| Total                                                                                 | <u><u>\$ 3,596,561</u></u> |

The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2023. The District's proportion of the net OPEB liability was based on the District's share of contributions to the THIS for the measurement year ended June 30, 2024, relative to the projected contributions for all participating THIS Fund employers and the state during that period. At June 30, 2024, and 2023, the District's proportion was 0.019281 percent and 0.016314 percent, respectively.

Since the net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB are not the result of cash transactions, the modified cash basis of accounting does not allow for these to be recorded on the government-wide financial statements.

Actuarial Assumptions

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

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Inflation                   | 2.25 percent                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Salary increases            | Depends on service and ranges from 8.50 percent at one year of service to 3.50 percent at 20 or more years of service.                                                                                                                                                                                                                                                                                                       |
| Investment rate of return   | 2.75 percent, net of OPEB plan investment expense, including inflation, for all plan years.                                                                                                                                                                                                                                                                                                                                  |
| Healthcare cost trend rates | Trend rates for plan year 2025 are based on actual premium increases. For non-Medicare costs, trend rates start at 8.00 percent for plan year 2026 and decrease gradually to an ultimate rate of 4.25 percent in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15.00 percent in 2026 to 2030, and 7.00 percent in 2031, declining gradually to an ultimate rate of 4.25 percent in 2041. |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 11. TEACHER HEALTH INSURANCE SECURITY (CONTINUED)**

Actuarial Assumptions (Continued)

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

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2020.

The actuarial valuation was based on the Entry Age Normal cost method. Under this method, the normal cost and actuarial accrued liability are directly proportional to the employee's salary. The normal cost rate equals the present value of future benefits at entry age divided by the present value of future salary at entry age. The normal cost at the member's attained age equals the normal cost rate at entry age multiplied by the salary at attained age. The actuarial accrued liability equals the present value of benefits at attained age less present value of future salaries at attained age multiplied by normal cost rate at entry age.

Discount Rate

Projected benefit payments were discounted to their actuarial present value using a discount rate that reflects: (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits); and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bond with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). As THIS is financed on a pay-as-you-go basis, a discount rate consistent with fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity's index's 20-year Municipal GO AA Index has been selected. The discount rates are 3.97 percent as of June 30, 2024, and 3.86 percent as of June 30, 2023.

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

The following presents the net OPEB liability calculated using the discount rate of 3.97 percent as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percent lower or 1 percent higher.

|                                                             | 1% Decrease<br>2.97% | Current<br>Discount Rate<br>3.97% | 1% Increase<br>4.97% |
|-------------------------------------------------------------|----------------------|-----------------------------------|----------------------|
| District's proportionate share of<br>the net OPEB liability | <u>\$ 1,702,158</u>  | <u>\$ 1,525,230</u>               | <u>\$ 1,369,263</u>  |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**NOTE 11. TEACHER HEALTH INSURANCE SECURITY (CONTINUED)**

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rate

The following presents the net OPEB liability calculated using the healthcare cost trend rates as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percent lower or 1 percent higher.

|                                                             | 1% Decrease  | Healthcare Cost<br>Trend Rates | 1% Increase  |
|-------------------------------------------------------------|--------------|--------------------------------|--------------|
|                                                             | (b)          | Assumption (a)                 | (c)          |
| District's proportionate share of<br>the net OPEB liability | \$ 1,313,223 | \$ 1,525,230                   | \$ 1,777,511 |

- a) Current healthcare trend rates – Pre-Medicare per capita costs: 6.00 percent in 2025, 8.00 percent in 2026, decreasing by 0.25 percent per year to an ultimate rate of 4.25 percent in 2041. Post-Medicare per capita costs: based on actual increases in 2025, 15.00 percent in 2026 to 2030, and 7.00 percent in 2031, decreasing ratably to an ultimate rate of 4.25 percent in 2041.
- b) One percentage point decrease in current healthcare trend rates – Pre-Medicare per capita costs: 5.00 percent in 2025, 7.00 percent in 2026, decreasing by 0.25 percent per year to an ultimate rate of 3.25 percent in 2041. Post-Medicare per capita costs: based on actual increases in 2025, 14.00 percent from 2026 to 2030, 6.00 percent in 2031 decreasing ratably to an ultimate rate of 3.25 percent in 2041.
- c) One percentage point increase in current healthcare trend rates – Pre-Medicare per capita costs: 7.00 percent in 2025, 9.00 percent in 2026, decreasing by 0.25 percent per year to an ultimate rate of 5.25 percent in 2041. Post-Medicare per capita costs: based on actual increases in 2025, 16.00 percent from 2026 to 2030, 8.00 percent in 2031 decreasing ratably to an ultimate rate of 5.25 percent in 2041.

OPEB Expense

The District's OPEB income, as part of the June 30, 2024 measurement date was \$539,307.

**NOTE 12. OTHER POSTEMPLOYMENT BENEFITS**

The District has evaluated its responsibilities for reporting under GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for certain postemployment health benefits provided by the District apart from the Teachers' Health Insurance Security Fund. At the District's cost, continued health and dental insurance coverage is provided to a single former employee until that individual reaches age 65 or otherwise becomes eligible for Medicare, a period of time expected not to exceed 5 years. The District has not obtained an actuarial valuation report to measure the related postemployment benefit liability as of June 30, 2025. The District has determined that its liability associated with the OPEB benefit is immaterial and therefore has not provided additional disclosures for this plan.

## **SUPPLEMENTARY INFORMATION**

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**COMBINING BALANCE SHEET - MODIFIED CASH BASIS**  
**GENERAL FUND**  
**JUNE 30, 2025**

|                                        | Educational<br>Account | Operations and<br>Maintenance<br>Account | Working<br>Cash<br>Account | Tort<br>Immunity<br>Account | Total                |
|----------------------------------------|------------------------|------------------------------------------|----------------------------|-----------------------------|----------------------|
| <b>ASSETS</b>                          |                        |                                          |                            |                             |                      |
| Cash and investments - pooled accounts | \$ 10,993,681          | \$ -                                     | \$ 1,368,988               | \$ -                        | \$ 12,362,669        |
| Cash at district                       | 34,509                 | -                                        | -                          | -                           | 34,509               |
| Investments at district                | -                      | -                                        | 10,110,560                 | -                           | 10,110,560           |
| Total Assets                           | <u>\$ 11,028,190</u>   | <u>\$ -</u>                              | <u>\$ 11,479,548</u>       | <u>\$ -</u>                 | <u>\$ 22,507,738</u> |
| <b>LIABILITIES</b>                     |                        |                                          |                            |                             |                      |
|                                        | <u>\$ -</u>            | <u>\$ -</u>                              | <u>\$ -</u>                | <u>\$ -</u>                 | <u>\$ -</u>          |
| <b>FUND BALANCES</b>                   |                        |                                          |                            |                             |                      |
| Assigned                               |                        |                                          |                            |                             |                      |
| Student activities                     | 27,259                 | -                                        | -                          | -                           | 27,259               |
| Unassigned                             | 11,000,931             | -                                        | 11,479,548                 | -                           | 22,480,479           |
| Total Fund Balances                    | <u>11,028,190</u>      | <u>-</u>                                 | <u>11,479,548</u>          | <u>-</u>                    | <u>22,507,738</u>    |
| Total Liabilities and Fund Balances    | <u>\$ 11,028,190</u>   | <u>\$ -</u>                              | <u>\$ 11,479,548</u>       | <u>\$ -</u>                 | <u>\$ 22,507,738</u> |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**COMBINING STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCES - MODIFIED CASH BASIS**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**

