ANNUAL FINANCIAL REPORT

BANNOCKBURN
SCHOOL DISTRICT NO. 106
BANNOCKBURN, IL

FOR THE FISCAL YEAR ENDED
JUNE 30, 2026

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Bannockburn School District No. 106
Bannockburn, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Bannockburn School District No. 106, Bannockburn, Illinois (the "District"), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 11 to the financial statements, during this fiscal year the District adopted new accounting guidance *GASB Statement No. 87, Leases.* Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 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.

Evans, Marshall & Pease, P.C.

Evans, Marshall & Pease, P.C.
Certified Public Accountants

Rolling Meadows, Illinois
October 23, 2026

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

Board of Education
Bannockburn School District No. 106
Bannockburn, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of Bannockburn School District No. 106, Bannockburn, Illinois (the "District"), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 23, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Evans, Marshall & Pease, P.C.

Evans, Marshall & Pease, P.C.
Certified Public Accountants

Rolling Meadows, Illinois
October 23, 2026

REQUIRED SUPPLEMENTARY INFORMATION
Management's Discussion and Analysis

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The following discussion and analysis provides an overview of Bannockburn School District No. 106's (the District) financial activities and financial position for the year ended June 30, 2026. Management encourages readers to consider this information in conjunction with the District's basic financial statements and accompanying notes.

This MD&A includes comparative information for the current and prior fiscal years to assist readers in evaluating changes in the District's financial position and results of operations.

Financial Highlights

- The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The government-wide financial statements are presented on the accrual basis of accounting, with revenues recognized when earned and expenses recognized when incurred. The following financial information should be evaluated within this reporting framework.

- The District's total net position increased by $522,141, or approximately 2.9%, from $17,997,575 to $18,519,716 during the fiscal year. The increase reflects general revenues of $6.4 million, primarily property taxes, investment income, and unrestricted state aid, in excess of the net cost of governmental activities.

- Total governmental fund balances increased by $755,467, or approximately 8.5%, from $8,865,298 to $9,620,765. The General Fund increased by $1,080,192, partially offset by decreases in the Operations and Maintenance, Transportation, and Municipal Retirement/Social Security Funds.

- At June 30, 2026, the District reported $11,222,248 in net capital assets. Capital asset additions totaled $319,195, while depreciation and amortization expense totaled $629,901, resulting in a net decrease in capital assets of $310,706 during the year.

- During the year, the District entered into a copier lease with an initial liability of $129,715. After principal payments of $24,675, the outstanding lease liability was $105,040 at June 30, 2026.

- Total long-term obligations decreased from $1,253,428 to $1,201,455. The decrease was primarily attributable to a reduction in the District's net pension liability, partially offset by the new lease liability and an increase in other postemployment benefit obligations.

Overview of the Financial Statements

Management's Discussion and Analysis (MD&A) provides an overview of the District's financial activities and should be read in conjunction with the basic financial statements and required supplementary information (RSI).

The basic financial statements provide two perspectives of the District's financial activities:

- The government-wide financial statements, consisting of the statement of net position and statement of activities, provide a broad overview of the District's overall financial position and results of operations.

- The fund financial statements provide more detailed information about the District's individual governmental funds and demonstrate how resources are received, used, and maintained within each fund.

The basic financial statements are accompanied by notes that provide information necessary to understand the amounts reported. The report also includes required supplementary information, including budgetary comparison schedules and pension and other postemployment benefit schedules, as well as supplementary schedules that provide additional detail regarding the District's financial activities.

Major Features of the Government-Wide and Fund Financial Statements

	Government-Wide Financial Statements	Governmental Fund Financial Statements
Scope	Entire District, excluding fiduciary activities	Individual governmental funds
Financial statements	Statement of Net Position; Statement of Activities	Balance Sheet; Statement of Revenues, Expenditures, and Changes in Fund Balances
Measurement focus	Economic resources	Current financial resources
Basis of accounting	Accrual basis	Modified accrual basis
Assets and liabilities reported	Reports all assets and liabilities, including capital assets and long-term obligations	Focuses primarily on current financial assets and liabilities; capital assets and long-term obligations generally are not reported
Deferred outflows and inflows of resources	Reports applicable deferred outflows and deferred inflows of resources associated with both current and future periods	Reports deferred outflows and deferred inflows applicable to the current financial resources measurement focus
Revenues	Recognized when earned, regardless of when cash is received	Recognized when measurable and available
Expenses / expenditures	Expenses are recognized when the related liability is incurred	Expenditures generally are recognized when the related fund liability is incurred; debt service and certain long-term obligations are recognized when due

Government-Wide Financial Statements

The government-wide financial statements provide a broad overview of the District's overall financial position and results of operations using the economic resources measurement focus and accrual basis of accounting.

The statement of net position presents the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Changes in net position over time may help readers assess whether the District's overall financial position has improved or deteriorated.

The statement of activities shows how the District's net position changed during the fiscal year. Expenses are presented by function and are offset by related program revenues, including charges for services and grants and contributions restricted to specific programs. Property taxes and other revenues that do not meet the definition of program revenues are reported as general revenues.

The government-wide financial statements report the District's governmental activities, which are supported primarily by property taxes, state and federal revenues, and other nonexchange revenues. These activities include instruction, support services, payments to other governmental units, debt service, and other activities necessary to operate the District.

Financial Statements

A fund is a separate fiscal and accounting entity with a self-balancing set of accounts used to account for resources that are restricted or otherwise designated for specific activities or purposes. The District uses fund accounting to demonstrate compliance with applicable legal and financial requirements. The District reports only governmental funds and has no proprietary or fiduciary funds.

Governmental fund financial statements report substantially the same activities as the governmental activities presented in the government-wide financial statements, but from a different perspective. Governmental funds use the current financial resources measurement focus and modified accrual basis of accounting and emphasize near-term inflows, outflows, and balances of spendable resources.

Because governmental fund financial statements have a narrower, short-term focus than the government-wide financial statements, reconciliations are provided with the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances. These reconciliations explain the differences between governmental fund amounts and the corresponding amounts reported for governmental activities in the government-wide financial statements.

The District has elected to report all governmental funds as major funds. Separate information is presented for the General Fund, which includes the Educational and Working Cash Accounts; Operations and Maintenance Fund; Debt Service Fund; Transportation Fund; Municipal Retirement/Social Security Fund; and Capital Projects Fund. The District adopts an annual budget for each fund. Budgetary comparison schedules are presented as required supplementary information (RSI) to compare the legally adopted budget with actual results and demonstrate budgetary compliance.

Notes to the Financial Statements

The notes are an integral part of the basic financial statements and provide information necessary for a complete understanding of the District's financial position and results of operations. The notes include the District's significant accounting policies and additional information regarding cash and deposits, property taxes, capital assets, long-term obligations, pensions, other postemployment benefits, and other significant financial matters.

Required Supplementary Information

In addition to Management's Discussion and Analysis, the report includes required supplementary information prescribed by GASB. This information includes pension and other postemployment benefit schedules and the District's budgetary comparison schedules, which provide additional historical, actuarial, and budgetary information necessary to supplement the basic financial statements.

Supplementary Information

The report also includes supplementary schedules that provide additional detail derived from the accounting records underlying the basic financial statements. These schedules provide further information regarding certain funds and other financial activities of the District.

Government-Wide Financial Analysis

Statement of Net Position: The following summarizes the District's net position as of June 30, 2026, and 2025:

	2026	2025
Assets		
Other assets	$ 15,102,320	$ 14,715,772
Capital assets	11,222,248	11,532,954
Total Assets	26,324,568	26,248,726
Total Deferred Outflows of Resources	250,559	288,680
Liabilities		
Other liabilities	19,293	35,811
Noncurrent liabilities	1,201,455	1,253,428
Total Liabilities	1,220,748	1,289,239
Total Deferred Inflows of Resources	6,834,663	7,250,592
Net Position		
Net investment in capital assets	11,117,208	11,532,954
Restricted	1,173,837	1,498,562
Unrestricted	6,228,671	4,966,059
Total Net Position	$ 18,519,716	$ 17,997,575

Changes in Net Position: The following summarizes the District's changes in net position for the years ended June 30, 2026, and 2025:

	2026	2025
Revenues		
Program revenues		
Charges for services	$ 58,758	$ 55,401
Grants and contributions	1,497,165	1,684,536
General revenues		
Taxes - property and pprt	5,817,225	5,532,956
Interest on investments	437,182	537,101
Unrestricted state aid	141,373	141,208
Total Revenues	7,951,703	7,951,202
Expenses		
Instruction	3,970,518	4,287,834
Support services	2,549,631	2,554,892
Payments to other governmental units	276,287	241,155
Debt service - interest and other	3,225	-
Depreciation/amortization - unallocated	629,901	587,516
Total Expenses	7,429,562	7,671,397
Change in Net Position	522,141	279,805
Net Position - Beginning	17,997,575	17,717,770
Net Position - Ending	$ 18,519,716	$ 17,997,575

The District's net position increased by $522,141, from $17,997,575 at the beginning of the year to $18,519,716 at June 30, 2026. Total governmental activities expenses were $7,429,562, while program revenues totaled $1,555,923, resulting in a net cost of governmental activities of $5,873,639. General revenues of $6,395,780 were sufficient to cover the net cost of governmental activities and produce the increase in net position.

Property taxes were the District's largest source of general revenue at $5,775,429, followed by investment income of $437,182 and unrestricted state aid of $141,373. Instruction and support services represented the District's largest functional expenses, totaling $2,640,379 and $2,549,631, respectively. State on-behalf retirement expense of $1,330,139 was fully offset by an equal amount of related operating grant revenue.

Overall, the District's financial position improved during fiscal year 2026, as recurring general revenues exceeded the net cost of providing governmental services.

Total Net Position

The amounts reported for governmental activities differ from those reported in the governmental funds primarily because capital assets and long-term liabilities are reported in the government-wide financial statements but not in the governmental fund financial statements. In addition, certain other transactions are reported differently due to the differing measurement focus of the two sets of statements. At June 30, 2026, the District reported total net position of $18,519,716, an increase of $522,141 during the fiscal year.

Restricted Net Position

At June 30, 2026, the District's total net position was $18,519,716, an increase of $522,141, or approximately 2.9 percent, from the prior year. Of this amount, $11,117,208 represented the District's net investment in capital assets, $1,173,837 was restricted for specific purposes, and $6,228,671 was unrestricted and available to support the District's ongoing operations and future needs.

Financial Analysis of the District's Funds

At June 30, 2026, the District's governmental funds reported combined fund balances of $9,620,765, an increase of $755,467 from the beginning-of-year balance of $8,865,298. The increase was primarily attributable to the General Fund, partially offset by decreases in the Operations and Maintenance, Transportation, and Municipal Retirement/Social Security Funds.

The General Fund, the District's primary operating fund, ended the year with a fund balance of $8,447,026, an increase of $1,080,192. The increase resulted from revenues exceeding expenditures during the year, together with net other financing sources related primarily to the issuance of the copier lease. The General Fund continues to represent the District's primary source of resources available to support educational and administrative operations.

The Operations and Maintenance Fund ended the year with a fund balance of $728,400, a decrease of $256,307. Current-year expenditures exceeded revenues, primarily reflecting costs associated with the operation and maintenance of District facilities and capital outlay.

The Transportation Fund decreased by $56,117 to an ending fund balance of $89,606, while the Municipal Retirement/Social Security Fund decreased by $22,394 to $83,187. The Capital Projects Fund increased by $10,093 to $272,546, reflecting investment income earned during the year. The Debt Service Fund had no ending fund balance, as lease principal and interest payments were funded through a transfer from the General Fund.

Capital Assets and Long-Term Financing

Capital Assets – At June 30, 2026, the District had $11,222,248 invested in capital assets, net of accumulated depreciation and amortization. During the year, the District added $319,195 of capital assets. Depreciation and amortization expense totaled $629,901, resulting in a net decrease in capital assets of $310,706 during the fiscal year. The District's net investment in capital assets at year-end was $11,117,208, after consideration of the related lease liability.

Long-Term Financing **–** During fiscal year 2026, the District entered into a copier lease with an initial liability of $129,715. Principal payments of $24,675 were made during the year, leaving an outstanding lease liability of $105,040 at June 30, 2026. In addition to the lease liability, the District reported $304,879 of pension-related liabilities and $791,536 of other postemployment benefit liabilities, resulting in total long-term obligations of $1,201,455 at year-end.

Additional information regarding the District's capital assets and long-term obligations is provided in the notes to the financial statements.

Currently Known Facts, Decisions, or Conditions

At the time these financial statements were prepared, management was not aware of any currently known facts, decisions, or conditions that are expected to have a significant effect on the District's financial position or results of operations in the subsequent fiscal year beyond those already reflected or discussed in these financial statements. The District will continue to evaluate its operating and capital needs and available financial resources as part of its annual budgeting process.

Requests for Information

This financial report is intended to provide the District's citizens, taxpayers, and creditors with an overview of the District's financial position and activities and to demonstrate the District's accountability for the resources entrusted to it. Questions regarding this report or requests for additional financial information should be directed to Lisa Pease, Director of Business Services, Bannockburn School District No. 106, 2165 Telegraph Road, Bannockburn, Illinois 60015.

BASIC FINANCIAL STATEMENTS

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EXHIBIT A

BANNOCKBURN SCHOOL DISTRICT NO. 106
STATEMENT OF NET POSITION
JUNE 30, 2026

	Governmental Activities
ASSETS	
Cash	$ 12,167,852
Receivables (net of allowance for uncollectibles)	
Interest	153,005
Property taxes	2,773,235
Replacement taxes	8,228
Capital assets, not being depreciated	907,232
Capital assets, net of accumulated depreciation	10,315,016
Total Assets	26,324,568
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	67,134
Other post-employment benefits	183,425
Total Deferred Outflows of Resources	250,559
LIABILITIES	
Flex plan payable	19,293
Noncurrent liabilities	
Due within one year	25,092
Due in more than one year	1,176,363
Total Liabilities	1,220,748
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - property taxes	5,462,262
Pensions	189,724
Other post-employment benefits	1,182,677
Total Deferred Inflows of Resources	6,834,663
NET POSITION	
Net investment in capital assets	11,117,208
Restricted	
Student activities	98
Operations and maintenance	728,400
Transportation	89,606
Retirement	83,187
Capital projects	272,546
Unrestricted	6,228,671
Total Net Position	$ 18,519,716

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

EXHIBIT B

BANNOCKBURN SCHOOL DISTRICT NO. 106
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental Activities					
Instruction	$ 2,640,379	$ 56,182	$ 113,111	$ -	$ (2,471,086)
State on-behalf retirement	1,330,139	-	1,330,139	-	-
Support services	2,549,631	2,576	53,915	-	(2,493,140)
Payments to other governmental units	276,287	-	-	-	(276,287)
Debt service - interest and other	3,225	-	-	-	(3,225)
Depreciation/amortization - unallocated	629,901	-	-	-	(629,901)
Total	$ 7,429,562	$ 58,758	$ 1,497,165	$ -	(5,873,639)
GENERAL REVENUES					
Property taxes					5,775,429
Personal property replacement taxes					41,796
Interest on investments					437,182
Unrestricted state aid					141,373
Total					6,395,780
CHANGE IN NET POSITION					522,141
NET POSITION - BEGINNING					17,997,575
NET POSITION - ENDING					$ 18,519,716

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

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BANNOCKBURN SCHOOL DISTRICT NO. 106
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2026

	General Fund	Operations and Maintenance Fund	Debt Service Fund
ASSETS			
Cash	$ 10,570,405	$ 1,030,479	$ -
Receivables (net of allowance for uncollectibles)			
Interest	130,768	14,711	-
Property taxes	2,313,325	326,711	-
Replacement taxes	8,228	-	-
Total Assets	$ 13,022,726	$ 1,371,901	$ -
LIABILITIES			
Flexible spending payable	$ 19,293	$ -	$ -
Total Liabilities	19,293	-	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	4,556,407	643,501	-
Total Deferred Inflows of Resources	4,556,407	643,501	-
FUND BALANCES			
Restricted	98	728,400	-
Unassigned	8,446,928	-	-
Total Fund Balances	8,447,026	728,400	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 13,022,726	$ 1,371,901	$ -

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

Transportation Fund	Municipal Retirement/ Social Security Fund	Capital Projects Fund	Total
$ 148,404	$ 149,425	$ 269,139	$ 12,167,852
2,124	1,995	3,407	153,005
62,829	70,370	-	2,773,235
-	-	-	8,228
$ 213,357	$ 221,790	$ 272,546	$ 15,102,320
$ -	$ -	$ -	$ 19,293
-	-	-	19,293
123,751	138,603	-	5,462,262
123,751	138,603	-	5,462,262
89,606	83,187	272,546	1,173,837
-	-	-	8,446,928
89,606	83,187	272,546	9,620,765
$ 213,357	$ 221,790	$ 272,546	$ 15,102,320

(Continued)

BANNOCKBURN SCHOOL DISTRICT NO. 106
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2026

Total fund balances-governmental funds (Exhibit C)		$ 9,620,765
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Net capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		11,222,248
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.		
Deferred outflows - pension related	$ 67,134	
Deferred inflows - pension related	(189,724)	
Deferred outflows - other post-employment benefits related	183,425	
Deferred inflows - other post-employment benefits related	(1,182,677)	(1,121,842)
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.		
Leases payable	(105,040)	
Pension related debt	(304,879)	
Other post-employment benefits debt	(791,536)	(1,201,455)
Total net position of governmental activities (Exhibit A)		$ 18,519,716

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

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BANNOCKBURN SCHOOL DISTRICT NO. 106
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2026

	General Fund	Operations and Maintenance Fund	Debt Service Fund
REVENUES			
Property taxes	$ 5,046,282	$ 530,216	$ -
Corporate personal property replacement taxes	38,796	-	-
Interest on investments	373,056	42,866	-
Other local sources	58,602	156	-
State sources	149,541	50,000	-
State on-behalf retirement	1,197,878	-	-
Federal sources	101,479	-	-
Total Revenues	6,965,634	623,238	-
EXPENDITURES			
Current			
Instruction	2,776,269	-	-
State on-behalf retirement	1,197,878	-	-
Support services	1,641,290	655,883	-
Payments to other governmental units	230,410	45,877	-
Capital outlay	141,410	177,785	-
Debt Service			
Principal	-	-	24,675
Interest	-	-	3,225
Total Expenditures	5,987,257	879,545	27,900
Other Financing Sources (Uses)			
Transfers in	-	-	27,900
Transfers out	(27,900)	-	-
Leases issued	129,715	-	-
Total Other Financing Sources	101,815	-	27,900
NET CHANGE IN FUND BALANCES	1,080,192	(256,307)	-
FUND BALANCES, BEGINNING OF YEAR	7,366,834	984,707	-
FUND BALANCES, END OF YEAR	$ 8,447,026	$ 728,400	$ -

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

Transportation Fund	Municipal Retirement/ Social Security Fund	Capital Projects Fund	Total
$ 75,837	$ 123,094	$ -	$ 5,775,429
-	3,000	-	41,796
5,602	5,565	10,093	437,182
-	-	-	58,758
7,379	-	-	206,920
-	-	-	1,197,878
-	-	-	101,479
88,818	131,659	10,093	7,819,442
-	50,036	-	2,826,305
-	-	-	1,197,878
144,935	104,017	-	2,546,125
-	-	-	276,287
-	-	-	319,195
-	-	-	24,675
-	-	-	3,225
144,935	154,053	-	7,193,690
-	-	-	27,900
-	-	-	(27,900)
-	-	-	129,715
-	-	-	129,715
(56,117)	(22,394)	10,093	755,467
145,723	105,581	262,453	8,865,298
$ 89,606	$ 83,187	$ 272,546	$ 9,620,765

(Continued)

BANNOCKBURN SCHOOL DISTRICT NO. 106
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2026

Total net change in fund balances-governmental funds (Exhibit D)		$ 755,467
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period.		
Depreciation/amortization expense	$ (629,901)	
Capital outlay over capitalization limits	319,195	(310,706)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position.		
Leases issued	(129,715)	
Principal paid on leases	24,675	(105,040)
Some amounts reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.		
Changes in pension liabilities and related deferred outflows and deferred inflows of resources	(10,539)	
Changes in OPEB liabilities and related deferred outflows and deferred inflows of resources	192,959	182,420
Change in net position of governmental activities (Exhibit B)		$ 522,141

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Bannockburn School District No. 106 (the "District") operates as a public school district governed by an elected Board of Education. The District is organized under the provisions of the School Code of the State of Illinois.

The District's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies followed by the District in preparing these financial statements are described below.

A. Financial Reporting Entity

The accompanying financial statements include all organizations, activities, and functions for which the District is financially accountable. Component units are legally separate organizations for which the District, as the primary government, is financially accountable. Financial accountability exists when the District appoints a voting majority of an organization's governing body and either (1) is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District.

Based on these criteria, the District has no component units. In addition, the District is not considered a component unit of any other governmental reporting entity.

B. Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements, consisting of the statement of net position and the statement of activities, report information on all nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. The District reports only governmental activities, which are generally supported by taxes, intergovernmental revenues, and other nonexchange revenues. The District has no business-type activities.

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

Governmental Funds Financial Statements

Governmental fund financial statements are used to account for the District's general governmental activities. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

A fund is a separate fiscal and accounting entity with a self-balancing set of accounts used to account for specific activities or objectives in accordance with applicable laws, regulations, restrictions, or limitations. The District maintains the minimum number of funds consistent with legal and managerial requirements.

Separate financial statements are presented for the District's governmental funds. Fiduciary funds, if any, would be reported separately and excluded from the government-wide financial statements. The District has no fiduciary funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered measurable when the amount of the transaction can be determined and available when they are collectible within the current period or soon enough thereafter to finance expenditures of the current period. For this purpose, the District considers revenues to be available if they are collected within 30 days after year-end.

Expenditures generally are recorded when the related fund liability is incurred. However, expenditures for principal and interest on general long-term debt are recognized when due. Expenditures related to compensated absences and claims and judgments are recognized to the extent they are normally expected to be liquidated with expendable available financial resources.