|                                                                                 | Educational<br>Account | Operations and<br>Maintenance<br>Account | Working<br>Cash<br>Account | Tort<br>Immunity<br>Account | Total         |
|---------------------------------------------------------------------------------|------------------------|------------------------------------------|----------------------------|-----------------------------|---------------|
| <b>REVENUES RECEIVED</b>                                                        |                        |                                          |                            |                             |               |
| Local sources                                                                   |                        |                                          |                            |                             |               |
| Property taxes                                                                  | \$ 5,248,706           | \$ 369,014                               | \$ 34,538                  | \$ 73,025                   | \$ 5,725,283  |
| Personal property replacement taxes                                             | 246,556                | -                                        | -                          | -                           | 246,556       |
| Earnings on investments                                                         | 441,746                | 26,478                                   | 227,077                    | (11,792)                    | 683,509       |
| Student activities                                                              | 67,522                 | -                                        | -                          | -                           | 67,522        |
| Other                                                                           | 247,168                | 15                                       | -                          | -                           | 247,183       |
| Evidence-based funding                                                          | 9,016,406              | 202,259                                  | -                          | 483,090                     | 9,701,755     |
| Restricted state aid                                                            | 1,182,745              | 50,000                                   | -                          | -                           | 1,232,745     |
| Restricted federal aid                                                          | 4,750,194              | -                                        | -                          | -                           | 4,750,194     |
| State retirement contributions                                                  | 3,016,389              | -                                        | -                          | -                           | 3,016,389     |
| Total Revenues Received                                                         | 24,217,432             | 647,766                                  | 261,615                    | 544,323                     | 25,671,136    |
| <b>EXPENDITURES DISBURSED</b>                                                   |                        |                                          |                            |                             |               |
| Current                                                                         |                        |                                          |                            |                             |               |
| Instruction                                                                     | 8,530,294              | -                                        | -                          | -                           | 8,530,294     |
| Support services                                                                | 11,981,409             | 2,092,412                                | -                          | 545,048                     | 14,618,869    |
| Community services                                                              | 125,125                | -                                        | -                          | -                           | 125,125       |
| Non-programmed charges                                                          | 2,553,224              | -                                        | -                          | -                           | 2,553,224     |
| Capital outlay                                                                  | 381,757                | 1,111,123                                | -                          | -                           | 1,492,880     |
| Total Expenditures Disbursed                                                    | 23,571,809             | 3,203,535                                | -                          | 545,048                     | 27,320,392    |
| Excess (deficiency) of revenues received<br>over (under) expenditures disbursed | 645,623                | (2,555,769)                              | 261,615                    | (725)                       | (1,649,256)   |
| <b>OTHER FINANCING SOURCES</b>                                                  |                        |                                          |                            |                             |               |
| Issuance of lease                                                               | 313,551                | -                                        | -                          | -                           | 313,551       |
| Principal on bonds sold                                                         | -                      | -                                        | 9,322,893                  | -                           | 9,322,893     |
| Premium on bonds sold                                                           | -                      | -                                        | 606,088                    | -                           | 606,088       |
| Total Other Financing Sources                                                   | 313,551                | -                                        | 9,928,981                  | -                           | 10,242,532    |
| Net change in fund balances                                                     | 959,174                | (2,555,769)                              | 10,190,596                 | (725)                       | 8,593,276     |
| Fund balances at beginning of year                                              | 10,069,016             | 2,555,769                                | 1,288,952                  | 725                         | 13,914,462    |
| Fund balances at end of year                                                    | \$ 11,028,190          | \$ -                                     | \$ 11,479,548              | \$ -                        | \$ 22,507,738 |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**EDUCATIONAL ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                     | 2025                            |              |                                               | 2024         |
|-------------------------------------|---------------------------------|--------------|-----------------------------------------------|--------------|
|                                     | Original<br>and Final<br>Budget | Actual       | Variance with<br>Final Budget<br>Over (Under) | Actual       |
| <b>REVENUES RECEIVED</b>            |                                 |              |                                               |              |
| Local sources                       |                                 |              |                                               |              |
| General levy                        | \$ 4,536,000                    | \$ 5,248,706 | \$ 712,706                                    | \$ 4,593,988 |
| Personal property replacement taxes | 290,000                         | 246,556      | (43,444)                                      | 329,890      |
| Earnings on investments             | 123,000                         | 441,746      | 318,746                                       | 283,760      |
| Refund of prior year expenditures   | 30,000                          | -            | (30,000)                                      | 25,285       |
| Student activities                  | -                               | 67,522       | 67,522                                        | 72,854       |
| Other                               | 200,000                         | 247,168      | 47,168                                        | 19,394       |
| Total local sources                 | 5,179,000                       | 6,251,698    | 1,072,698                                     | 5,325,171    |
| State aid                           |                                 |              |                                               |              |
| Unrestricted                        |                                 |              |                                               |              |
| Evidence-based funding              | 7,966,000                       | 9,016,406    | 1,050,406                                     | 8,571,957    |
| Restricted                          |                                 |              |                                               |              |
| Special education                   |                                 |              |                                               |              |
| Private facility tuition            | 5,000                           | 31,471       | 26,471                                        | 10,762       |
| Orphanage - individual              | 44,000                          | 130,702      | 86,702                                        | -            |
| State free lunch and breakfast      | 8,000                           | 10,068       | 2,068                                         | 14,411       |
| Education block grant               | 135,000                         | 977,689      | 842,689                                       | 135,000      |
| State retirement contributions      | -                               | 3,016,389    | 3,016,389                                     | 2,560,264    |
| Other grants-in-aid                 | 123,000                         | 32,815       | (90,185)                                      | 123,612      |
| Total state aid                     | 8,281,000                       | 13,215,540   | 4,934,540                                     | 11,416,006   |
| Federal aid                         |                                 |              |                                               |              |
| Restricted                          |                                 |              |                                               |              |
| National school lunch programs      | 547,000                         | 566,862      | 19,862                                        | 546,813      |
| Special breakfast program           | 234,000                         | 254,935      | 20,935                                        | 232,398      |
| Child adult care food program       | 46,000                          | 63,712       | 17,712                                        | 38,929       |
| Fresh fruits and vegetables         | 16,000                          | 19,174       | 3,174                                         | 16,566       |
| Title I - low income                | 1,194,000                       | 1,200,770    | 6,770                                         | 1,065,018    |
| Title I - school improvement        | -                               | 254,863      | 254,863                                       | 129,247      |
| Title IV- safe and drug free school | 150,000                         | 82,569       | (67,431)                                      | 150,455      |
| Federal - special education         |                                 |              |                                               |              |
| Preschool - Flowthrough             | 13,000                          | 7,689        | (5,311)                                       | 24,009       |
| I.D.E.A - flow through              | 241,000                         | 376,822      | 135,822                                       | 216,333      |
| Title II - teacher quality          | 93,000                          | 53,418       | (39,582)                                      | 99,671       |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**EDUCATIONAL ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                                       | 2025                            |                   |                                               | 2024              |
|-------------------------------------------------------|---------------------------------|-------------------|-----------------------------------------------|-------------------|
|                                                       | Original<br>and Final<br>Budget | Actual            | Variance with<br>Final Budget<br>Over (Under) | Actual            |
| <b>REVENUES RECEIVED (CONTINUED)</b>                  |                                 |                   |                                               |                   |
| Federal aid (continued)                               |                                 |                   |                                               |                   |
| Restricted (continued)                                |                                 |                   |                                               |                   |
| Medicaid matching/                                    |                                 |                   |                                               |                   |
| administrative outreach                               | \$ -                            | \$ 55,582         | \$ 55,582                                     | \$ 16,190         |
| Medicaid matching/fee-for-service                     | 44,000                          | 53,175            | 9,175                                         | 34,886            |
| Other restricted grants received from federal sources | 1,172,000                       | 1,760,623         | 588,623                                       | 4,341,093         |
|                                                       | <u>3,750,000</u>                | <u>4,750,194</u>  | <u>1,000,194</u>                              | <u>6,911,608</u>  |
| Total federal aid                                     |                                 |                   |                                               |                   |
|                                                       | <u>3,750,000</u>                | <u>4,750,194</u>  | <u>1,000,194</u>                              | <u>6,911,608</u>  |
| Total Revenues Received                               | <u>17,210,000</u>               | <u>24,217,432</u> | <u>7,007,432</u>                              | <u>23,652,785</u> |
| <b>EXPENDITURES DISBURSED</b>                         |                                 |                   |                                               |                   |
| Instruction                                           |                                 |                   |                                               |                   |
| Regular programs                                      |                                 |                   |                                               |                   |
| Salaries                                              | 2,849,000                       | 3,664,696         | 815,696                                       | 2,701,084         |
| Employee benefits                                     | 1,911,000                       | 470,010           | (1,440,990)                                   | 786,709           |
| Purchased services                                    | 21,000                          | 41,074            | 20,074                                        | 110,305           |
| Supplies and materials                                | 270,200                         | 290,740           | 20,540                                        | 447,910           |
| Capital outlay                                        | 9,000                           | -                 | (9,000)                                       | 231,248           |
| Other objects                                         | 4,000                           | 22,656            | 18,656                                        | 2,620             |
|                                                       | <u>5,064,200</u>                | <u>4,489,176</u>  | <u>(575,024)</u>                              | <u>4,279,876</u>  |
| Total regular programs                                |                                 |                   |                                               |                   |
|                                                       | <u>5,064,200</u>                | <u>4,489,176</u>  | <u>(575,024)</u>                              | <u>4,279,876</u>  |
| Pre-K programs                                        |                                 |                   |                                               |                   |
| Salaries                                              | 181,000                         | 420,217           | 239,217                                       | 149,018           |
| Employee benefits                                     | 63,894                          | 88,293            | 24,399                                        | 31,169            |
|                                                       | -                               | 3,483             | 3,483                                         | -                 |
| Supplies and materials                                | 20,000                          | 26,858            | 6,858                                         | 74,795            |
|                                                       | <u>264,894</u>                  | <u>538,851</u>    | <u>273,957</u>                                | <u>254,982</u>    |
| Total pre-k programs                                  |                                 |                   |                                               |                   |
|                                                       | <u>264,894</u>                  | <u>538,851</u>    | <u>273,957</u>                                | <u>254,982</u>    |
| Special education programs                            |                                 |                   |                                               |                   |
| Salaries                                              | 471,000                         | 450,427           | (20,573)                                      | 607,528           |
| Employee benefits                                     | 117,183                         | 130,973           | 13,790                                        | 123,255           |
| Supplies and materials                                | 22,260                          | 4,609             | (17,651)                                      | 11,502            |
| Capital outlay                                        | 772,496                         | -                 | (772,496)                                     | -                 |
|                                                       | <u>1,382,939</u>                | <u>586,009</u>    | <u>(796,930)</u>                              | <u>742,285</u>    |
| Total special education programs                      |                                 |                   |                                               |                   |
|                                                       | <u>1,382,939</u>                | <u>586,009</u>    | <u>(796,930)</u>                              | <u>742,285</u>    |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**EDUCATIONAL ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                           | 2025                            |           |                                               | 2024      |
|-------------------------------------------|---------------------------------|-----------|-----------------------------------------------|-----------|
|                                           | Original<br>and Final<br>Budget | Actual    | Variance with<br>Final Budget<br>Over (Under) | Actual    |
| <b>EXPENDITURES DISBURSED (CONTINUED)</b> |                                 |           |                                               |           |
| Instruction (continued)                   |                                 |           |                                               |           |
| Special education pre-k programs          |                                 |           |                                               |           |
| Salaries                                  | \$ 4,000                        | \$ 3,001  | \$ (999)                                      | \$ 935    |
| Employee benefits                         | 554                             | 348       | (206)                                         | 111       |
| Supplies and materials                    | 9,252                           | 5,515     | (3,737)                                       | 7,117     |
| Capital outlay                            | 1,143                           | -         | (1,143)                                       | 1,143     |
| Total special education pre-k programs    | 14,949                          | 8,864     | (6,085)                                       | 9,306     |
| Remedial and supplemental programs        |                                 |           |                                               |           |
| Salaries                                  | 405,000                         | 556,854   | 151,854                                       | 906,723   |
| Employee benefits                         | 152,197                         | 107,571   | (44,626)                                      | 158,744   |
| Purchased services                        | 217,200                         | 220,669   | 3,469                                         | 412,353   |
| Supplies and materials                    | 39,996                          | 226,103   | 186,107                                       | 127,544   |
| Capital outlay                            | 46,800                          | 11,951    | (34,849)                                      | 46,452    |
| Total remedial and supplemental programs  | 861,193                         | 1,123,148 | 261,955                                       | 1,651,816 |
| Interscholastic programs                  |                                 |           |                                               |           |
| Salaries                                  | 133,000                         | 129,485   | (3,515)                                       | 123,135   |
| Employee benefits                         | 1,000                           | 2,275     | 1,275                                         | 175       |
| Purchased services                        | 10,000                          | 24,485    | 14,485                                        | 5,928     |
| Supplies and materials                    | 29,000                          | 54,228    | 25,228                                        | 23,149    |
| Total interscholastic programs            | 173,000                         | 210,473   | 37,473                                        | 152,387   |
| Other programs                            |                                 |           |                                               |           |
| Student activities                        | -                               | 69,124    | 69,124                                        | 56,931    |
| State retirement contributions            | -                               | 1,516,600 | 1,516,600                                     | 1,817,787 |
| Total other programs                      | -                               | 1,585,724 | 1,585,724                                     | 1,874,718 |
| Total instruction                         | 7,761,175                       | 8,542,245 | 781,070                                       | 8,965,370 |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**EDUCATIONAL ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                           | 2025                            |                |                                               | 2024           |
|-------------------------------------------|---------------------------------|----------------|-----------------------------------------------|----------------|
|                                           | Original<br>and Final<br>Budget | Actual         | Variance with<br>Final Budget<br>Over (Under) | Actual         |
| <b>EXPENDITURES DISBURSED (CONTINUED)</b> |                                 |                |                                               |                |
| Support services                          |                                 |                |                                               |                |
| Pupils                                    |                                 |                |                                               |                |
| Attendance and social work services       |                                 |                |                                               |                |
| Salaries                                  | \$ 187,000                      | \$ 198,632     | \$ 11,632                                     | \$ 193,271     |
| Employee benefits                         | 23,000                          | 41,883         | 18,883                                        | 38,126         |
| Purchased services                        | -                               | 64,216         | 64,216                                        | 2,709          |
|                                           | <u>210,000</u>                  | <u>304,731</u> | <u>94,731</u>                                 | <u>234,106</u> |
| Guidance services                         |                                 |                |                                               |                |
| Salaries                                  | 111,000                         | 197,239        | 86,239                                        | 120,289        |
| Employee benefits                         | 24,000                          | 55,811         | 31,811                                        | 40,255         |
| Purchased services                        | -                               | 5,250          | 5,250                                         | 23,699         |
|                                           | <u>135,000</u>                  | <u>258,300</u> | <u>123,300</u>                                | <u>184,243</u> |
| Health services                           |                                 |                |                                               |                |
| Salaries                                  | 120,000                         | 148,477        | 28,477                                        | 53,375         |
| Employee benefits                         | 15,000                          | 31,574         | 16,574                                        | 10,346         |
| Purchased services                        | 100,000                         | 308,643        | 208,643                                       | 79,914         |
| Supplies and materials                    | 15,500                          | 4,111          | (11,389)                                      | 14,699         |
|                                           | <u>250,500</u>                  | <u>492,805</u> | <u>242,305</u>                                | <u>158,334</u> |
| Psychological services                    |                                 |                |                                               |                |
| Salaries                                  | 65,000                          | 122,381        | 57,381                                        | 62,092         |
| Employee benefits                         | -                               | 14,440         | 14,440                                        | 838            |
| Purchased services                        | 70,000                          | 14,893         | (55,107)                                      | 46,172         |
|                                           | <u>135,000</u>                  | <u>151,714</u> | <u>16,714</u>                                 | <u>109,102</u> |
| Speech pathology and audiology services   |                                 |                |                                               |                |
| Salaries                                  | 171,000                         | 115,956        | (55,044)                                      | 110,632        |
| Employee benefits                         | 8,000                           | 29,115         | 21,115                                        | 25,319         |
| Purchased services                        | 5,000                           | 4,380          | (620)                                         | -              |
|                                           | <u>184,000</u>                  | <u>149,451</u> | <u>(34,549)</u>                               | <u>135,951</u> |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**EDUCATIONAL ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                              | 2025                            |           |                                               | 2024      |
|----------------------------------------------|---------------------------------|-----------|-----------------------------------------------|-----------|
|                                              | Original<br>and Final<br>Budget | Actual    | Variance with<br>Final Budget<br>Over (Under) | Actual    |
| <b>EXPENDITURES DISBURSED (CONTINUED)</b>    |                                 |           |                                               |           |
| Support services (continued)                 |                                 |           |                                               |           |
| Pupils (continued)                           |                                 |           |                                               |           |
| Other support services                       |                                 |           |                                               |           |