On-behalf payments made by third parties for the benefit of the District, including payments made by the State of Illinois to the Teachers' Retirement System (TRS) and Teachers' Health Insurance Security (THIS) Fund, are recognized as revenues and expenditures in the financial statements.

Property taxes, replacement taxes, certain state and federal aid, and interest on investments are susceptible to accrual and are recognized as revenues when measurable and available. Other revenues are recognized when received because they generally are not measurable until cash is received.

Grant revenues are recognized when all applicable eligibility requirements have been met and the resources are measurable and available. Amounts received before eligibility requirements are met are reported as liabilities until the applicable requirements have been satisfied.

The funds of the District are described below:

Governmental Funds

General Fund – The General Fund is the District's primary operating fund and is used to account for all financial resources not required to be accounted for in another fund. The Educational and Working Cash Accounts are included in the General Fund.

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

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, principal, interest, and related costs on the District's general long-term debt.

Capital Projects Fund – The Capital Projects Fund is used to account for financial resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities.

Proprietary Funds

The District has no proprietary funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fiduciary Funds

The District has no fiduciary funds.

Major and Non-major Funds

An emphasis is placed on major governmental funds. The General Fund is always considered a major fund. Other governmental funds are considered major if they meet the applicable quantitative criteria established by GASB. The District may also report any other governmental fund as a major fund when management believes separate presentation is useful to financial statement users.

The District has elected to report all governmental funds as major funds.

The District's major funds are as follows:

General Fund – See above for description.

Operations and Maintenance Fund – Accounts for expenditures related to the operation, repair, and maintenance of the District's buildings and grounds. Revenues are derived primarily from local property taxes and other available funding sources.

Transportation Fund – Accounts for revenues and expenditures related to student transportation. Revenues are derived primarily from local property taxes and state transportation reimbursements.

Municipal Retirement/Social Security Fund – Accounts for the District's required contributions to the Illinois Municipal Retirement Fund, Social Security, and Medicare for eligible employees. Revenues are derived primarily from local property taxes and personal property replacement taxes.

Debt Service Fund – Accounts for the accumulation of resources for, and the payment of, principal, interest, and related costs on the District's general long-term debt.

Capital Projects Fund – Accounts for financial resources used for the acquisition, construction, or improvement of major capital facilities.

D. Equity Classifications/Fund Balance Reporting

Net Position

Net position is reported in three components: net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets – Consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding principal of debt attributable to the acquisition, construction, or improvement of those assets. Unspent proceeds of capital-related debt are not included in this component.

Restricted Net Position – Consists of net position subject to constraints on its use that are either (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – Consists of 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 the same purpose, it is the District's policy to use restricted resources first, followed by unrestricted resources.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Governmental Fund Balance Reporting

Governmental fund balances are classified as nonspendable, restricted, committed, assigned, or unassigned.

Nonspendable – Includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact. Amounts not in spendable form include items such as inventories and prepaid amounts.

Restricted – Includes amounts subject to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

At June 30, 2026, restricted governmental fund balances consisted of the following:

- *Student Activities* – $98, reported in the General Fund.
- *Operations and Maintenance* – $728,400.
- *Transportation* – $89,606.
- *Municipal Retirement/Social Security* – $83,187.
- *Capital Projects* – $272,546.

The District also accounts for certain restricted revenues, including special education tax levies and state and federal grants. To the extent related expenditures equal or exceed the restricted resources available, no restricted fund balance remains at year-end.

Committed – Includes amounts that may be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. Committed amounts may be changed or removed only through the same type of formal action used to establish the commitment. The District had no committed fund balance at June 30, 2026.

Assigned – Includes amounts intended to be used for specific purposes but that do not meet the criteria to be classified as restricted or committed. The District had no assigned fund balance at June 30, 2026.

Unassigned – Represents the residual classification for the General Fund and includes amounts not classified as nonspendable, restricted, committed, or assigned. The General Fund reported an unassigned fund balance of $8,446,928 at June 30, 2026.

Fund Balance Spending Policy – When an expenditure is incurred for a purpose for which restricted, committed, assigned, and unassigned fund balance is available, the District considers restricted amounts to be spent first, followed by committed, assigned, and finally unassigned amounts.

E. Cash and Deposits

Cash and deposits consist of amounts held with financial institutions and investment pools. The District maintains funds in the Illinois School District Liquid Asset Fund Plus (ISDLAF+), administered by PMA Financial Network, including liquid investment accounts and non-negotiable certificates of deposit. The District also invests in the Illinois Portfolio through the IIIT Class and the Illinois Trust Certificate of Deposit Program.

F. Receivables

Receivables are reported net of estimated uncollectible amounts.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

G. Capital Assets

Capital assets, which include land, construction in progress, buildings and improvements, site improvements, equipment, and vehicles, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial individual cost of more than $5,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value as of the date of donation.

Depreciation is calculated using the straight-line method over the following estimated useful lives:

- Buildings and improvements: 20–40 years
- Site improvements: 20 years
- Equipment and vehicles: 5–20 years

Land and construction in progress are not depreciated.

In the governmental fund financial statements, capital asset acquisitions are reported as capital outlay expenditures in the period acquired.

H. Deferred Outflows of Resources

In addition to assets, the statement of net position reports deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future reporting period and, therefore, will not be recognized as an expense until that future period.

The District reports deferred outflows of resources related to pensions and other postemployment benefits in the government-wide statement of net position. These amounts arise from differences between expected and actual experience, changes in actuarial assumptions, differences between projected and actual investment earnings, changes in the District's proportionate share, and differences between District contributions and its proportionate share of contributions.

I. Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the statement of net position. The District's long-term obligations consist of lease liabilities.

In the governmental fund financial statements, lease proceeds are reported as other financing sources in the period the lease is entered into. Lease principal and interest payments are reported as expenditures when due.

Leases

The District is a lessee under noncancelable lease agreements for certain copier equipment. In the government-wide financial statements, the District recognizes a lease liability and a corresponding right-to-use lease asset for leases that meet the applicable recognition criteria.

At the commencement of a lease, the lease liability is initially measured at the present value of payments expected to be made during the lease term. The lease liability is subsequently reduced by the principal portion of lease payments made.

The right-to-use lease asset is initially measured based on the amount of the initial lease liability, adjusted for payments made at or before commencement and for certain other amounts, as applicable. The lease asset is subsequently amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset, unless ownership of the underlying asset transfers to the District at the end of the lease term.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Key estimates and judgments used in accounting for leases include the determination of the lease term, the discount rate, and the lease payments included in the measurement of the lease liability.

The District uses the interest rate implicit in the lease when that rate is readily determinable. When the implicit rate is not readily determinable, the District uses its estimated incremental borrowing rate as the discount rate.

J. Deferred Inflows of Resources

In addition to liabilities, the financial statements report deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to a future reporting period and, therefore, will not be recognized as revenue until that future period.

The District reports deferred inflows of resources related to property taxes, pensions, and other postemployment benefits.

Property taxes that are not recognized as revenue in the current period because they are applicable to a future reporting period are reported as deferred inflows of resources.

Deferred inflows related to pensions and other postemployment benefits are reported in the government-wide statement of net position. These amounts result from differences between expected and actual experience, changes in actuarial assumptions, differences between projected and actual investment earnings, changes in the District's proportionate share, and differences between District contributions and its proportionate share of contributions. These amounts are recognized as expense reductions in future periods in accordance with the applicable accounting requirements.

K. Property Tax Revenues

The District annually adopts a property tax levy in accordance with Illinois law. The 2025 tax levy was approved by the Board of Education on December 16, 2025, and the 2024 tax levy was approved on December 17, 2024.

Property taxes levied by the District are assessed and collected by Lake County. Property taxes attach as an enforceable lien on real property as of January 1 of the levy year and are generally payable in installments during the following calendar year in accordance with the County's collection schedule. The District receives property tax distributions from Lake County as collections are remitted by the County Treasurer.

The District is subject to the Property Tax Extension Limitation Law (PTELL), which generally limits annual increases in aggregate property tax extensions, excluding certain debt service levies, to the lesser of 5 percent or the increase in the Consumer Price Index for the preceding year. The limitation may be increased for new property growth, including new construction, annexations, and property becoming taxable upon expiration of a tax increment financing designation.

L. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the Municipal Retirement/Social Security Fund as required, with any remaining amounts allocated to other District funds in accordance with applicable requirements.

M. Program Revenues

Program revenues reported in the Statement of Activities include (1) charges for services, including tuition and fees, and (2) operating and capital grants and contributions that are restricted to supporting the operational or capital requirements of a particular function or program. Taxes and other revenues that do not meet the criteria for classification as program revenues, including taxes levied for specific purposes, are reported as general revenues.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

N. Interfund Activity, Eliminations, and Reclassifications

Interfund activity may consist of loans, services provided, reimbursements, or transfers. Interfund loans are reported as receivables and payables between funds. Services provided between funds are reported as revenues and expenditures or expenses, as appropriate. Reimbursements occur when one fund initially incurs a cost on behalf of another fund and is subsequently reimbursed by the benefiting fund. All other interfund transactions are reported as transfers.

In preparing the government-wide financial statements, interfund receivables, payables, transfers, and other interfund activity are eliminated or reclassified, as appropriate, so that the statements reflect the District as a single economic entity.

O. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts and related disclosures. Actual results could differ from those estimates.

NOTE 2 – CASH AND DEPOSITS

The District maintains cash and deposits in accounts approved by the Board of Education in accordance with the District's cash management policy. Separate accounts are not maintained for each fund; instead, certain funds share common accounts, with accounting records maintained to identify each fund's respective balance.

At June 30, 2026, the carrying amount of the District's deposits totaled $12,167,852 and the bank balances totaled $12,513,583. The amounts are classified as follows:

		Maturity		
Cash and Deposits	Amount	Less Than Six Months	Six Months to One Year	One Year to Three Years
Cash with financial institutions	$ 45,344	$ 45,344	$ -	$ -
Illinois Portfolio				
IIIT Class	359,541	359,541	-	-
ISDLAF+				
Liquid and Max	598,698	598,698	-	-
Certificates of deposit				
Non-negotiable	11,510,000	4,084,800	5,522,800	1,902,400
Total	$ 12,513,583	$ 5,088,383	$ 5,522,800	$ 1,902,400

Interest Rate Risk. The District's investment policy limits investment maturities as a means of managing its exposure to losses arising from interest rate fluctuations. The weighted average of the portfolio maturity was 203.46 days and the weighted portfolio yield was 3.79%.

Credit Risk. State law and the District's investment policy limit the types of investments in which the District may invest. The District's policy is intended to preserve principal and limit exposure to credit and market risk while providing sufficient liquidity and a reasonable rate of return.

The District invests in the Illinois Portfolio – IIIT Class, an external investment pool available to eligible Illinois public agencies that seeks to maintain a stable net asset value of $1.00 per share and is administered and advised by PFM Asset Management. The District also invests in the Illinois School District Liquid Asset Fund Plus (ISDLAF+), including its Liquid and MAX options, which are administered and serviced by PMA Financial Network. Investments in these external investment pools are reported at net asset value as determined by the respective pools.

NOTE 2 – CASH AND DEPOSITS (CONT'D)

Custodial Credit Risk. Custodial credit risk for deposits is the risk that, in the event of a financial institution failure, the District will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The District's investment policy requires deposits to be maintained in accordance with applicable statutory and collateralization requirements and seeks to minimize custodial credit risk through diversification among financial institutions.