| Salaries                                     | \$ 65,000                       | \$ 85,173 | \$ 20,173                                     | \$ 72,281 |
| Employee benefits                            | 22,000                          | 54,355    | 32,355                                        | 21,652    |
| Total other support services                 | 87,000                          | 139,528   | 52,528                                        | 93,933    |
| Total pupils                                 | 1,001,500                       | 1,496,529 | 495,029                                       | 915,669   |
| Instructional staff                          |                                 |           |                                               |           |
| Improvement of instruction services          |                                 |           |                                               |           |
| Salaries                                     | 202,000                         | 161,586   | (40,414)                                      | 92,817    |
| Employee benefits                            | 16,640                          | 29,803    | 13,163                                        | 9,131     |
| Purchased services                           | 79,991                          | 566,241   | 486,250                                       | 239,835   |
| Supplies and materials                       | 5,000                           | -         | (5,000)                                       | -         |
| Total improvement of instruction<br>services | 303,631                         | 757,630   | 453,999                                       | 341,783   |
| Educational media services                   |                                 |           |                                               |           |
| Salaries                                     | 638,000                         | 470,893   | (167,107)                                     | 452,701   |
| Employee benefits                            | 99,500                          | 88,052    | (11,448)                                      | 101,466   |
| Purchased services                           | 413,624                         | 727,958   | 314,334                                       | 276,282   |
| Supplies and materials                       | 397,767                         | 175,547   | (222,220)                                     | 275,179   |
| Capital outlay                               | 30,000                          | 50,774    | 20,774                                        | 229,617   |
| Total educational media services             | 1,578,891                       | 1,513,224 | (65,667)                                      | 1,335,245 |
| Assessment and testing                       |                                 |           |                                               |           |
| Salaries                                     | 163,000                         | 129,154   | (33,846)                                      | 148,010   |
| Employee benefits                            | 16,000                          | 9,533     | (6,467)                                       | 16,262    |
| Purchased services                           | 25,000                          | 55,041    | 30,041                                        | 78,007    |
| Supplies and materials                       | 4,000                           | 1,251     | (2,749)                                       | 4,109     |
| Other objects                                | 10,000                          | 44,236    | 34,236                                        | 205       |
| Total assessment and testing                 | 218,000                         | 239,215   | 21,215                                        | 246,593   |
| Total instructional staff                    | 2,100,522                       | 2,510,069 | 409,547                                       | 1,923,621 |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**EDUCATIONAL ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                            | 2025                            |           |                                               | 2024      |
|--------------------------------------------|---------------------------------|-----------|-----------------------------------------------|-----------|
|                                            | Original<br>and Final<br>Budget | Actual    | Variance with<br>Final Budget<br>Over (Under) | Actual    |
| <b>EXPENDITURES DISBURSED (CONTINUED)</b>  |                                 |           |                                               |           |
| Support services (continued)               |                                 |           |                                               |           |
| General administration                     |                                 |           |                                               |           |
| Board of Education services                |                                 |           |                                               |           |
| Salaries                                   | \$ 9,000                        | \$ 51,385 | \$ 42,385                                     | \$ 7,997  |
| Purchased services                         | 417,000                         | 550,392   | 133,392                                       | 539,315   |
| Supplies and materials                     | 80,000                          | 105,471   | 25,471                                        | 74,043    |
| Capital outlay                             | -                               | 5,481     | 5,481                                         | -         |
| Other objects                              | 10,000                          | 19,655    | 9,655                                         | 4,907     |
| Total Board of Education services          | 516,000                         | 732,384   | 216,384                                       | 626,262   |
| Executive administration services          |                                 |           |                                               |           |
| Salaries                                   | 520,000                         | 435,873   | (84,127)                                      | 460,088   |
| Employee benefits                          | 320,000                         | 460,795   | 140,795                                       | 263,174   |
| Purchased services                         | 10,000                          | 37,500    | 27,500                                        | 34,878    |
| Supplies and materials                     | 18,000                          | 4,763     | (13,237)                                      | 9,788     |
| Other objects                              | 35,000                          | 14,652    | (20,348)                                      | 34,937    |
| Total executive administration services    | 903,000                         | 953,583   | 50,583                                        | 802,865   |
| Special area administration services       |                                 |           |                                               |           |
| Salaries                                   | 318,000                         | 384,282   | 66,282                                        | 289,837   |
| Employee benefits                          | 28,000                          | 48,578    | 20,578                                        | 47,159    |
| Supplies and materials                     | 3,000                           | 5,322     | 2,322                                         | 1,615     |
| Capital outlay                             | 600                             | -         | (600)                                         | -         |
| Other objects                              | 3,000                           | -         | (3,000)                                       | 1,361     |
| Total special area administration services | 352,600                         | 438,182   | 85,582                                        | 339,972   |
| Total general administration               | 1,771,600                       | 2,124,149 | 352,549                                       | 1,769,099 |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**EDUCATIONAL ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                                   | 2025                            |            |                                               | 2024       |
|---------------------------------------------------|---------------------------------|------------|-----------------------------------------------|------------|
|                                                   | Original<br>and Final<br>Budget | Actual     | Variance with<br>Final Budget<br>Over (Under) | Actual     |
| <b>EXPENDITURES DISBURSED (CONTINUED)</b>         |                                 |            |                                               |            |
| Support services (continued)                      |                                 |            |                                               |            |
| School administration                             |                                 |            |                                               |            |
| Office of the principal services                  |                                 |            |                                               |            |
| Salaries                                          | \$ 865,000                      | \$ 825,911 | \$ (39,089)                                   | \$ 653,483 |
| Employee benefits                                 | 260,000                         | 429,929    | 169,929                                       | 232,225    |
| Supplies and materials                            | 40,000                          | 46,310     | 6,310                                         | 28,067     |
| Total office of the principal services            | 1,165,000                       | 1,302,150  | 137,150                                       | 913,775    |
| Total school administration                       | 1,165,000                       | 1,302,150  | 137,150                                       | 913,775    |
| Business                                          |                                 |            |                                               |            |
| Direction of business support services            |                                 |            |                                               |            |
| Salaries                                          | 274,000                         | 328,689    | 54,689                                        | 354,147    |
| Employee benefits                                 | 30,000                          | 16,642     | (13,358)                                      | 26,268     |
| Purchased services                                | 106,000                         | 48,544     | (57,456)                                      | 125,466    |
| Supplies and materials                            | 25,000                          | 54,273     | 29,273                                        | 23,750     |
| Capital outlay                                    | -                               | 313,551    | 313,551                                       | -          |
| Other object                                      | 32,000                          | 24,663     | (7,337)                                       | 2,299      |
| Total direction of business support services      | 467,000                         | 786,362    | 319,362                                       | 531,930    |
| Fiscal                                            |                                 |            |                                               |            |
| Purchased services                                | -                               | 113,905    | 113,905                                       | -          |
| Other objects                                     | -                               | 49,325     | 49,325                                        | -          |
| Total fiscal services                             | -                               | 163,230    | 163,230                                       | -          |
| Operation and maintenance of plant services       |                                 |            |                                               |            |
| Salaries                                          | 394,000                         | 533,584    | 139,584                                       | 514,940    |
| Employee benefits                                 | 59,000                          | 75,824     | 16,824                                        | 91,097     |
| Purchased services                                | 400,000                         | 619,167    | 219,167                                       | 275,923    |
| Supplies and materials                            | -                               | 978        | 978                                           | -          |
| Capital outlay                                    | -                               | -          | -                                             | 324,007    |
| Non-capitalized                                   | -                               | 952        | 952                                           | -          |
| Total operation and maintenance of plant services | 853,000                         | 1,230,505  | 377,505                                       | 1,205,967  |
| Pupil transportation services                     |                                 |            |                                               |            |
| Purchased services                                | -                               | 3,719      | 3,719                                         | 3,067      |
| Total pupil transportation services               | -                               | 3,719      | 3,719                                         | 3,067      |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**EDUCATIONAL ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                                              | 2025                            |            |                                               | 2024       |
|--------------------------------------------------------------|---------------------------------|------------|-----------------------------------------------|------------|
|                                                              | Original<br>and Final<br>Budget | Actual     | Variance with<br>Final Budget<br>Over (Under) | Actual     |
| <b>EXPENDITURES DISBURSED (CONTINUED)</b>                    |                                 |            |                                               |            |
| Support services (continued)                                 |                                 |            |                                               |            |
| Business (continued)                                         |                                 |            |                                               |            |
| Food services                                                |                                 |            |                                               |            |
| Salaries                                                     | \$ 420,000                      | \$ 367,113 | \$ (52,887)                                   | \$ 285,310 |
| Employee benefits                                            | 65,000                          | 128,811    | 63,811                                        | 61,127     |
| Purchased services                                           | 278,000                         | 422,857    | 144,857                                       | 348,634    |
| Supplies and materials                                       | 34,590                          | 6,737      | (27,853)                                      | 18,283     |
| Capital outlay                                               | -                               | -          | -                                             | 135,207    |
| Total food services                                          | 797,590                         | 925,518    | 127,928                                       | 848,561    |
| Total business                                               | 2,117,590                       | 3,109,334  | 991,744                                       | 2,589,525  |
| Central                                                      |                                 |            |                                               |            |
| Planning, research, development, & evaluation services       |                                 |            |                                               |            |
| Purchased services                                           | -                               | 5,860      | 5,860                                         | -          |
| Total planning, research, development, & evaluation services | -                               | 5,860      | 5,860                                         | -          |
| Staff services                                               |                                 |            |                                               |            |
| Salaries                                                     | 108,000                         | 18,252     | (89,748)                                      | -          |
| Employee benefits                                            | -                               | 2,206      | 2,206                                         | -          |
| Purchased services                                           | 7,818                           | 116        | (7,702)                                       | -          |
| Supplies and materials                                       | 6,000                           | 2,237      | (3,763)                                       | 10,714     |
| Total staff services                                         | 121,818                         | 22,811     | (99,007)                                      | 10,714     |
| Data processing                                              |                                 |            |                                               |            |
| Capital outlay                                               | -                               | -          | -                                             | 50,446     |
| Total data processing                                        | -                               | -          | -                                             | 50,446     |
| Total central                                                | 121,818                         | 28,671     | (93,147)                                      | 61,160     |
| Other support services                                       |                                 |            |                                               |            |
| Salaries                                                     | 280,000                         | 280,351    | 351                                           | -          |
| Employee benefits                                            | 17,360                          | 43         | (17,317)                                      | -          |
| Supplies and materials                                       | 5,000                           | 130        | (4,870)                                       | 3,953      |
| Total other support services                                 | 302,360                         | 280,524    | (21,836)                                      | 3,953      |
| State retirement contributions                               | -                               | 1,499,789  | 1,499,789                                     | 742,477    |
| Total support services                                       | 8,580,390                       | 12,351,215 | 3,770,825                                     | 8,919,279  |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**EDUCATIONAL ACCOUNT (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                                            | 2025                            |               |                                               | 2024          |
|------------------------------------------------------------|---------------------------------|---------------|-----------------------------------------------|---------------|
|                                                            | Original<br>and Final<br>Budget | Actual        | Variance with<br>Final Budget<br>Over (Under) | Actual        |
| <b>EXPENDITURES DISBURSED (CONTINUED)</b>                  |                                 |               |                                               |               |
| Community services                                         |                                 |               |                                               |               |
| Salaries                                                   | \$ 75,000                       | \$ 78,678     | \$ 3,678                                      | \$ 75,542     |
| Employee benefits                                          | 11,000                          | 19,162        | 8,162                                         | 11,976        |
| Purchased services                                         | 160,463                         | 13,481        | (146,982)                                     | 23,016        |
| Supplies and materials                                     | 20,000                          | 13,804        | (6,196)                                       | 9,249         |
| Total community services                                   | 266,463                         | 125,125       | (141,338)                                     | 119,783       |
| Non-programmed charges                                     |                                 |               |                                               |               |
| Payments for special education programs                    |                                 |               |                                               |               |
| Purchased services                                         | -                               | 36,500        | 36,500                                        | -             |
| Other payments                                             | 18,000                          | -             | (18,000)                                      | 72,043        |
| Other objects                                              | 510,000                         | 2,516,724     | 2,006,724                                     | 1,521,567     |
| Total non-programmed charges                               | 528,000                         | 2,553,224     | 2,025,224                                     | 1,593,610     |
| Total Expenditures Disbursed                               | 17,136,028                      | 23,571,809    | 6,435,781                                     | 19,598,042    |
| Excess of revenues received<br>over expenditures disbursed | 73,972                          | 645,623       | 571,651                                       | 4,054,743     |
| <b>OTHER FINANCING SOURCES</b>                             |                                 |               |                                               |               |
| Issuance of lease                                          | -                               | 313,551       | 313,551                                       | -             |
| Total Other Financing Sources                              | -                               | 313,551       | 313,551                                       | -             |
| Net change in fund balance                                 | \$ 73,972                       | 959,174       | \$ 885,202                                    | 4,054,743     |
| Fund balance at beginning of year                          |                                 | 10,069,016    |                                               | 6,014,273     |
| Fund balance at end of year                                |                                 | \$ 11,028,190 |                                               | \$ 10,069,016 |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**OPERATIONS AND MAINTENANCE ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                                        | 2025                            |                    |                                               | 2024                |
|--------------------------------------------------------|---------------------------------|--------------------|-----------------------------------------------|---------------------|
|                                                        | Original<br>and Final<br>Budget | Actual             | Variance with<br>Final Budget<br>Over (Under) | Actual              |
| <b>REVENUES RECEIVED</b>                               |                                 |                    |                                               |                     |
| Local sources                                          |                                 |                    |                                               |                     |
| Operations and maintenance levy                        | \$ 323,000                      | \$ 369,014         | \$ 46,014                                     | \$ 331,024          |
| Earnings on investments                                | 3,000                           | 26,478             | 23,478                                        | 19,435              |
| Rentals                                                | -                               | 15                 | 15                                            | -                   |
| Total local sources                                    | 326,000                         | 395,507            | 69,507                                        | 350,459             |
| State aid                                              |                                 |                    |                                               |                     |
| Unrestricted                                           |                                 |                    |                                               |                     |
| Evidence-based funding                                 | 2,000,000                       | 202,259            | (1,797,741)                                   | 857,398             |
| Restricted                                             |                                 |                    |                                               |                     |
| School maintenance grant                               | -                               | 50,000             | 50,000                                        | 50,000              |
| Total state aid                                        | 2,000,000                       | 252,259            | (1,747,741)                                   | 907,398             |
| Total Revenues Received                                | 2,326,000                       | 647,766            | (1,678,234)                                   | 1,257,857           |
| <b>EXPENDITURES DISBURSED</b>                          |                                 |                    |                                               |                     |
| Support services                                       |                                 |                    |                                               |                     |
| Business                                               |                                 |                    |                                               |                     |
| Direction of business support                          |                                 |                    |                                               |                     |
| Purchased services                                     | -                               | -                  | -                                             | 319                 |
| Total direction of business support                    | -                               | -                  | -                                             | 319                 |
| Facilities acquisition and construction services       |                                 |                    |                                               |                     |
| Capital outlay                                         | -                               | 570,816            | 570,816                                       | -                   |
| Total facilities acquisition and construction services | -                               | 570,816            | 570,816                                       | -                   |
| Operation and maintenance of plant services            |                                 |                    |                                               |                     |
| Salaries                                               | 566,000                         | 311,836            | (254,164)                                     | 223,102             |
| Employee benefits                                      | 60,000                          | 7,266              | (52,734)                                      | 1,441               |
| Purchased services                                     | 827,000                         | 1,075,278          | 248,278                                       | 841,321             |
| Supplies and materials                                 | 497,000                         | 698,032            | 201,032                                       | 517,239             |
| Capital outlay                                         | 100,000                         | 540,307            | 440,307                                       | -                   |
| Total operation and maintenance of plant services      | 2,050,000                       | 2,632,719          | 582,719                                       | 1,583,103           |
| Total Expenditures Disbursed                           | 2,050,000                       | 3,203,535          | 1,153,535                                     | 1,583,422           |
| Net change in fund balance                             | <u>\$ 276,000</u>               | <u>(2,555,769)</u> | <u>\$ (2,831,769)</u>                         | <u>(325,565)</u>    |
| Fund balance at beginning of year                      |                                 | <u>2,555,769</u>   |                                               | <u>2,881,334</u>    |
| Fund balance at end of year                            |                                 | <u>\$ -</u>        |                                               | <u>\$ 2,555,769</u> |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**WORKING CASH ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                                            | 2025                            |                      |                                               | 2024                |
|------------------------------------------------------------|---------------------------------|----------------------|-----------------------------------------------|---------------------|
|                                                            | Original<br>and Final<br>Budget | Actual               | Variance with<br>Final Budget<br>Over (Under) | Actual              |
| <b>REVENUES RECEIVED</b>                                   |                                 |                      |                                               |                     |
| Local sources                                              |                                 |                      |                                               |                     |
| Working cash levy                                          | \$ 45,000                       | \$ 34,538            | \$ (10,462)                                   | \$ 29,909           |
| Earnings on investments                                    | 2,000                           | 227,077              | 225,077                                       | 9,052               |
| Total Revenues Received                                    | 47,000                          | 261,615              | 214,615                                       | 38,961              |
| <b>EXPENDITURES DISBURSED</b>                              | -                               | -                    | -                                             | -                   |
| Excess of revenues received<br>over expenditures disbursed | 47,000                          | 261,615              | 214,615                                       | 38,961              |
| <b>OTHER FINANCING SOURCES</b>                             |                                 |                      |                                               |                     |
| Principal on bonds sold                                    | -                               | 9,322,893            | 9,322,893                                     | 1,082,188           |
| Premium on bonds sold                                      | -                               | 606,088              | 606,088                                       | -                   |
| Total Other Financing Sources                              | -                               | 9,928,981            | 9,928,981                                     | 1,082,188           |
| Net change in fund balance                                 | <u>\$ 47,000</u>                | 10,190,596           | <u>\$ 10,143,596</u>                          | 1,121,149           |
| Fund balance at beginning of year                          |                                 | 1,288,952            |                                               | 167,803             |
| Fund balance at end of year                                |                                 | <u>\$ 11,479,548</u> |                                               | <u>\$ 1,288,952</u> |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**TORT IMMUNITY ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                   | 2025                            |           |                                               | 2024      |
|-----------------------------------|---------------------------------|-----------|-----------------------------------------------|-----------|
|                                   | Original<br>and Final<br>Budget | Actual    | Variance with<br>Final Budget<br>Over (Under) | Actual    |
| <b>REVENUES RECEIVED</b>          |                                 |           |                                               |           |
| Local sources                     |                                 |           |                                               |           |
| Tort immunity levy                | \$ 51,000                       | \$ 73,025 | \$ 22,025                                     | \$ 48,662 |
| Earnings on investments           | 3,000                           | (11,792)  | (14,792)                                      | 1,160     |
| Total local sources               | 54,000                          | 61,233    | 7,233                                         | 49,822    |
| State aid                         |                                 |           |                                               |           |
| Unrestricted                      |                                 |           |                                               |           |
| Evidence-based funding            | 250,000                         | 483,090   | 233,090                                       | 154,145   |
| Total state aid                   | 250,000                         | 483,090   | 233,090                                       | 154,145   |
| Total Revenues Received           | 304,000                         | 544,323   | 240,323                                       | 203,967   |
| <b>EXPENDITURES DISBURSED</b>     |                                 |           |                                               |           |
| Support services                  |                                 |           |                                               |           |
| General administration            |                                 |           |                                               |           |
| Tort immunity services            |                                 |           |                                               |           |
| Purchased services                | 250,000                         | 545,048   | 295,048                                       | 296,327   |
| Total Expenditures Disbursed      | 250,000                         | 545,048   | 295,048                                       | 296,327   |
| Net change in fund balance        | \$ 54,000                       | (725)     | \$ (54,725)                                   | (92,360)  |
| Fund balance at beginning of year |                                 | 725       |                                               | 93,085    |
| Fund balance at end of year       |                                 | \$ -      |                                               | \$ 725    |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**TRANSPORTATION FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                   | 2025                            |                     |                                               | 2024                |
|-----------------------------------|---------------------------------|---------------------|-----------------------------------------------|---------------------|
|                                   | Original<br>and Final<br>Budget | Actual              | Variance with<br>Final Budget<br>Over (Under) | Actual              |
| <b>REVENUES RECEIVED</b>          |                                 |                     |                                               |                     |
| Local sources                     |                                 |                     |                                               |                     |
| Transportation levy               | \$ 336,000                      | \$ 317,624          | \$ (18,376)                                   | \$ 359,208          |
| Earnings on investments           | 54,000                          | 143,515             | 89,515                                        | 116,984             |
| Total local sources               | 390,000                         | 461,139             | 71,139                                        | 476,192             |
| State aid                         |                                 |                     |                                               |                     |
| Restricted                        |                                 |                     |                                               |                     |
| Transportation                    | -                               | 967,280             | 967,280                                       | 965,708             |
| Total state aid                   | -                               | 967,280             | 967,280                                       | 965,708             |
| Total Revenues Received           | 390,000                         | 1,428,419           | 1,038,419                                     | 1,441,900           |
| <b>EXPENDITURES DISBURSED</b>     |                                 |                     |                                               |                     |
| Support services                  |                                 |                     |                                               |                     |
| Business                          |                                 |                     |                                               |                     |
| Pupil transportation services     |                                 |                     |                                               |                     |
| Purchased services                | 1,433,865                       | 1,564,675           | 130,810                                       | 1,601,049           |
| Total Expenditures Disbursed      | 1,433,865                       | 1,564,675           | 130,810                                       | 1,601,049           |
| Net change in fund balance        | <u>\$ (1,043,865)</u>           | (136,256)           | <u>\$ 907,609</u>                             | (159,149)           |
| Fund balance at beginning of year |                                 | 4,131,773           |                                               | 4,290,922           |
| Fund balance at end of year       |                                 | <u>\$ 3,995,517</u> |                                               | <u>\$ 4,131,773</u> |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                           | 2025                            |            |                                               | 2024       |
|-------------------------------------------|---------------------------------|------------|-----------------------------------------------|------------|
|                                           | Original<br>and Final<br>Budget | Actual     | Variance with<br>Final Budget<br>Over (Under) | Actual     |
| <b>REVENUES RECEIVED</b>                  |                                 |            |                                               |            |
| Local sources                             |                                 |            |                                               |            |
| Municipal retirement/social security levy | \$ 268,000                      | \$ 303,049 | \$ 35,049                                     | \$ 271,938 |
| Personal property replacement taxes       | -                               | 38,500     | 38,500                                        | 100,000    |
| Earnings on investments                   | 32,000                          | 77,474     | 45,474                                        | 62,137     |
| Total local sources                       | 300,000                         | 419,023    | 119,023                                       | 434,075    |
| State aid                                 |                                 |            |                                               |            |
| Restricted                                |                                 |            |                                               |            |
| Transportation                            | 965,000                         | -          | (965,000)                                     | -          |
| Total state aid                           | 965,000                         | -          | (965,000)                                     | -          |
| Total Revenues Received                   | 1,265,000                       | 419,023    | (845,977)                                     | 434,075    |
| <b>EXPENDITURES DISBURSED</b>             |                                 |            |                                               |            |
| Instruction                               |                                 |            |                                               |            |
| Regular programs                          | 144,000                         | 74,446     | (69,554)                                      | 142,156    |
| Pre-K programs                            | 17,000                          | 18,173     | 1,173                                         | 7,640      |
| Special education programs                | 28,562                          | 18,672     | (9,890)                                       | 18,414     |
| Special education pre-k programs          | -                               | 43         | 43                                            | 14         |
| Remedial & supplemental programs          | 5,112                           | 21,606     | 16,494                                        | 22,827     |
| Interscholastic programs                  | 4,000                           | 5,286      | 1,286                                         | 4,643      |
| Total instruction                         | 198,674                         | 138,226    | (60,448)                                      | 195,694    |
| Support services                          |                                 |            |                                               |            |
| Pupils                                    |                                 |            |                                               |            |
| Attendance and social work services       | 1,000                           | 9,853      | 8,853                                         | 9,578      |
| Guidance services                         | -                               | 2,654      | 2,654                                         | 1,626      |
| Health services                           | 3,000                           | 11,367     | 8,367                                         | 5,239      |
| Psychological services                    | 1,000                           | 1,768      | 768                                           | 900        |
| Speech pathology and audiology services   | 7,000                           | 7,296      | 296                                           | 6,245      |
| Other support services                    | 4,000                           | 8,850      | 4,850                                         | 6,941      |
| Total pupils                              | 16,000                          | 41,788     | 25,788                                        | 30,529     |
| Instructional staff                       |                                 |            |                                               |            |
| Improvement of instruction services       | 2,088                           | 2,850      | 762                                           | 1,113      |
| Educational media services                | 39,493                          | 44,622     | 5,129                                         | 35,196     |
| Assessment and testing                    | 6,000                           | 6,960      | 960                                           | 3,536      |
| Total instructional staff                 | 47,581                          | 54,432     | 6,851                                         | 39,845     |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                                | 2025                            |                     |                                               | 2024                |
|------------------------------------------------|---------------------------------|---------------------|-----------------------------------------------|---------------------|
|                                                | Original<br>and Final<br>Budget | Actual              | Variance with<br>Final Budget<br>Over (Under) | Actual              |
| <b>EXPENDITURES DISBURSED (CONTINUED)</b>      |                                 |                     |                                               |                     |
| Support services (Continued)                   |                                 |                     |                                               |                     |
| General administration                         |                                 |                     |                                               |                     |
| Board of Education services                    | \$ 2,000                        | \$ 5,697            | \$ 3,697                                      | \$ 859              |
| Executive administration services              | 27,000                          | 18,165              | (8,835)                                       | 21,521              |
| Special area administration services           | 7,000                           | 25,033              | 18,033                                        | 17,571              |
| Total general administration                   | 36,000                          | 48,895              | 12,895                                        | 39,951              |
| School administration                          |                                 |                     |                                               |                     |
| Office of the principal services               | 36,000                          | 22,794              | (13,206)                                      | 19,268              |
| Total school administration                    | 36,000                          | 22,794              | (13,206)                                      | 19,268              |
| Business                                       |                                 |                     |                                               |                     |
| Direction of business support services         | 22,000                          | 23,288              | 1,288                                         | 18,213              |
| Operation and maintenance of<br>plant services | 53,000                          | 95,569              | 42,569                                        | 71,778              |
| Food services                                  | 29,000                          | 41,943              | 12,943                                        | 27,868              |
| Total business                                 | 104,000                         | 160,800             | 56,800                                        | 117,859             |
| Central                                        |                                 |                     |                                               |                     |
| Staff services                                 | -                               | 312                 | 312                                           | -                   |
| Total central                                  | -                               | 312                 | 312                                           | -                   |
| Other                                          |                                 |                     |                                               |                     |
| Other support services                         | 80                              | 21,435              | 21,355                                        | -                   |
| Total other                                    | 80                              | 21,435              | 21,355                                        | -                   |
| Total support services                         | 239,661                         | 350,456             | 110,795                                       | 247,452             |
| Community services                             | -                               | 7,295               | 7,295                                         | 5,731               |
| Total community services                       | -                               | 7,295               | 7,295                                         | 5,731               |
| Total Expenditures Disbursed                   | 438,335                         | 495,977             | 57,642                                        | 448,877             |
| Net change in fund balance                     | <u>\$ 826,665</u>               | (76,954)            | <u>\$ (903,619)</u>                           | (14,802)            |
| Fund balance at beginning of year              |                                 | 2,290,216           |                                               | 2,305,018           |
| Fund balance at end of year                    |                                 | <u>\$ 2,213,262</u> |                                               | <u>\$ 2,290,216</u> |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**DEBT SERVICE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                                                 | 2025                            |                   |                                               | 2024              |
|-----------------------------------------------------------------|---------------------------------|-------------------|-----------------------------------------------|-------------------|
|                                                                 | Original<br>and Final<br>Budget | Actual            | Variance with<br>Final Budget<br>Over (Under) | Actual            |
| <b>REVENUES RECEIVED</b>                                        |                                 |                   |                                               |                   |
| Local sources                                                   |                                 |                   |                                               |                   |
| Bond and interest levy                                          | \$ 992,000                      | \$ 1,083,354      | \$ 91,354                                     | \$ 1,032,363      |
| Other                                                           | -                               | -                 | -                                             | 312               |
| Earnings on investments                                         | -                               | 7,254             | 7,254                                         | (24,405)          |
| Total local sources                                             | 992,000                         | 1,090,608         | 98,608                                        | 1,008,270         |
| State aid                                                       |                                 |                   |                                               |                   |
| Unrestricted                                                    |                                 |                   |                                               |                   |
| Evidence-based funding                                          | -                               | 63,657            | 63,657                                        | 53,112            |
| Total state aid                                                 | -                               | 63,657            | 63,657                                        | 53,112            |
| Total Revenues Received                                         | 992,000                         | 1,154,265         | 162,265                                       | 1,061,382         |
| <b>EXPENDITURES DISBURSED</b>                                   |                                 |                   |                                               |                   |
| Debt Service                                                    |                                 |                   |                                               |                   |
| Principal                                                       | 1,110,000                       | 8,162,796         | 7,052,796                                     | 1,147,300         |
| Interest and fiscal charges                                     | 36,000                          | 686,250           | 650,250                                       | 55,999            |
| Total Expenditures Disbursed                                    | 1,146,000                       | 8,849,046         | 7,703,046                                     | 1,203,299         |
| Deficiency of revenues received<br>under expenditures disbursed | (154,000)                       | (7,694,781)       | (7,540,781)                                   | (141,917)         |
| <b>OTHER FINANCING SOURCES</b>                                  |                                 |                   |                                               |                   |
| Principal on bonds sold                                         | -                               | 7,377,107         | 7,377,107                                     | 27,812            |
| Premium on bonds sold                                           | -                               | 119,063           | 119,063                                       | -                 |
| Principal on debt certificates sold                             | -                               | 33,700            | 33,700                                        | -                 |
| Total Other Financing Sources                                   | -                               | 7,529,870         | 7,529,870                                     | 27,812            |
| Net change in fund balance                                      | <u>\$ (154,000)</u>             | (164,911)         | <u>\$ (10,911)</u>                            | (114,105)         |
| Fund balance at beginning of year                               |                                 | 799,906           |                                               | 914,011           |
| Fund balance at end of year                                     |                                 | <u>\$ 634,995</u> |                                               | <u>\$ 799,906</u> |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                                            | 2025                            |              | 2024                                          |
|------------------------------------------------------------|---------------------------------|--------------|-----------------------------------------------|
|                                                            | Original<br>and Final<br>Budget | Actual       | Variance with<br>Final Budget<br>Over (Under) |
|                                                            |                                 |              | Actual                                        |
| <b>REVENUES RECEIVED</b>                                   |                                 |              |                                               |
| Local sources                                              |                                 |              |                                               |
| Earnings on investments                                    | \$ -                            | \$ 140,443   | \$ 140,443                                    |
| Total local sources                                        | -                               | 140,443      | 140,443                                       |
| State aid                                                  |                                 |              |                                               |
| Unrestricted                                               |                                 |              |                                               |
| Evidence-based funding                                     | -                               | 475,110      | 475,110                                       |
| Total state aid                                            | -                               | 475,110      | 475,110                                       |
| Total Revenues Received                                    | -                               | 615,553      | 615,553                                       |
| <b>EXPENDITURES DISBURSED</b>                              |                                 |              |                                               |
| Support services                                           |                                 |              |                                               |
| Facilities acquisition and construction services           |                                 |              |                                               |
| Capital outlay                                             | -                               | 489,116      | 489,116                                       |
| Total facilities acquisition and construction services     | -                               | 489,116      | 489,116                                       |
| Total Expenditures Disbursed                               | -                               | 489,116      | 489,116                                       |
| Excess of revenues received<br>over expenditures disbursed | -                               | 126,437      | 126,437                                       |
| <b>OTHER FINANCING SOURCES</b>                             |                                 |              |                                               |
| Principal on debt certificates sold                        | 16,800,000                      | 6,966,300    | (9,833,700)                                   |
| Total Other Financing Sources                              | 16,800,000                      | 6,966,300    | (9,833,700)                                   |
| Net change in fund balance                                 | \$ 16,800,000                   | 7,092,737    | \$ (9,707,263)                                |
| Fund balance at beginning of year                          |                                 | 961          | 935                                           |
| Fund balance at end of year                                |                                 | \$ 7,093,698 | \$ 961                                        |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**FIRE PREVENTION AND SAFETY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024**