	Bank Balance
FDIC Insured	$ 11,555,344
Illinois Portfolio	359,541
ISDLAF+	598,698
Total	$ 12,513,583

Amounts invested in the Illinois Portfolio – IIIT Class and in ISDLAF+, including the Liquid and MAX investment classes, represent interests in external investment pools and are not bank deposits. Accordingly, these amounts are not subject to FDIC insurance or the collateralization requirements applicable to the District's deposits and are not included in the District's deposit custodial credit risk exposure.

Concentration of Credit Risk. The District's investment policy seeks to limit concentration of credit risk through diversification by investment type, financial institution, and maturity, taking into consideration the nature of the funds invested, available investment options, and the District's liquidity and cash flow needs.

Foreign currency risk. The District does not hold investments denominated in currencies other than the U.S. dollar.

NOTE 3 – PROPERTY TAXES

Property taxes receivable and the related deferred inflows of resources reported at June 30, 2026, relate to the District's 2025 tax levy. The District records the 2025 tax extension as a receivable, reduced by collections received through year-end and an allowance for estimated uncollectible amounts. The allowance for uncollectible taxes is determined by applying a consistent estimated collection percentage to the tax extension of each applicable fund.

The District has determined that the 2025 tax levy is intended to finance expenditures of the fiscal year ending June 30, 2027. Accordingly, amounts attributable to the 2025 levy are reported as deferred inflows of resources at June 30, 2026, rather than as current-year property tax revenue, including amounts collected prior to year-end.

Property taxes attributable to the 2024 and prior tax levies that are available to finance fiscal year 2026 expenditures are recognized as revenue in the accompanying financial statements. The District has determined that the 2024 and prior tax levies have been fully collected and, therefore, no related property tax receivables remain outstanding at June 30, 2026.

Additional information regarding the District's property tax levies is presented in Schedule 10 of the Supplementary Information.

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2026, was as follows:

NOTE 4 – CAPITAL ASSETS (CONT'D)

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	$ 907,232	$ -	$ -	$ 907,232
Total	907,232	-	-	907,232
Capital assets being depreciated/ amortized				
Buildings and improvements	15,783,044	-	-	15,783,044
Site improvements	1,666,622	16,515	-	1,683,137
Equipment and vehicles	1,103,676	172,965	-	1,276,641
Leased equipment	-	129,715	-	129,715
Total	18,553,342	319,195	-	18,872,537
Less accumulated depreciation/ amortization				
Buildings and improvements	5,975,551	441,540	-	6,417,091
Site improvements	961,050	77,874	-	1,038,924
Equipment and vehicles	991,019	85,812	-	1,076,831
Leased equipment	-	24,675	-	24,675
Total	7,927,620	629,901	-	8,557,521
Net capital assets	$ 11,532,954	$ (310,706)	$ -	$ 11,222,248

Depreciation/amortization expense is unallocated under functions/programs on the statement of activities.

NOTE **5 – LONG-TERM OBLIGATIONS**

Leases Payable

The District has entered into a lease agreement for copier equipment. The lease provides for a purchase option at the end of the lease term based on the fair market value of the equipment. The related copier equipment has an estimated useful life of five years. Lease payments are made from the General Fund.

On July 1, 2026, the District entered into a five-year lease agreement with Xerox Business Solutions for copiers. The initial lease liability was $129,715. At June 30, 2026, the lease liability was $105,040. Monthly principal and interest payments are $2,325 at an interest rate of 3.00 percent. The right-to-use asset had a carrying value of $105,040 and accumulated amortization of $24,675 at year-end.

Summary

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2026:

NOTE 5 – LONG-TERM OBLIGATIONS (CONT'D)

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Leases	$ -	$ 129,715	$ 24,675	$ 105,040	$ 25,092
Net pensions	528,567	2,408	226,096	304,879	-
Net other post-employment benefits (OPEB)	724,861	79,160	12,485	791,536	-
Total	$ 1,253,428	$ 211,283	$ 263,256	$ 1,201,455	$ 25,092

Annual Debt Service Requirements

As of June 30, 2026, the annual debt service requirements to service all leases are:

Year Ending June 30,	Principal	Interest	Total
2027	$ 25,092	$ 2,808	$ 27,900
2028	25,855	2,045	27,900
2029	26,642	1,258	27,900
2030	27,452	448	27,900
Totals	$ 105,041	$ 6,559	$ 111,600

Legal Debt Margin

Based on the 2025 assessed valuation of $251,748,286, the legal debt margin of 6.9% is $17,370,632. At June 30, 2026, the outstanding debt to which the legal debt margin applies is $105,040, leaving an available borrowing power of $17,265,592.

NOTE 6 – RETIREMENT SYSTEMS

A. Illinois Municipal Retirement Fund (IMRF)

IMRF Plan Description

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

Benefits Provided

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

NOTE 6 – RETIREMENT SYSTEMS (CONT'D)

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

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

Employees Covered by Benefit Terms

As of December 31, 2025, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	16
Inactive Plan Members entitled to but not yet receiving benefits	39
Active Plan Members	10
Total	65

Contributions

As set by statute, the employer's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer's annual required contribution rate for calendar year 2025 was 10.47 percent. For the fiscal year ended June 30, 2026, the employer contributed $66,782 to the plan. The employer also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The employer's net pension liability was measured as of December 31, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2025:

NOTE 6 – RETIREMENT SYSTEMS (CONT'D)

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- 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.
- For Non-Disabled Retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021.
- For Disabled Retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- For Active Members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- 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:

			Projected Returns/Risk	
Asset Class	Target Allocation	Return 12/31/2025	One Year Arithmetic	Ten Year Geometric
Equities	32.50%	14.44%	4.85%	7.35%
International Equities	18.00%	32.71%	4.95%	7.45%
Fixed Income	24.00%	7.50%	2.25%	4.75%
Real Estate	10.50%	2.33%	3.75%	6.25%
Alternatives	14.00%	15.24%		
Private Equity		N/A	6.00%	8.50%
Hedge Funds		N/A	N/A	N/A
Commodities		N/A	1.40%	3.90%
Cash Equivalents	1.00%	4.35%	0.50%	3.00%
Total	100.00%			

Single Discount Rate

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

NOTE 6 – RETIREMENT SYSTEMS (CONT'D)

1. The long-term expected rate of return on pension plan investments while fiduciary net position is sufficient to pay benefits; and

2. The 20-year AA-rated tax-exempt municipal bond rate when fiduciary net position is not sufficient to pay benefits.

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.83%; and the resulting single discount rate is 7.25%.

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

The following table shows the plan's net pension liability, using a Single Discount Rate as well as rates that are either one percentage point higher or lower.

	1% Decrease (6.25%)	Current Single Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	$ 433,838	$ 106,058	$ (177,206)

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

For the year ended June 30, 2026, the employer recognized pension expense of $15,991. At June 30, 2026, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods		
Differences between expected and actual experience	$ 5,341	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	177,282
Total deferred amounts to be recognized in pension expense in future periods	5,341	177,282
Pension contributions made subsequent to the measurement date	35,268	-
Total	$ 40,609	$ 177,282

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

NOTE 6 – RETIREMENT SYSTEMS (CONT'D)

Year Ending December 31	Net Deferred Outflows (Inflows) of Resources
2026	$ 39,877
2027	(88,046)
2028	(70,287)
2029	(53,485)
2030	-
Thereafter	-
Total	$ (171,941)

B. Teachers' Retirement System (TRS) of the State of Illinois

General Information about the Pension Plan

Plan Description

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

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

Benefits Provided

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

Tier II 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 II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Essentially all Tier I retirees receive an annual 3 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 II 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.

NOTE 6 – RETIREMENT SYSTEMS (CONT'D)

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, as subsequently amended, established temporary benefit buyout programs for eligible TRS members. During 2026, the programs were extended through June 30, 2028. One program allows retiring Tier I members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier I and II members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs will begin 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, 2026, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf contributions to TRS

The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2026, State of Illinois contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of $1,116,993 in pension contributions from the State of Illinois.

2.2 formula contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2026, were $14,376, and are deferred because they were paid after the June 30, 2025, measurement date.

Federal and special trust fund contributions

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

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

For the year ended June 30, 2026, the employer pension contribution was 10.34 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2026, salaries totaling $-0- were paid from federal and special trust funds that required employer contributions of $-0-. These contributions are deferred because they were paid after the June 30, 2025, measurement date.

Employer retirement contributions

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

NOTE 6 – RETIREMENT SYSTEMS (CONT'D)

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, 2026, the employer paid $ -0- to TRS for employer contributions due on salary increases in excess of 6 percent, $-0- for excess of governor's statutory salary contributions, and $-0- for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2026, the employer reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the employer. The state's support and total are for disclosure purposes only. The amount recognized by the employer 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 employer were as follows:

Employer's proportionate share of the net pension liability	$ 198,821
State's proportionate share of the net pension liability associated with the employer	15,976,901
Total	$ 16,175,722

The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2025. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2025, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2025, the employer's proportion was 0.0002345933 percent and at June 30, 2024, the employer's proportion was 0.0002287444 percent.

For the year ended June 30, 2026, the District recognized the following TRS pension expense and revenue pertaining to the District's employees:

	Governmental Activites	General Fund
State on-behalf contributions - TRS pension revenue and expense	$ 1,116,993	$ 1,175,571
District TRS pension expense (revenue)	3,557	14,376

As of June 30, 2026, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 6 – RETIREMENT SYSTEMS (CONT'D)

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods		
Differences between expected and actual experience	$ 555	$ 318
Changes of assumptions	2,063	38
Changes in proportion and differences between employer contributions and proportionate share of contributions	9,531	9,248
Net difference between projected and actual earnings on pension plan investments	-	2,838
Total deferred amounts to be recognized in pension expense in future periods	12,149	12,442
Pension contributions made subsequent to the measurement date	14,376	-
Total	$ 26,525	$ 12,442

$14,376 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2027	$ (2,214)
2028	(981)
2029	1,666
2030	854
2031	381
Total	$ (294)

Actuarial Assumptions

The total pension liability in the June 30, 2025, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation
Mortality	PubT-2010 mortality tables, reflecting adjustments for TRS experience, with generational improvement based on the 2024 Adjusted Scale MP-2021

The long-term (20-year) expected rate of return on pension plan investments was determined using a building-block method that develops expected future real rates of return for each major asset class. These rates are weighted by the target asset allocation and combined with expected inflation to determine the long-term expected rate of return. The target allocations and estimated real rates of return used by the actuary are summarized below:

NOTE 6 – RETIREMENT SYSTEMS (CONT'D)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.00%	4.59%
Private Equity	15.00%	7.93%
Public Income	15.00%	3.52%
Private Credit	8.00%	6.70%
Real Estate	16.00%	4.76%
Infra/Other Real Assets	2.00%	5.38%
Diversifying Strategies	6.00%	2.83%
Cash Equivalents	1.00%	0.25%
Total	100.00%	

The 2025 capital market assumption and TRS's current target asset allocation were provided by RVK, TRS investment consultant.