|                                   | 2025                            |                   |                                               | 2024              |
|-----------------------------------|---------------------------------|-------------------|-----------------------------------------------|-------------------|
|                                   | Original<br>and Final<br>Budget | Actual            | Variance with<br>Final Budget<br>Over (Under) | Actual            |
| <b>REVENUES RECEIVED</b>          |                                 |                   |                                               |                   |
| Local sources                     |                                 |                   |                                               |                   |
| Fire prevention and safety levy   | \$ -                            | \$ -              | \$ -                                          | \$ 1,378          |
| Earnings on investments           | 2,000                           | 6,981             | 4,981                                         | 5,824             |
| Total local sources               | 2,000                           | 6,981             | 4,981                                         | 7,202             |
| Total Revenues Received           | 2,000                           | 6,981             | 4,981                                         | 7,202             |
| <b>EXPENDITURES DISBURSED</b>     | -                               | -                 | -                                             | -                 |
| Net change in fund balance        | <u>\$ 2,000</u>                 | 6,981             | <u>\$ 4,981</u>                               | 7,202             |
| Fund balance at beginning of year |                                 | <u>177,303</u>    |                                               | <u>170,101</u>    |
| Fund balance at end of year       |                                 | <u>\$ 184,284</u> |                                               | <u>\$ 177,303</u> |

*See independent auditor's report.*

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**NOTES TO SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2025**

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**NOTE 1. BUDGET AND BUDGETARY ACCOUNTING**

The budget for all governmental fund types is prepared on the modified cash basis of accounting, which is the same basis that is used in financial reporting, except that the budget basis excludes on-behalf payments for which the District is not legally responsible. This difference has no effect on the excess (deficiency) of revenues received and other financing sources (uses) over (under) expenditures disbursed because on-behalf revenues received and expenditures disbursed are equal.

The budget, which was not amended, was passed on September 16, 2024. For each fund, total fund expenditures disbursed may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

The District, in accordance with Chapter 105, Section 5/17-1 of the *Illinois Compiled Statutes*, follows these procedures in establishing the budgetary data reflected in the financial statements.

- Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures disbursed and the means of financing them.
- A public hearing is conducted to obtain taxpayer comments.
- Prior to October 1, the budget is legally adopted through passage of a resolution.
- Formal budgetary integration is employed as a management control device during the year.
- The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10 percent of the total of such fund as set forth in the budget.
- The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

**Over-Expenditure of Budget**

Expenditures disbursed exceeded the budget in the following individual funds:

| <u>Fund</u>                          | <u>Budget</u> | <u>Actual</u> | <u>Over-expended<br/>Budget</u> |
|--------------------------------------|---------------|---------------|---------------------------------|
| Educational Account                  | \$ 17,136,028 | \$ 23,571,809 | \$ 6,435,781 *                  |
| Operation and Maintenance Account    | 2,050,000     | 3,203,535     | 1,153,535                       |
| Tort Immunity Account                | 250,000       | 545,048       | 295,048                         |
| Transportation                       | 1,433,865     | 1,564,675     | 130,810                         |
| Municipal Retirement/Social Security | 438,335       | 495,977       | 57,642                          |
| Debt Service                         | 1,146,000     | 8,849,046     | 7,703,046                       |
| Capital Projects                     | -             | 489,116       | 489,116                         |

\* Includes on-behalf payments of \$3,016,389

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT**  
**CONSOLIDATED YEAR-END FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2025**

| <b>CSFA #</b>             | <b>Program Name</b>                                                                                                | <b>State</b>      | <b>Federal</b>      | <b>Total</b>        |
|---------------------------|--------------------------------------------------------------------------------------------------------------------|-------------------|---------------------|---------------------|
| 586-18-0868               | Early childhood block grant: preschool for all 3-5                                                                 | \$ 645,421        | \$ -                | \$ 645,421          |
| 586-84-1531               | After school programs                                                                                              | 43,355            | -                   | 43,355              |
| 586-43-2203               | Other state programs - STEM                                                                                        | 8,200             | -                   | 8,200               |
| 586-18-0407               | National school lunch program                                                                                      | -                 | 553,966             | 553,966             |
| 586-18-0407               | COVID-19-ARP-NSLP - nutrition supply chain assistance                                                              | -                 | 27,292              | 27,292              |
| 586-18-0406               | School breakfast program                                                                                           | -                 | 262,504             | 262,504             |
| 586-18-0413               | Fresh fruit and vegetable program                                                                                  | -                 | 24,619              | 24,619              |
| 586-18-2330               | DOD commodities                                                                                                    | -                 | 25,495              | 25,495              |
| 586-18-2330               | Commodities                                                                                                        | -                 | 24,292              | 24,292              |
| 586-57-0420               | Special education preschool grants                                                                                 | -                 | 10,767              | 10,767              |
| 586-64-0417               | Special education grants to states                                                                                 | -                 | 389,899             | 389,899             |
| 586-64-0417               | Special education grants to states - early intervention                                                            | -                 | 30,096              | 30,096              |
| 478-00-0251               | Medical assistance program                                                                                         | -                 | 48,164              | 48,164              |
| 586-18-0409               | Child & adult care food program                                                                                    | -                 | 63,712              | 63,712              |
| 586-62-0414               | Title I grants to local educational agencies                                                                       | -                 | 1,199,219           | 1,199,219           |
| 586-73-1082               | Title I - school improvement & accountability                                                                      | -                 | 139,610             | 139,610             |
| 586-62-1588               | Title IVA student support & academic enrichment                                                                    | -                 | 75,238              | 75,238              |
| 586-62-0430               | Title II, Part A - preparing, training, and recruiting high-quality teachers, principals, and other school leaders | -                 | 64,616              | 64,616              |
| 586-18-3213               | Student support & academic enrichment program                                                                      | -                 | 31,122              | 31,122              |
| 586-62-2578               | ARP - LEA and COOP American rescue plan (ESSER III)                                                                | -                 | 400,000             | 400,000             |
| 586-18-2610               | ARP - homeless children and youth grant                                                                            | -                 | 1,933               | 1,933               |
| <b>Total expenditures</b> |                                                                                                                    | <b>\$ 696,976</b> | <b>\$ 3,372,544</b> | <b>\$ 4,069,520</b> |

*See independent auditor's report.*

## **OTHER INFORMATION**

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**LAST FOUR MEASUREMENT PERIODS**

|                                                                            | Measurement Period Ended December 31, |                     |                     |                       |
|----------------------------------------------------------------------------|---------------------------------------|---------------------|---------------------|-----------------------|
|                                                                            | 2024                                  | 2023                | 2022                | 2021                  |
| <b>TOTAL PENSION LIABILITY</b>                                             |                                       |                     |                     |                       |
| Service cost                                                               | \$ 247,722                            | \$ 182,426          | \$ 172,108          | \$ 140,964            |
| Interest                                                                   | 551,958                               | 494,462             | 465,952             | 446,198               |
| Differences between expected and actual experience                         | 141,039                               | 554,140             | 172,794             | 59,958                |
| Changes in assumptions                                                     | -                                     | (12,027)            | -                   | -                     |
| Benefit payments, including refunds of employee contributions              | (483,345)                             | (433,860)           | (411,662)           | (368,808)             |
| Net change in total pension liability                                      | 457,374                               | 785,141             | 399,192             | 278,312               |
| Total pension liability - beginning                                        | 7,731,028                             | 6,945,887           | 6,546,695           | 6,268,383             |
| Total pension liability - ending (A)                                       | <u>\$ 8,188,402</u>                   | <u>\$ 7,731,028</u> | <u>\$ 6,945,887</u> | <u>\$ 6,546,695</u>   |
| <b>PLAN FIDUCIARY NET POSITION</b>                                         |                                       |                     |                     |                       |
| Contributions-employer                                                     | \$ 73,362                             | \$ 131,092          | \$ 65,471           | \$ 84,577             |
| Contributions-employee                                                     | 132,582                               | 125,296             | 93,317              | 75,861                |
| Net investment income                                                      | 792,641                               | 795,016             | (1,103,092)         | 1,275,546             |
| Benefit payments, including refunds of employee contributions              | (483,345)                             | (433,860)           | (411,662)           | (368,808)             |
| Other                                                                      | (163,722)                             | 237,481             | 1,668               | (3,518)               |
| Net change in plan fiduciary net position                                  | 351,518                               | 855,025             | (1,354,298)         | 1,063,658             |
| Plan fiduciary net position - beginning                                    | 8,012,902                             | 7,157,877           | 8,512,175           | 7,448,517             |
| Plan fiduciary net position - ending (B)                                   | <u>\$ 8,364,420</u>                   | <u>\$ 8,012,902</u> | <u>\$ 7,157,877</u> | <u>\$ 8,512,175</u>   |
| <b>NET PENSION LIABILITY (ASSET) - ENDING (A) - (B)</b>                    | <u>\$ (176,018)</u>                   | <u>\$ (281,874)</u> | <u>\$ (211,990)</u> | <u>\$ (1,965,480)</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 102.15%                               | 103.65%             | 103.05%             | 130.02%               |
| Covered payroll                                                            | \$ 2,946,265                          | \$ 2,809,207        | \$ 2,071,853        | \$ 1,684,803          |
| Net pension liability as a percentage of covered payroll                   | -5.97%                                | -10.03%             | -10.23%             | -116.66%              |