Discount Rate

At June 30, 2025, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2024, 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 statutory-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2025, was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following table shows the plan's net pension liability, using a Single Discount Rate as well as rates that are either one percentage point higher or lower.

	1% Decrease (6.00%)	Current Single Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability/(Asset)	$ 247,337	$ 198,821	$ 158,564

TRS Fiduciary Net Position

Detailed information about the TRS's fiduciary net position as of June 30, 2025, is available in the separately issued TRS *Annual Comprehensive Financial Report*.

A. Aggregate Pension Amounts

For the year ended June 30, 2026, aggregate pension amounts are as follows:

NOTE 6 – RETIREMENT SYSTEMS (CONT'D)

	IMRF	TRS	Total
Deferred Outflows of Resources	$ 40,609	$ 26,525	$ 67,134
Net Pension Liability/(Asset)	106,058	198,821	304,879
Deferred Inflows of Resources	177,282	12,442	189,724
Pension Expense/(Revenue), Net of State Support	15,991	3,557	19,548

B. Social Security/Medicare

Employees not covered by the Illinois Teachers' Retirement System or Illinois Municipal Retirement Fund are considered nonparticipating employees. Nonparticipating employees and IMRF-covered employees are subject to Social Security and Medicare.

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS

A. Teachers' Health Insurance Security (THIS) Fund

General Information about the Plan

Plan Description

The employer participates in the Teachers' Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago.

Benefits Provided

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 State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund.

Contributions

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

On-behalf contributions to THIS

The State of Illinois makes employer retiree health insurance contributions on behalf of the employer. 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, 2026. State of Illinois contributions were $213,146 and the employer recognized revenue and expenditures of this amount during the year.

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (CONT'D)

Contributions to THIS

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, 2026. State of Illinois contributions were $22,307.

Employer contributions to THIS

The employer also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67 percent during the year ended June 30, 2026. For the year ended June 30, 2026, the employer paid $16,606 to the THIS Fund, which was 100 percent of the required contribution. The contributions are deferred because they were paid after the June 30, 2025, measurement date.

THIS Liabilities, THIS Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to THIS

As of June 30, 2026, the employer reported a liability for its proportionate share of the net THIS liability (first amount shown below). The state's support and total are for disclosure purposes only. The amount recognized by the employer as its proportionate share of the net THIS liability, the related state support, and the total portion of the net THIS liability that was associated with the employer were as follows:

Employer's proportionate share of the net THIS liability	$	731,886
State's proportionate share of the net THIS liability associated with the employer		992,847
Total	$	1,724,733

The net THIS liability was measured as of June 30, 2025, and the total THIS liability used to calculate the net THIS liability was determined by an actuarial valuation as of June 30, 2025. The employer's proportion of the net THIS liability was based on the employer's share of contributions to THIS for the measurement year ended June 30, 2025, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2025, the employer's proportion was 0.008146 percent and at June 30, 2024, was 0.008251 percent.

For the year ended June 30, 2026, the District recognized the following THIS OPEB expense and revenue pertaining to the District's employees:

	Governmental Activities	General Fund
State on-behalf contributions -THIS OPEB revenue and expense	$ 213,146	$ 22,307
District THIS OPEB expense (revenue)	(16,701)	16,606

As of June 30, 2026, the employer reported deferred outflows of resources and deferred inflows of resources related to THIS from the following sources:

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (CONT'D)

Deferred Amounts Related to THIS	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in THIS expense in future periods		
Differences between expected and actual experience	$ 74,598	$ 219,639
Changes of assumptions	16,858	774,506
Changes in proportion and differences between employer contributions and proportionate share of contributions	75,363	187,355
Net difference between projected and actual earnings on THIS plan investments	-	1,177
Total deferred amounts to be recognized in THIS expense in future periods	166,819	1,182,677
THIS contributions made subsequent to the measurement date	16,606	-
Total	$ 183,425	$ 1,182,677

$16,606 reported as deferred outflows of resources related to THIS resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the THIS OPEB liability in the reporting year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to THIS will be recognized in THIS expense as follows:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2027	$ (251,878)
2028	(248,602)
2029	(228,736)
2030	(175,896)
2031	(128,387)
Thereafter	17,640
Total	$ (1,015,859)

Actuarial Assumptions

The total THIS liability was determined by an actuarial valuation as of June 30, 2025, using the following actuarial assumptions, applied to all periods included in the measurement date, unless otherwise specified:

Inflation	2.25 percent
Salary increases	varies by amount of service credit
Investment rate of return	2.75 percent, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	based on actual premium increases
Mortality	PubT-2010 mortality tables, reflecting adjustments for TRS experience, with generational improvement based on the 2024 Adjusted Scale MP-2021

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (CONT'D)

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.

Since THIS is financed on a pay-as-you-go basis, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index.

Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). The discount rates are 3.97 percent as of June 30, 2024, and 5.20 percent as of June 30, 2025.

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

The following table shows the plan's net THIS liability, using a Single Discount Rate as well as rates that are either one percentage point higher or lower.

	1% Decrease (4.20%)	Current Single Discount Rate (5.20%)	1% Increase (6.20%)
Net THIS Liability/(Asset)	$ 817,832	$ 731,886	$ 657,750

Sensitivity of the Employer's Proportionate Share of the Net THIS Liability to Changes in the Health Care Trend Rate

The following table shows the plan's net THIS liability, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower.

	1% Decrease	Healthcare Cost Trend Rates Assumption	1% Increase
Net THIS Liability/(Asset)	$ 635,052	$ 731,886	$ 849,684

Further information on the THIS Fund

The THIS Fund's financial reports are publicly available through the Illinois Auditor General's website under "Central Management Services."

B. Health Benefit Plan (HBP)

General Information about the Plan

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (CONT'D)

Plan Description

The District's Other Post-Employment Benefit Plan (OPEB) is single-employer defined benefit healthcare plan that is administered by the District. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and may be amended by the District through its employment contracts. The plan does not issue a separate financial report.

Benefits Provided

The plan provides the ability for retirees and their spouses to access the District's group health insurance plan during retirement, provided they are on the group health insurance plan at the time of retirement. Retirees are responsible to contribute a premium toward the cost of their insurance, which is determined by the Board. Retirees may also access dental and life insurance benefits on a "direct pay" basis. Dependents may also continue coverage on a pay-all basis.

Employees Covered by Benefit Terms

As of June 30, 2026, the following employees were covered by the benefit terms:

	HBP
Active employees	31
Inactive employees entitled to but not yet receiving benefits	-
Inactive employees currently receiving benefits	-
Total	31

Contributions

Retirees under the age of 65 contribute the full active employee equivalent rate. Retirees have the option of choosing from an HMO or PPO plan through the District. Premiums for the plan are set by the Board of Education. Currently, the District contributes 0 percent to 100 percent to postemployment benefits, which varies for different employee groups. For fiscal year 2026, the District contributed $-0- toward the cost of the postemployment benefits for retirees.

Net HBP Liability

The employer's net HBP liability was measured as of June 30, 2025. The total HBP liability used to calculate the HBP liability was determined by an actuarial valuation as of that date.

Actuarial Methods and Assumptions

The following are the methods and assumptions used to determine total HBP liability at June 30, 2026:

- The Actuarial Cost Method used was Entry Age Normal.
- The Actuarial Valuation Frequency is prepared biennially with a "roll-forward" valuation in the interim year.
- The Discount Rate was 4.67%.
- The Municipal Bond Rate Source was Bond Buyer 20-Bond GO Index.
- The Health Care Trend Rate varied by plan decreasing per year down to 5.00%, and level thereafter.

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (CONT'D)

- The Actuarial Assumptions was based on the Teachers' Retirement System of the State of Illinois (TRS) experience study report dated January 27, 2025, and also the Illinois Municipal Retirement Fund (IMRF) experience study report dated January 4, 2024.

- The Mortality Assumptions was based on PubT-2010 mortality tables adjusted by gender with generational improvement using Scale MP-2021 weighted per TRS experience report dated January 27, 2025, for TRS members. For IMRF members, PubG-2010(B) mortality tables adjusted by gender with generational improvement using Scale MP-2021 weighted per IMRF experience study report dated January 4, 2024.

Discount Rate

A discount rate of 4.67% was used to measure the total HBP liability. The discount rate is based upon all years of projected payments discounted at a municipal bond rate.

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

The following table shows the plan's net HBP liability, using a Single Discount Rate as well as rates that are either one percentage point higher or lower.

	1% Decrease (3.67%)	Current Single Discount Rate (4.67%)	1% Increase (5.67%)
Net THIS Liability/(Asset)	$ 62,339	$ 59,650	$ 57,119

Sensitivity of the Net HBP Liability to Changes in the Health Care Trend Rate

The following table shows the plan's net HBP liability, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower.

	1% Decrease	Healthcare Cost Trend Rates Assumption	1% Increase
Net HBP Liability/(Asset)	$ 55,691	$ 59,650	$ 64,159

HBP Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to HBP

For the year ended June 30, 2026, the employer recognized HBP (revenue) of $(12,485). At June 30, 2026, the employer reported -$0- deferred outflows of resources and -$0- deferred inflows of resources related to HBP.

Accordingly, -$0- amounts related to HBP deferred outflows or inflows of resources will be recognized in HBP expense in future periods.

C. Aggregate OPEB Amounts

For the year ended June 30, 2026, aggregate OPEB amounts are as follows:

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (CONT'D)

	THIS	HBP	Total
Deferred Outflows of Resources	$ 183,425	$ -	$ 183,425
Net OPEB Liability/(Asset)	731,886	59,650	791,536
Deferred Inflows of Resources	1,182,677	-	1,182,677
OPEB Expense/(Revenue) Net of State Support	(16,701)	(12,485)	(29,186)

NOTE 8 – INTERFUND LOANS AND TRANSFERS

Interfund Loans

Interfund loans represent amounts provided by one fund to another with the expectation of repayment. Interfund loans are reported as interfund receivables (due from other funds) in the lending fund and interfund payables (due to other funds) in the borrowing fund. Interfund loans are eliminated in the government-wide financial statements.

At June 30, 2026, the District had no outstanding interfund loans.

Interfund Transfers

Interfund transfers represent transfers of financial resources between funds that are not expected to be repaid. Transfers are generally used to finance activities or obligations that are accounted for in a fund other than the fund receiving the underlying revenues. Interfund transfers are reported as other financing sources in the receiving fund and other financing uses in the transferring fund and are eliminated in the government-wide financial statements.

During the year ended June 30, 2026, the District transferred $27,900 from the General Fund to the Debt Service Fund to fund copier lease payments.

NOTE 9 – COMMON BANK ACCOUNT

Separate bank accounts are not maintained for all District funds; instead, certain funds maintain their uninvested cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund. Occasionally funds participating in the common bank account will incur overdrafts (deficits) in the account. The overdrafts result from expenditures, which have been approved by the School Board.

NOTE 10 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to manage these risks of loss. During fiscal year 2026 there was no significant reduction in insurance coverage for any category.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 11 – JOINT AGREEMENTS

The District is a member of the Northern Suburban Special Education District (NSSED), together with other area school districts. NSSED provides special education programs and services to District students and administers certain grants and shared programs that benefit the District. The District is responsible for annual and special assessments established by the NSSED Board of Trustees, as well as program and service fees based on usage. NSSED is separately audited, and its financial information is not included in these financial statements. Financial information may be obtained directly from NSSED at 760 Red Oak Lane, Highland Park, Illinois 60035-3899.