**Notes to schedule:**

This schedule is intended to illustrate the information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**Changes in assumptions:**

For 2023, changes are primarily from updates to mortality tables and other demographic data based on the experience study covering the years 2020-2022.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**TEACHERS' RETIREMENT SYSTEM**  
**LAST FOUR MEASUREMENT PERIODS**

| Measurement<br>period ended June<br>30, | District's<br>proportion of the<br>net pension<br>liability | District's<br>proportionate<br>share of the net<br>pension liability | State's<br>proportionate<br>share of the net<br>pension liability<br>associated with<br>the District | Total         | District's covered<br>payroll | District's<br>proportionate<br>share of the net<br>pension liability<br>as a percentage of<br>its covered payroll | Plan fiduciary net<br>position as a<br>percentage of the<br>total pension<br>liability |
|-----------------------------------------|-------------------------------------------------------------|----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|---------------|-------------------------------|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| 2024                                    | 0.0006284114%                                               | \$ 539,590                                                           | \$ 44,990,223                                                                                        | \$ 45,529,813 | \$ 5,707,952                  | 9.45%                                                                                                             | 45.40%                                                                                 |
| 2023                                    | 0.0004557151%                                               | 387,269                                                              | 33,421,543                                                                                           | 33,808,812    | 5,789,128                     | 6.69%                                                                                                             | 43.90%                                                                                 |
| 2022                                    | 0.0006251639%                                               | 524,140                                                              | 45,465,633                                                                                           | 45,989,773    | 6,371,714                     | 8.23%                                                                                                             | 42.80%                                                                                 |
| 2021                                    | 0.0005866263%                                               | 457,635                                                              | 38,354,656                                                                                           | 38,812,291    | N/A                           | N/A                                                                                                               | 45.10%                                                                                 |

**Notes to Schedule:**

This schedule is intended to illustrate the information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**Changes of assumptions:**

For the 2024 measurement year, the assumed investment rate of return was of 7.0%, including an inflation rate of 2.50% and a real return of 4.50%. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated August 16, 2024.

For the 2023 and 2022 measurement years, the assumed investment rate of return was 7.0%, including an inflation rate of 2.50% and a real return of 4.50%. Salary increases were assumed to vary by service credit.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**TEACHERS' HEALTH INSURANCE SECURITY FUND**  
**LAST FOUR MEASUREMENT PERIODS**

| Measurement<br>period ended June<br>30, | District's<br>proportion of the<br>net OPEB liability | District's<br>proportionate<br>share of the net<br>OPEB liability | State's<br>proportionate<br>share of the net<br>OPEB liability<br>associated with<br>the District | Total        | District's covered-<br>employee payroll | District's<br>proportionate<br>share of the net<br>OPEB liability as<br>a percentage of its<br>covered-employee<br>payroll | Plan fiduciary net<br>position as a<br>percentage of the<br>total OPEB<br>liability |
|-----------------------------------------|-------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|--------------|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| 2024                                    | 0.019281%                                             | \$ 1,525,230                                                      | \$ 2,071,331                                                                                      | \$ 3,596,561 | \$ 5,707,952                            | 26.72%                                                                                                                     | 7.43%                                                                               |
| 2023                                    | 0.016314%                                             | 1,162,758                                                         | 1,572,419                                                                                         | 2,735,177    | 5,789,128                               | 20.09%                                                                                                                     | 6.21%                                                                               |
| 2022                                    | 0.023992%                                             | 1,642,158                                                         | 2,233,994                                                                                         | 3,876,152    | 6,371,714                               | 25.77%                                                                                                                     | 5.24%                                                                               |
| 2021                                    | 0.020269%                                             | 4,470,365                                                         | 6,061,163                                                                                         | 10,531,528   | N/A                                     | N/A                                                                                                                        | 1.40%                                                                               |

**Notes to schedule:**

This schedule is intended to illustrate the information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**HAZAEI CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**LAST FOUR FISCAL YEARS**

| Fiscal year ended June 30, | Actuarially determined contribution | Contributions in relation to the actuarially determined contribution | Contribution deficiency (excess) | Covered payroll | Contributions as a percentage of covered payroll |
|----------------------------|-------------------------------------|----------------------------------------------------------------------|----------------------------------|-----------------|--------------------------------------------------|
| 2025                       | \$ 123,081                          | \$ 123,238                                                           | \$ (157)                         | \$ 3,190,499    | 3.86%                                            |
| 2024                       | 66,459                              | 65,543                                                               | 916                              | 2,876,723       | 2.28%                                            |
| 2023                       | 62,422                              | 62,262                                                               | 160                              | 2,541,786       | 2.45%                                            |
| 2022                       | 74,221                              | 74,247                                                               | (26)                             | 1,861,655       | 3.99%                                            |

**Notes to schedule:**

This schedule is intended to illustrate the information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**Valuation date:**

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

**Methods and assumptions used to determine 2024 contribution rates:**

|                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Actuarial cost method:         | Aggregate entry age normal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Amortization method:           | Level percentage of payroll, closed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Remaining amortization period: | 19-year closed period                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Asset valuation method:        | 5-year smoothed market; 20% corridor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Wage growth:                   | 2.75%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Price inflation:               | 2.25%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Salary increases:              | 2.75% to 13.75%, including inflation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Investment rate of return:     | 7.25%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Retirement age:                | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Mortality:                     | For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.<br>For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.<br>For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. |

**Other information:**

|       |                                                |
|-------|------------------------------------------------|
| Notes | There were no benefit changes during the year. |
|-------|------------------------------------------------|

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**TEACHERS' RETIREMENT SYSTEM**  
**LAST FOUR FISCAL YEARS**

| <u>Fiscal year ended<br/>June 30,</u> | <u>Statutorily-<br/>required<br/>contribution</u> | <u>Contributions in<br/>relation to the<br/>statutorily-<br/>required<br/>contribution</u> | <u>Contribution<br/>deficiency<br/>(excess)</u> | <u>Covered payroll</u> | <u>Contributions as a<br/>percentage of<br/>covered payroll</u> |
|---------------------------------------|---------------------------------------------------|--------------------------------------------------------------------------------------------|-------------------------------------------------|------------------------|-----------------------------------------------------------------|
| 2025                                  | \$ 157,733                                        | \$ 158,633                                                                                 | \$ (900)                                        | \$ 6,529,693           | 2.43%                                                           |
| 2024                                  | 177,465                                           | 177,466                                                                                    | (1)                                             | 5,707,952              | 3.11%                                                           |
| 2023                                  | 33,577                                            | 27,756                                                                                     | 5,821                                           | 5,789,128              | 0.48%                                                           |
| 2022                                  | 98,086                                            | 74,595                                                                                     | 23,491                                          | 6,371,714              | 1.17%                                                           |

**Notes to schedule:**

This schedule is intended to illustrate the information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**Methods and assumptions used to determine 2024 contribution rates:**

|                                |                                                                                                                                                |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation date:                | Actuarially determined contribution for the year ended June 30, 2024, was determined based on the June 30, 2022, actuarial valuation.          |
| Actuarial cost method:         | Entry age normal                                                                                                                               |
| Amortization method:           | Layered                                                                                                                                        |
| Payroll growth assumptions:    | 2% (assumed rate if future state revenue growth)                                                                                               |
| Net investment rate of return: | 7.00%                                                                                                                                          |
| Inflation:                     | 2.50%                                                                                                                                          |
| Salary increases:              | 3.75% - 8.75%; composite of approximately 4.48%                                                                                                |
| Mortality:                     | PubT-2010 mortality tables, reflecting adjustments for TRS experience, with generational improvement based on the 2024 Adjusted Scale MP-2021. |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**TEACHERS' HEALTH INSURANCE SECURITY FUND**  
**LAST FOUR FISCAL YEARS**

| Fiscal year ended June 30, | Statutorily-<br>required<br>contribution | Contributions in<br>relation to the<br>statutorily-<br>required<br>contribution | Contribution<br>deficiency<br>(excess) | Covered-employee<br>payroll | Contributions as a<br>percentage of<br>covered-employee<br>payroll |
|----------------------------|------------------------------------------|---------------------------------------------------------------------------------|----------------------------------------|-----------------------------|--------------------------------------------------------------------|
| 2025                       | \$ 43,749                                | \$ 46,185                                                                       | \$ (2,436)                             | \$ 6,529,693                | 0.71%                                                              |
| 2024                       | 38,243                                   | 38,245                                                                          | (2)                                    | 5,707,952                   | 0.67%                                                              |
| 2023                       | 38,787                                   | 23,033                                                                          | 15,754                                 | 5,789,128                   | 0.40%                                                              |
| 2022                       | 42,690                                   | 46,066                                                                          | (3,376)                                | 6,371,714                   | 0.72%                                                              |

**Notes to schedule:**

This schedule is intended to illustrate the information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**Methods and assumptions used to determine 2024 contribution rates:**

|                              |                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation date:              | June 30, 2023                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Measurement date:            | June 30, 2024                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Actuarial cost method:       | Entry age normal                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Contribution policy:         | Benefits are financed on a pay-as-you go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2024, contributions rates were 0.90% of pay for active members, 0.67% of pay for school districts and 0.90% of pay for the State of Illinois. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs. |
| Asset valuation method:      | Market value                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Investment rate of return:   | 2.75% net of OPEB plan investment expense, including inflation.                                                                                                                                                                                                                                                                                                                                                                             |
| Inflation:                   | 2.25%                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Salary increases:            | 3.50% - 8.50%                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Retirement age:              | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2021 valuation.                                                                                                                                                                                                                                                                                                       |
| Mortality:                   | Retirement and Beneficiary Annuitants: PubT-2010 Retiree Mortality Table, adjusted for TRS experience. Disabled Annuitants: PubNS-2010 Non-Safety Disabled Retiree Table. PreRetirement: PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.                                                                                                                               |
| Healthcare cost trend rates: | Trend rates for plan year 2025 are 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.                                                    |
| Aging factors:               | Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"                                                                                                                                                                                                                                                                                                                                                                       |
| Expenses:                    | Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.                                                                                                                                                                                                                                                                   |

**Other information:**

Notes There were no benefit changes during the year.