NOTE 12 – CONTINGENCIES

The District is subject to various laws, regulations, contractual agreements, and other matters arising in the ordinary course of operations. Management is not aware of any claims, litigation, commitments, or other contingencies as of June 30, 2026, that are expected to have a material effect on the District's financial statements.

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date the financial statements were available to be issued. No events or transactions occurring subsequent to June 30, 2026, were identified that require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

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BANNOCKBURN SCHOOL DISTRICT NO. 106
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)
MOST RECENT CALENDAR YEARS

Calendar year ending December 31,	2025	2024	2023	2022
Total pension liability				
Service cost	$ 50,423	$ 43,574	$ 54,835	$ 53,434
Interest on the total pension liability	229,480	220,708	209,456	201,976
Difference between expected and actual experience	89,447	61,322	93,036	9,844
Changes of assumptions	-	-	(2,832)	-
Benefit payments	(210,803)	(205,279)	(182,040)	(143,530)
Net change in pension liability	158,547	120,325	172,455	121,724
Total pension liability - beginning	3,245,425	3,125,100	2,952,645	2,830,921
Total pension liability - ending (A)	$ 3,403,972	$ 3,245,425	$ 3,125,100	$ 2,952,645
Plan fiduciary net position				
Contributions - employer	$ 63,210	$ 47,235	$ 49,119	$ 67,314
Contributions - employees	27,167	23,565	24,780	28,073
Net investment income	475,353	280,888	272,557	(397,952)
Benefit payments	(210,803)	(205,279)	(182,040)	(143,530)
Other (net transfer)	29,716	(31,787)	90,752	1,023
Net change in plan fiduciary net position	384,643	114,622	255,168	(445,072)
Plan fiduciary net position - beginning	2,913,271	2,798,649	2,543,481	2,988,553
Plan fiduciary net position - ending (B)	$ 3,297,914	$ 2,913,271	$ 2,798,649	$ 2,543,481
Net pension liability/(asset) - ending (A) - (B)	$ 106,058	$ 332,154	$ 326,451	$ 409,164
Plan fiduciary net position as a percentage of total pension liability	96.88%	89.77%	89.55%	86.14%
Covered valuation payroll	$ 603,716	$ 523,656	$ 550,662	$ 623,852
Net pension liability as a percentage of covered valuation payroll	17.57%	63.43%	59.28%	65.59%

2021	2020	2019	2018	2017	2016
$ 44,328	$ 45,436	$ 54,100	$ 49,459	$ 52,834	$ 61,951
191,203	182,727	170,072	153,395	148,115	138,945
50,475	31,752	79,599	134,520	5,258	14,703
-	(3,780)	-	58,325	(48,096)	(6,398)
(140,397)	(136,964)	(112,790)	(82,150)	(89,901)	(89,738)
145,609	119,171	190,981	313,549	68,210	119,463
2,685,312	2,566,141	2,375,160	2,061,611	1,993,401	1,873,938
$ 2,830,921	$ 2,685,312	$ 2,566,141	$ 2,375,160	$ 2,061,611	$ 1,993,401
$ 61,877	$ 56,612	$ 43,626	$ 50,801	$ 47,649	$ 42,262
22,730	21,248	22,359	21,834	21,188	22,374
455,295	343,461	364,621	(112,966)	313,434	113,258
(140,397)	(136,964)	(112,790)	(82,150)	(89,901)	(89,738)
(5,043)	11,773	44,153	14,529	(14,810)	22,801
394,462	296,130	361,969	(107,952)	277,560	110,957
2,594,091	2,297,961	1,935,992	2,043,944	1,766,384	1,655,427
$ 2,988,553	$ 2,594,091	$ 2,297,961	$ 1,935,992	$ 2,043,944	$ 1,766,384
$ (157,632)	$ 91,221	$ 268,180	$ 439,168	$ 17,667	$ 227,017
105.57%	96.60%	89.55%	81.51%	99.14%	88.61%
$ 505,112	$ 472,171	$ 496,864	$ 485,204	$ 470,845	$ 497,207
-31.21%	19.32%	53.97%	90.51%	3.75%	45.66%

BANNOCKBURN SCHOOL DISTRICT NO. 106
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)
MOST RECENT CALENDAR YEARS

Calendar Year Ending December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2025	$ 63,209	$ 63,210	$ (1)	$ 603,716	10.47%
2024	47,234	47,235	(1)	523,656	9.02%
2023	49,119	49,119	-	550,662	8.92%
2022	67,314	67,314	-	623,852	10.79%
2021	61,876	61,877	(1)	505,112	12.25%
2020	56,613	56,612	1	472,171	11.99%
2019	43,625	43,626	(1)	496,864	8.78%
2018	50,801	50,801	-	485,204	10.47%
2017	47,650	47,649	1	470,845	10.12%
2016	42,263	42,262	1	497,207	8.50%

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2025 Contribution Rate*

Valuation Date:

Notes — 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 contributions are reported.

Methods and Assumptions Used to Determine 2025 Contribution Rates

Actuarial Cost Method	Aggregate entry age normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	18-year closed period
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	2.75%
Price Inflation	2.25%
Salary Increases	2.85% 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 2023 valuation pursuant to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements 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.

Other Information:

Notes	There were no benefit changes during the year.

*Based on Valuation Assumptions used in the December 31, 2023 actuarial valuation

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BANNOCKBURN SCHOOL DISTRICT NO. 106
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' RETIREMENT SYSTEM (TRS) OF THE STATE OF ILLINOIS
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,*	2026	2025	2024	2023
Employer's proportion of the net pension liability	0.0002%	0.0002%	0.0002%	0.0002%
Employer's proportionate share of the net pension liability	$ 198,821	$ 196,413	$ 186,751	$ 182,862
State's proportionate share of the net pension liability associated with the employer	15,976,901	16,376,634	16,116,743	15,862,078
Total	$ 16,175,722	$ 16,573,047	$ 16,303,494	$ 16,044,940
Employer's covered-employee payroll	$ 2,526,003	$ 2,458,018	$ 2,303,232	$ 2,231,669
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	7.87%	7.99%	8.11%	8.19%
Plan fiduciary net position as a percentage of the total pension liability	47.70%	45.40%	43.90%	42.80%

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

2022	2021	2020	2019	2018	2017
0.0003%	0.0003%	0.0003%	0.0003%	0.0003%	0.0003%
$ 202,788	$ 224,150	$ 224,128	$ 226,611	$ 203,251	$ 248,304
16,995,749	17,556,592	15,950,933	15,523,804	13,992,437	13,914,439
$ 17,198,537	$ 17,780,742	$ 16,175,061	$ 15,750,415	$ 14,195,688	$ 14,162,743
$ 2,331,365	$ 2,185,182	$ 2,157,842	$ 2,082,700	$ 1,888,151	$ 1,756,092
8.70%	10.26%	10.39%	10.88%	10.76%	14.14%
45.10%	37.80%	39.60%	40.00%	39.30%	36.40%

BANNOCKBURN SCHOOL DISTRICT NO. 106
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM (TRS) OF THE STATE OF ILLINOIS
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,	2026	2025	2024	2023
Contractually-required contribution	$ 14,376	$ 14,651	$ 14,256	$ 13,359
Contributions in relation to the contractually-required contribution	14,376	14,651	14,256	13,359
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Employer's covered-employee payroll	$ 2,478,539	$ 2,526,003	$ 2,458,018	$ 2,303,232
Contributions as a percentage of covered-employee payroll	0.58%	0.58%	0.58%	0.58%

2022	2021	2020	2019	2018	2017
$ 12,944	$ 13,522	$ 12,515	$ 12,080	$ 10,951	$ 12,200
12,944	13,522	12,515	12,080	10,951	12,200
$ -	$ -	$ -	$ -	$ -	$ -
$ 2,231,669	$ 2,331,365	$ 2,185,182	$ 2,157,842	$ 2,082,700	$ 1,888,151
0.58%	0.58%	0.57%	0.56%	0.53%	0.65%

BANNOCKBURN SCHOOL DISTRICT NO. 106
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE THIS LIABILITY
OTHER POST-EMPLOYMENT BENEFITS (OPEB) - TEACHERS' HEALTH INSURANCE SECURITY (THIS) FUND
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,*	2026	2025	2024	2023
Employer's proportion of the net THIS liability	0.0081%	0.0083%	0.0082%	0.0081%
Employer's proportionate share of the net THIS liability	$ 731,886	$ 652,726	$ 586,797	$ 553,514
State's proportionate share of the net THIS liability	992,847	886,431	793,536	753,001
Total	$ 1,724,733	$ 1,539,157	$ 1,380,333	$ 1,306,515
Employer's covered-employee payroll	$ 2,526,003	$ 2,458,018	$ 2,303,232	$ 2,231,669
Employer's proportionate share of the net THIS liability	28.97%	26.55%	25.48%	24.80%
Plan fiduciary net position as a percentage of the total	8.03%	7.43%	6.21%	5.24%

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

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

2022	2021	2020	2019	2018
0.0090%	0.0086%	0.0088%	0.0088%	0.0003%
$ 1,980,848	$ 2,309,348	$ 2,429,783	$ 2,314,728	$ 1,957,536
2,685,741	3,128,538	3,290,246	3,108,208	2,131,827
$ 4,666,589	$ 5,437,886	$ 5,720,029	$ 5,422,936	$ 4,089,363
$ 2,331,365	$ 2,185,182	$ 2,157,842	$ 2,082,700	$ 1,888,151
84.97%	105.68%	112.60%	111.14%	103.67%
1.40%	0.70%	0.25%	-0.07%	-0.17%

BANNOCKBURN SCHOOL DISTRICT NO. 106
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS (OPEB) - TEACHERS' HEALTH INSURANCE SECURITY (THIS) FUND
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,	2026	2025	2024	2023
Contractually-required contribution	$ 38,913	$ 39,658	$ 38,591	$ 15,432
Contributions in relation to the contractually-required contribution	38,913	39,658	38,591	15,432
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Employer's covered-employee payroll	$ 2,478,539	$ 2,526,003	$ 2,458,018	$ 2,303,232
Contributions as a percentage of covered-employee payroll	1.57%	1.57%	1.57%	0.67%

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

2022	2021	2020	2019	2018
$ 14,952	$ 21,449	$ 19,851	$ 18,328	$ 15,875
14,952	21,449	19,852	18,328	15,860
$ -	$ -	$ (1)	$ -	$ 15
$ 2,231,669	$ 2,331,365	$ 2,185,182	$ 2,157,842	$ 2,082,700
0.67%	0.92%	0.91%	0.85%	0.76%