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF ASSESSED VALUATIONS, TAX LEVIES EXTENDED AND COLLECTIONS**  
**JUNE 30, 2025**

|                                             | 2024 Levy             | 2023 Levy             | 2022 Levy            |
|---------------------------------------------|-----------------------|-----------------------|----------------------|
| Equalized assessed valuation                | <u>\$ 122,185,926</u> | <u>\$ 126,188,890</u> | <u>\$ 96,058,632</u> |
| Tax rates (per \$100 of assessed valuation) |                       |                       |                      |
| Educational                                 | 5.604552              | 4.492900              | 5.531300             |
| Operations and maintenance                  | 0.393799              | 0.326100              | 0.426000             |
| Debt service                                | 1.051456              | 1.017100              | 1.340600             |
| Transportation                              | 0.236279              | 0.339700              | 0.443500             |
| Municipal retirement                        | 0.000788              | 0.000700              | 0.000900             |
| Social security                             | 0.315040              | 0.271700              | 0.354800             |
| Working cash                                | 0.039380              | 0.029200              | 0.038700             |
| Tort immunity                               | 0.078759              | 0.068000              | 0.044400             |
| Levy adjustment PA 102-0519                 | 0.123941              | 0.074600              | 0.440100             |
|                                             | <u>7.843994</u>       | <u>6.620000</u>       | <u>8.620300</u>      |
| Extended tax levy                           |                       |                       |                      |
| Educational                                 | \$ 6,847,974          | \$ 5,669,581          | \$ 5,313,989         |
| Operations and maintenance                  | 481,167               | 411,501               | 409,209              |
| Debt service                                | 1,284,731             | 1,283,471             | 1,287,720            |
| Transportation                              | 288,700               | 428,663               | 426,020              |
| Municipal retirement                        | 963                   | 883                   | 864                  |
| Social security                             | 384,935               | 342,855               | 340,816              |
| Working cash                                | 48,117                | 36,847                | 37,174               |
| Tort immunity                               | 96,232                | 85,808                | 42,650               |
| Levy adjustment PA 102-0519                 | 151,438               | 94,096                | 422,773              |
|                                             | <u>\$ 9,584,257</u>   | <u>\$ 8,353,705</u>   | <u>\$ 8,281,215</u>  |
| Taxes collected year ended:                 |                       |                       |                      |
| June 30, 2025                               | \$ 2,997,686          | \$ 3,922,314          | \$ 509,310           |
| June 30, 2024                               | -                     | 2,708,511             | 3,845,133            |
| Prior year tax collections                  | -                     | -                     | 2,804,166            |
| Total collected                             | <u>\$ 2,997,686</u>   | <u>\$ 6,630,825</u>   | <u>\$ 7,158,609</u>  |
| Percent collected                           | <u>31.28%</u>         | <u>79.38%</u>         | <u>86.44%</u>        |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**SCHEDULE OF BONDED DEBT SERVICE REQUIREMENTS**  
**JUNE 30, 2025**

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| Year<br>Ending<br>June 30, | General Obligation Limited Tax<br>School Bonds, Series 2025<br>February 19, 2025 |                      |                      |
|----------------------------|----------------------------------------------------------------------------------|----------------------|----------------------|
|                            | Principal                                                                        | Interest             | Total                |
|                            |                                                                                  |                      |                      |
| 2026                       | \$ 515,000                                                                       | \$ 794,037           | \$ 1,309,037         |
| 2027                       | 365,000                                                                          | 772,037              | 1,137,037            |
| 2028                       | 385,000                                                                          | 753,287              | 1,138,287            |
| 2029                       | 405,000                                                                          | 733,537              | 1,138,537            |
| 2030                       | 425,000                                                                          | 712,787              | 1,137,787            |
| 2031                       | 445,000                                                                          | 691,037              | 1,136,037            |
| 2032                       | 465,000                                                                          | 668,287              | 1,133,287            |
| 2033                       | 490,000                                                                          | 644,412              | 1,134,412            |
| 2034                       | 515,000                                                                          | 619,287              | 1,134,287            |
| 2035                       | 540,000                                                                          | 592,912              | 1,132,912            |
| 2036                       | 570,000                                                                          | 565,162              | 1,135,162            |
| 2037                       | 595,000                                                                          | 536,038              | 1,131,038            |
| 2038                       | 625,000                                                                          | 505,538              | 1,130,538            |
| 2039                       | 655,000                                                                          | 473,538              | 1,128,538            |
| 2040                       | 690,000                                                                          | 439,913              | 1,129,913            |
| 2041                       | 725,000                                                                          | 404,538              | 1,129,538            |
| 2042                       | 760,000                                                                          | 367,413              | 1,127,413            |
| 2043                       | 800,000                                                                          | 330,913              | 1,130,913            |
| 2044                       | 835,000                                                                          | 295,147              | 1,130,147            |
| 2045                       | 870,000                                                                          | 255,132              | 1,125,132            |
| 2046                       | 915,000                                                                          | 210,507              | 1,125,507            |
| 2047                       | 960,000                                                                          | 166,032              | 1,126,032            |
| 2048                       | 1,005,000                                                                        | 121,819              | 1,126,819            |
| 2049                       | 1,050,000                                                                        | 74,925               | 1,124,925            |
| 2050                       | 1,095,000                                                                        | 25,322               | 1,120,322            |
|                            | <u>\$ 16,700,000</u>                                                             | <u>\$ 11,753,557</u> | <u>\$ 28,453,557</u> |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**DEBT SERVICE SCHEDULE BY LEVY YEAR**  
**JUNE 30, 2025**

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| Payment<br>Date | General Obligation Limited Tax<br>School Bonds, Series 2025<br>Debt Service | Levy<br>Year |
|-----------------|-----------------------------------------------------------------------------|--------------|
| 12/1/25         | \$ 918,456                                                                  | 2024         |
|                 | <u>918,456</u>                                                              |              |
| 6/1/26          | 390,581                                                                     |              |
| 12/1/26         | 755,581                                                                     | 2025         |
|                 | <u>1,146,162</u>                                                            |              |
| 6/1/27          | 381,456                                                                     |              |
| 12/1/27         | 766,456                                                                     | 2026         |
|                 | <u>1,147,912</u>                                                            |              |
| 6/1/28          | 371,831                                                                     |              |
| 12/1/28         | 776,831                                                                     | 2027         |
|                 | <u>1,148,662</u>                                                            |              |
| 6/1/29          | 361,706                                                                     |              |
| 12/1/29         | 786,706                                                                     | 2028         |
|                 | <u>1,148,412</u>                                                            |              |
| 6/1/30          | 351,081                                                                     |              |
| 12/1/30         | 796,081                                                                     | 2029         |
|                 | <u>1,147,162</u>                                                            |              |
| 6/1/31          | 339,956                                                                     |              |
| 12/1/31         | 804,956                                                                     | 2030         |
|                 | <u>1,144,912</u>                                                            |              |
| 6/1/32          | 328,331                                                                     |              |
| 12/1/32         | 818,331                                                                     | 2031         |
|                 | <u>1,146,662</u>                                                            |              |
| 6/1/33          | 316,081                                                                     |              |
| 12/1/33         | 831,081                                                                     | 2032         |
|                 | <u>1,147,162</u>                                                            |              |
| 6/1/34          | 303,206                                                                     |              |
| 12/1/34         | 843,206                                                                     | 2033         |
|                 | <u>1,146,412</u>                                                            |              |
| 6/1/35          | 289,706                                                                     |              |
| 12/1/35         | 859,706                                                                     | 2034         |
|                 | <u>1,149,412</u>                                                            |              |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**DEBT SERVICE SCHEDULE BY LEVY YEAR (CONTINUED)**  
**JUNE 30, 2025**

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| Payment<br>Date | General Obligation Limited Tax<br>School Bonds, Series 2025<br>Debt Service | Levy<br>Year |
|-----------------|-----------------------------------------------------------------------------|--------------|
| 6/1/36          | \$ 275,456                                                                  | 2035         |
| 12/1/36         | 870,457                                                                     |              |
|                 | <u>1,145,913</u>                                                            |              |
| 6/1/37          | 260,581                                                                     | 2036         |
| 12/1/37         | 885,582                                                                     |              |
|                 | <u>1,146,163</u>                                                            |              |
| 6/1/38          | 244,956                                                                     | 2037         |
| 12/1/38         | 899,957                                                                     |              |
|                 | <u>1,144,913</u>                                                            |              |
| 6/1/39          | 228,581                                                                     | 2038         |
| 12/1/39         | 918,582                                                                     |              |
|                 | <u>1,147,163</u>                                                            |              |
| 6/1/40          | 211,331                                                                     | 2039         |
| 12/1/40         | 936,332                                                                     |              |
|                 | <u>1,147,663</u>                                                            |              |
| 6/1/41          | 193,206                                                                     | 2040         |
| 12/1/41         | 953,207                                                                     |              |
|                 | <u>1,146,413</u>                                                            |              |
| 6/1/42          | 174,206                                                                     | 2041         |
| 12/1/42         | 974,207                                                                     |              |
|                 | <u>1,148,413</u>                                                            |              |
| 6/1/43          | 156,706                                                                     | 2042         |
| 12/1/43         | 991,706                                                                     |              |
|                 | <u>1,148,412</u>                                                            |              |
| 6/1/44          | 138,441                                                                     | 2043         |
| 12/1/44         | 1,008,441                                                                   |              |
|                 | <u>1,146,882</u>                                                            |              |
| 6/1/45          | 116,691                                                                     | 2044         |
| 12/1/45         | 1,031,691                                                                   |              |
|                 | <u>1,148,382</u>                                                            |              |
| 6/1/46          | 93,816                                                                      | 2045         |
| 12/1/46         | 1,053,816                                                                   |              |
|                 | <u>1,147,632</u>                                                            |              |

**HAZEL CREST SCHOOL DISTRICT 152.5**  
**DEBT SERVICE SCHEDULE BY LEVY YEAR (CONTINUED)**  
**JUNE 30, 2025**

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| Payment<br>Date | General Obligation Limited Tax<br>School Bonds, Series 2025<br>Debt Service | Levy<br>Year |
|-----------------|-----------------------------------------------------------------------------|--------------|
| 6/1/47          | \$ 72,216                                                                   | 2046         |
| 12/1/47         | 1,077,216                                                                   |              |
|                 | <u>1,149,432</u>                                                            |              |
| 6/1/48          | 49,603                                                                      | 2047         |
| 12/1/48         | 1,099,603                                                                   |              |
|                 | <u>1,149,206</u>                                                            |              |
| 6/1/49          | 25,322                                                                      | 2048         |
| 12/1/49         | 1,120,322                                                                   |              |
|                 | <u>1,145,644</u>                                                            |              |
| Total           | <u>\$ 28,453,557</u>                                                        |              |

**HAZEL CREST SCHOOL DISTRICT 152.5****SCHEDULE OF LEGAL DEBT MARGIN****JUNE 30, 2025**

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|                                                                |    |                       |                         |
|----------------------------------------------------------------|----|-----------------------|-------------------------|
| Equalized assessed valuation                                   |    | \$                    | 122,185,926             |
| Limiting rate                                                  |    |                       | <u>6.9%</u>             |
| General obligation debt limit                                  |    |                       | 8,430,829               |
| Outstanding debt                                               | \$ | 16,960,755            |                         |
| Less: General Obligation Limited Tax School Bonds, Series 2025 |    | <u>(16,700,000) *</u> |                         |
| Outstanding debt (applicable to the debt limit)                |    |                       | <u>260,755</u>          |
| Remaining debt margin                                          |    | \$                    | <u><u>8,170,074</u></u> |

\* Certain types of bonds, including Working Cash and Funding Bonds, can be issued in excess of a school district's statutory debt limit. The District's bonds currently included in this category include the outstanding General Obligation Limited Tax School Bonds, Series 2025 of \$16,700,000.



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