BANNOCKBURN SCHOOL DISTRICT NO. 106
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS (OPEB) - HEALTH BENEFIT PLAN (HBP)
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,*	2026	2025	2024	2023
Total HBP liability				
Service cost	$ 12,158	$ 12,764	$ 9,418	$ 13,025
Interest	3,751	2,373	2,542	2,030
Difference between expected and actual experience	(23,056)	-	(21,056)	-
Changes of assumptions	(5,338)	(3,392)	(151)	(2,776)
Benefit payments	-	-	-	-
Net change in total HBP liability	(12,485)	11,745	(9,247)	12,279
Total HBP liability - beginning	72,135	60,390	69,637	57,358
Total HBP liability - ending (A)	$ 59,650	$ 72,135	$ 60,390	$ 69,637
Plan fiduciary net position				
Contributions - employer	$ -	$ -	$ -	$ -
Benefit payments	-	-	-	-
Net change in HBP plan net position	-	-	-	-
HBP plan net position - beginning	-	-	-	-
HBP plan net position - ending (B)	$ -	$ -	$ -	$ -
Net HBP liability (asset) - ending (A) - (B)	$ 59,650	$ 72,135	$ 60,390	$ 69,637
HBP plan net position as a percentage of the total HBP liability	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	$ 3,152,067	$ 3,125,620	$ 2,953,920	$ 2,932,132
Net HBP liability as a percentage of covered-employee payroll	1.89%	2.31%	2.04%	2.37%

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

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

2022	2021	2020	2019	2018
$ 2,303	$ 2,076	$ 1,496	$ 2,399	$ 2,310
1,006	959	1,224	1,268	1,531
20,817	-	3,189	-	-
(13,358)	181	5,296	429	-
-	-	-	(9,414)	(11,810)
10,768	3,216	11,205	(5,318)	(7,969)
46,590	43,374	32,169	37,487	45,456
$ 57,358	$ 46,590	$ 43,374	$ 32,169	$ 37,487
$ -	$ -	$ -	$ 9,414	$ 11,810
-	-	-	(9,414)	(11,810)
-	-	-	-	-
-	-	-	-	-
$ -	$ -	$ -	$ -	$ -
$ 57,358	$ 46,590	$ 43,374	$ 32,169	$ 37,487
0.00%	0.00%	0.00%	0.00%	0.00%
$ 2,820,557	$ 2,806,649	$ 2,639,754	$ 2,681,068	$ 2,766,782
2.03%	1.66%	1.64%	1.20%	1.35%

BANNOCKBURN SCHOOL DISTRICT NO. 106
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS (OPEB) - HEALTH BENEFIT PLAN (HBP)
MOST RECENT FISCAL YEARS

Fiscal year ending June 30,	2026	2025	2024	2023
Contractually-required contribution	$ -	$ -	$ -	$ -
Contributions in relation to the contractually-required contribution	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Employer's covered-employee payroll	$ 3,152,067	$ 3,125,620	$ 2,953,920	$ 2,932,132
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A

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

2022	2021	2020	2019	2018
$ -	$ -	$ -	$ -	$ -
-	-	-	-	-
$ -	$ -	$ -	$ -	$ -
$ 2,820,557	$ 2,806,649	$ 2,639,754	$ 2,681,068	$ 2,766,782
N/A	N/A	N/A	N/A	N/A

BANNOCKBURN SCHOOL DISTRICT NO. 106
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2026

	Original and Final Budget	Actual	Variance
REVENUES			
Local Sources			
General tax levy	$ 4,885,200	$ 5,028,479	$ 143,279
Working cash tax levy	18,200	17,803	(397)
Corporate personal property replacement taxes	38,857	38,796	(61)
Interest on investments	332,000	373,056	41,056
Sales to pupils - lunch	2,400	2,576	176
Admissions - athletics	13,300	5,000	(8,300)
Fees	34,200	43,632	9,432
Refund of prior years' expenditures	-	5,847	5,847
Other	1,000	1,547	547
Total Local Sources	5,325,157	5,516,736	191,579
State Sources			
Evidence based funding formula	140,750	141,373	623
Private facility tuition	-	7,318	7,318
Other	850	850	-
Total State Sources	141,600	149,541	7,941
Federal Sources			
Special milk program	3,200	2,748	(452)
Title I - low income	38,320	37,497	(823)
Title IV - student support and academic enrichment	10,000	7,895	(2,105)
Special ed. - preschool flow through	1,460	1,618	158
Special ed. - IDEA flow through	39,650	43,681	4,031
Title II - teacher quality	-	8,040	8,040
Total Federal Sources	92,630	101,479	8,849
Total Revenues	5,559,387	5,767,756	208,369
EXPENDITURES			
Instruction			
Regular Programs			
Salaries	2,008,040	1,929,772	(78,268)
Employee benefits	456,980	408,637	(48,343)
Purchased services	110,000	28,754	(81,246)
Supplies and materials	116,300	66,698	(49,602)
Capital outlay	7,500	141,410	133,910
Non-capitalized equipment	10,000	-	(10,000)
Total	2,708,820	2,575,271	(133,549)

(Continued)

BANNOCKBURN SCHOOL DISTRICT NO. 106
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2026

	Original and Final Budget	Actual	Variance
EXPENDITURES (Cont'd)			
Instruction			
Special Education Programs			
Salaries	$ 227,400	$ 210,982	$ (16,418)
Employee benefits	61,060	67,597	6,537
Purchased services	3,000	500	(2,500)
Supplies and materials	1,000	116	(884)
Total	292,460	279,195	(13,265)
Interscholastic Programs			
Salaries	40,000	28,215	(11,785)
Employee benefits	510	242	(268)
Purchased services	36,500	17,586	(18,914)
Supplies and materials	7,000	1,490	(5,510)
Total	84,010	47,533	(36,477)
Bilingual Programs			
Salaries	11,740	11,700	(40)
Employee benefits	3,980	3,980	-
Total	15,720	15,680	(40)
Total Instruction	3,101,010	2,917,679	(183,331)
Support Services			
Health Services			
Purchased services	136,000	133,161	(2,839)
Supplies and materials	2,500	1,432	(1,068)
Total	138,500	134,593	(3,907)
Psychological Services			
Salaries	77,360	77,358	(2)
Employee benefits	17,080	17,270	190
Purchased services	1,560	1,895	335
Supplies and materials	1,000	153	(847)
Total	97,000	96,676	(324)
Speech Pathology and Audiology Services			
Supplies and materials	500	-	(500)
Total	500	-	(500)

(Continued)

BANNOCKBURN SCHOOL DISTRICT NO. 106
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2026

	Original and Final Budget	Actual	Variance
EXPENDITURES (Cont'd)			
Support Services			
Improvement of Instruction Services			
Employee benefits	$ 14,500	$ 1,661	$ (12,839)
Purchased services	41,900	24,954	(16,946)
Supplies and materials	1,000	406	(594)
Total	57,400	27,021	(30,379)
Educational Media Services			
Salaries	161,490	155,967	(5,523)
Employee benefits	31,720	28,372	(3,348)
Purchased services	95,600	70,587	(25,013)
Supplies and materials	23,000	17,099	(5,901)
Capital outlay	5,000	-	(5,000)
Non-capitalized equipment	45,500	2,198	(43,302)
Total	362,310	274,223	(88,087)
Board of Education Services			
Employee benefits	27,500	14,423	(13,077)
Purchased services	85,000	95,171	10,171
Supplies and materials	5,000	4,754	(246)
Total	117,500	114,348	(3,152)
Executive Administration Services			
Salaries	162,790	162,781	(9)
Employee benefits	44,120	43,976	(144)
Purchased services	21,200	29,760	8,560
Supplies and materials	20,800	12,083	(8,717)
Total	248,910	248,600	(310)
Office of the Principal Services			
Salaries	404,420	414,610	10,190
Employee benefits	98,810	106,294	7,484
Total	503,230	520,904	17,674

(Continued)

BANNOCKBURN SCHOOL DISTRICT NO. 106
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2026

	Original and Final Budget	Actual	Variance
EXPENDITURES (Cont'd)			
Support Services			
Fiscal Services			
Salaries	$ 138,250	$ 138,248	$ (2)
Employee benefits	47,570	47,540	(30)
Purchased services	20,000	12,976	(7,024)
Supplies and materials	2,000	434	(1,566)
Non-capitalized equipment	4,000	-	(4,000)
Total	211,820	199,198	(12,622)
Food Services			
Salaries	8,000	-	(8,000)
Employee benefits	60	-	(60)
Supplies and materials	28,000	25,727	(2,273)
Total	36,060	25,727	(10,333)
Total Support Services	1,773,230	1,641,290	(131,940)
Payments to Other Governmental Units			
Payments for Special Education Programs			
Purchased services	110,000	100,972	(9,028)
Total	110,000	100,972	(9,028)
Payments for Special Education Programs - Tuition			
Other objects	140,000	129,438	(10,562)
Total	140,000	129,438	(10,562)
Total Payments to Other Governmental Units	250,000	230,410	(19,590)
Contingencies	150,000	-	(150,000)
Total Expenditures	5,274,240	4,789,379	(484,861)
EXCESS OF REVENUES RECEIVED OVER EXPENDITURES DISBURSED	285,147	978,377	693,230
Other Financing Sources (Uses)			
Transfers out	-	(27,900)	(27,900)
Leases issued	-	129,715	129,715
Total Other Financing Sources (Uses)	-	101,815	101,815

(Continued)

BANNOCKBURN SCHOOL DISTRICT NO. 106
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2026

	Original and Final Budget	Actual	Variance
NET CHANGE IN FUND BALANCES	$ 285,147	$ 1,080,192	$ 795,045
FUND BALANCE, BEGINNING OF YEAR		7,366,834	
FUND BALANCE, END OF YEAR		$ 8,447,026	

BANNOCKBURN SCHOOL DISTRICT NO. 106
OPERATIONS AND MAINTENANCE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2026

	Original and Final Budget	Actual	Variance
REVENUES			
Local Sources			
General tax levy	$ 639,200	$ 530,216	$ (108,984)
Interest on investments	44,000	42,866	(1,134)
Refund of prior year expenditures	-	156	156
Total Local Sources	683,200	573,238	(109,962)
State Sources			
School maintenance grant	-	50,000	50,000
Total State Sources	-	50,000	50,000
Total Revenues	683,200	623,238	(59,962)
EXPENDITURES			
Support Services			
Operation and Maintenance of Plant Services			
Salaries	189,200	202,807	13,607
Employee benefits	32,240	32,219	(21)
Purchased services	371,000	271,677	(99,323)
Supplies and materials	135,000	125,395	(9,605)
Capital outlay	125,000	177,785	52,785
Non-capitalized equipment	25,000	23,785	(1,215)
Total	877,440	833,668	(43,772)
Total Support Services	877,440	833,668	(43,772)
Payments to Other Governmental Units			
Payments for Special Education Programs			
Purchased services	-	10,222	10,222
Total	-	10,222	10,222
Payments for Special Education Programs - Tuition			
Other objects	13,000	35,655	22,655
Total	13,000	35,655	22,655
Total Payments to Other Governmental Units	13,000	45,877	32,877
Contingencies	150,000	-	(150,000)
Total Expenditures	1,040,440	879,545	(160,895)

(Continued)

BANNOCKBURN SCHOOL DISTRICT NO. 106
OPERATIONS AND MAINTENANCE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2026

	Original and Final Budget	Actual	Variance
NET CHANGE IN FUND BALANCES	$ (357,240)	$ (256,307)	$ 100,933
FUND BALANCE, BEGINNING OF YEAR		984,707	
FUND BALANCE, END OF YEAR		$ 728,400	

SCHEDULE 3

BANNOCKBURN SCHOOL DISTRICT NO. 106
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2026

	Original and Final Budget	Actual	Variance
EXPENDITURES			
Support Services			
Debt Service			
Interest	$ -	$ 3,225	$ 3,225
Principal	-	24,675	24,675
Total Support Services	-	27,900	27,900
Total Expenditures	-	27,900	27,900
(DEFICIENCY) OF REVENUES RECEIVED (UNDER) EXPENDITURES DISBURSED	-	(27,900)	(27,900)
Other Financing Sources			
Transfers in	-	27,900	27,900
Total Other Financing Sources	-	27,900	27,900
NET CHANGE IN FUND BALANCES	$ -	-	$ -
FUND BALANCE, BEGINNING OF YEAR		-	
FUND BALANCE, END OF YEAR		$ -	

BANNOCKBURN SCHOOL DISTRICT NO. 106
TRANSPORTATION FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2026

	Original and Final Budget	Actual	Variance
REVENUES			
Local Sources			
General tax levy	$ 97,200	$ 75,837	$ (21,363)
Interest on investments	8,000	5,602	(2,398)
Total Local Sources	105,200	81,439	(23,761)
State Sources			
Transportation - regular	1,620	1,167	(453)
Transportation - special education	-	6,212	6,212
Total State Sources	1,620	7,379	5,759
Total Revenues	106,820	88,818	(18,002)
EXPENDITURES			
Support Services			
Pupil Transportation Services			
Purchased services	175,000	144,935	(30,065)
Total Support Services	175,000	144,935	(30,065)
Contingencies	50,000	-	(50,000)
Total Expenditures	225,000	144,935	(80,065)
NET CHANGE IN FUND BALANCES	$ (118,180)	(56,117)	$ 62,063
FUND BALANCE, BEGINNING OF YEAR		145,723	
FUND BALANCE, END OF YEAR		$ 89,606	

BANNOCKBURN SCHOOL DISTRICT NO. 106
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2026

	Original and Final Budget	Actual	Variance
REVENUES			
Local Sources			
General tax levy	$ 63,800	$ 50,621	$ (13,179)
Social Security/Medicare levy	86,400	72,473	(13,927)
Corporate personal property replacement taxes	3,000	3,000	-
Interest on investments	4,000	5,565	1,565
Total Local Sources	157,200	131,659	(25,541)
Total Revenues	157,200	131,659	(25,541)
EXPENDITURES			
Employee Benefits			
Instruction			
Regular programs	51,350	45,298	(6,052)
Special education programs	3,300	2,891	(409)
Interscholastic programs	2,250	1,695	(555)
Bilingual Programs	170	152	(18)
Total Instruction	57,070	50,036	(7,034)
Support Services			
Psychological services	1,130	1,115	(15)
Educational media services	17,380	17,007	(373)
Executive administration services	2,360	2,367	7
Office of the principal services	22,910	22,598	(312)
Fiscal services	25,110	24,620	(490)
Operation and maintenance of plant services	34,380	36,310	1,930
Food services	790	-	(790)
Total Support Services	104,060	104,017	(43)
Contingencies	15,000	-	(15,000)
Total Expenditures	176,130	154,053	(22,077)
NET CHANGE IN FUND BALANCES	$ (18,930)	(22,394)	$ (3,464)
FUND BALANCE, BEGINNING OF YEAR		105,581	
FUND BALANCE, END OF YEAR		$ 83,187	

SCHEDULE 6

BANNOCKBURN SCHOOL DISTRICT NO. 106
CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2026

	Original and Final Budget	Actual	Variance
REVENUES			
Local Sources			
Interest on investments	$ 12,000	$ 10,093	$ (1,907)
Total Local Sources	12,000	10,093	(1,907)
Total Revenues	12,000	10,093	(1,907)
NET CHANGE IN FUND BALANCES	$ 12,000	10,093	$ (1,907)
FUND BALANCE, BEGINNING OF YEAR		262,453	
FUND BALANCE, END OF YEAR		$ 272,546	

NOTE 1 – ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)

Changes of Assumptions

For the 2025 measurement year, the assumed investment rate of return was 7.25%, and the assumed rate of inflation was 2.25%. Salary increases were assumed to range from 2.85% to 13.75%, including inflation, based on service and other applicable factors. The retirement age assumptions were based on experience-based rates specific to the type of eligibility condition, as last updated for the 2023 valuation pursuant to an experience study covering the period 2020 through 2022.

The actuarial assumptions and methods used in the calculation of the total pension liability were based on the December 31, 2025, IMRF annual actuarial valuation report.

NOTE 2 – TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS (TRS)

Changes of Assumptions

For the 2025 and 2024 measurement years, the assumed investment rate of return was 7.0 percent, including an inflation rate of 2.50 percent and a real rate of return of 4.50 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated Aug. 16, 2024.

For the 2023-2022 and 2020-2016 measurement years, the assumed investment rate of return was 7.0%, including an inflation rate of 2.50% and a real return of 4.50%. For the 2021 measurement year, the assumed investment rate of return was 7.0%, including an inflation rate of 2.25% and a real return of 4.75%. Salary increases were assumed to vary by service credit. The assumptions used for the 2023-2021, 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 30, 2021, September 18, 2018, and August 13, 2015, respectively.

NOTE 3 – TEACHERS' HEALTH INSURANCE SECURITY (THIS) FUND

Changes of Assumptions

Per capita claim costs for plan year end June 30, 2025, were updated based on projected claims and enrollment experience through June 30, 2025, and updated premium rates through plan year 2026; and the healthcare trend assumption was updated based on claim and enrollment experience through June 30, 2024, projected plan cost for plan year ended June 30, 2025, premium changes through plan year end 2026, and expectation of future trend increases after June 30, 2025; and the discount rate was changed from 3.97 percent at June 30, 2024 to 5.20 percent at June 30, 2025.

The salary scale was updated to reflect observed experience; the rates of retirement were updated to reflect observed experience; the rates of termination were updated to reflect observed experience; the rates of disability were updated to reflect observed experience; and the mortality tables were updated to reflect observed experience and use the most recent mortality improvement scales.

NOTE 4 – HEALTH BENEFIT PLAN (HBP)

Changes of Assumptions

Updated inflation, retirement, termination, disability, mortality, and mortality improvement rates, along with a decrease in the discount rate from 5.20% to 4.67%.

NOTE 5 – BUDGETARY INFORMATION

The District follows procedures established by Illinois law and Board of Education policy in adopting its annual budget. The budget is prepared on a basis consistent with generally accepted accounting principles and the budgetary comparison schedules. The original and final budget for the fiscal year ended June 30, 2026, was adopted by the Board of Education on August 26, 2025.

The Superintendent submits a proposed operating budget to the Board of Education, which is made available for public inspection and is subject to a public hearing prior to adoption. The Superintendent is authorized to make transfers within individual funds, subject to Illinois law and Board policy, while amendments that increase total budgeted expenditures of a fund require Board approval. Total expenditures may not legally exceed budgeted amounts at the fund level.

Budgetary Analysis

The District's original and final budget for the year ended June 30, 2026, was the same; therefore, there were no significant variations between the original and final budget.

General Fund. Actual revenues exceeded budget by approximately $208,000, primarily due to higher-than-anticipated property tax and investment income. Actual expenditures were approximately $485,000 below budget, primarily due to lower instruction and support service expenditures and unused contingency appropriations. These favorable variances were partially offset by capital outlay exceeding budget. Unbudgeted lease proceeds of approximately $130,000 and a $28,000 transfer to the Debt Service Fund also contributed to the variance between budgeted and actual results. As a result, the increase in fund balance exceeded the budgeted amount by approximately $795,000.

Operations and Maintenance Fund. Actual revenues were approximately $60,000 below budget, primarily because property tax revenues were lower than anticipated, partially offset by an unbudgeted $50,000 school maintenance grant. Expenditures were approximately $161,000 below budget, primarily due to lower purchased services and unused contingency appropriations, partially offset by higher capital outlay and payments to other governmental units. The decrease in fund balance was approximately $101,000 less than budgeted.

Debt Service Fund. The District did not originally budget activity in the Debt Service Fund. During the year, the District incurred approximately $28,000 of principal and interest expenditures related to copier leases, which were funded by an equal transfer from the General Fund; therefore, there was no change in fund balance.

Transportation Fund. Actual revenues were approximately $18,000 below budget, primarily due to lower property tax revenues, while expenditures were approximately $80,000 below budget due to lower pupil transportation costs and unused contingency appropriations. Accordingly, the decrease in fund balance was approximately $62,000 less than budgeted.

Municipal Retirement/Social Security Fund. Actual revenues were approximately $26,000 below budget, primarily due to lower property tax revenues. Expenditures were approximately $22,000 below budget, resulting in a decrease in fund balance approximately $3,000 greater than budgeted.

SUPPLEMENTARY INFORMATION

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SCHEDULE 7

BANNOCKBURN SCHOOL DISTRICT NO. 106
GENERAL FUND
COMBINING BALANCE SHEET
JUNE 30, 2026

	Educational Account	Working Cash Account	Total
ASSETS			
Cash	$ 7,326,168	$ 3,244,237	$ 10,570,405
Receivables (net allowance for uncollectibles)			
Interest	89,814	40,954	130,768
Property taxes	2,303,272	10,053	2,313,325
Replacement taxes	8,228	-	8,228
Total Assets	$ 9,727,482	$ 3,295,244	$ 13,022,726
LIABILITIES			
Flexible spending payable	$ 19,293	$ -	$ 19,293
Total Liabilities	19,293	-	19,293
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	4,536,606	19,801	4,556,407
Total Deferred Inflows of Resources	4,536,606	19,801	4,556,407
FUND BALANCES			
Restricted	98	-	98
Unassigned	5,171,485	3,275,443	8,446,928
Total Fund Balances	5,171,583	3,275,443	8,447,026
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 9,727,482	$ 3,295,244	$ 13,022,726

SCHEDULE 8

BANNOCKBURN SCHOOL DISTRICT NO. 106
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2026

	Educational Account	Working Cash Account	Total Actual
REVENUES			
Property taxes	$ 5,028,479	$ 17,803	$ 5,046,282
Corporate personal replacement taxes	38,796	-	38,796
Interest on investments	251,473	121,583	373,056
Other local sources	58,602	-	58,602
State sources	149,541	-	149,541
Federal sources	101,479	-	101,479
Total Revenues	5,628,370	139,386	5,767,756
EXPENDITURES			
Current			
Instruction	2,776,269	-	2,776,269
Support services	1,641,290	-	1,641,290
Payments to other governmental units	230,410	-	230,410
Capital outlay	141,410	-	141,410
Total Expenditures	4,789,379	-	4,789,379
Other Financing Sources (Uses)			
Transfers out	(27,900)	-	(27,900)
Leases issued	129,715	-	129,715
Total Other Financing Sources	101,815	-	101,815
NET CHANGE IN FUND BALANCES	940,806	139,386	1,080,192
FUND BALANCE, BEGINNING OF YEAR	4,230,777	3,136,057	7,366,834
FUND BALANCE, END OF YEAR	$ 5,171,583	$ 3,275,443	$ 8,447,026

SCHEDULE 9

BANNOCKBURN SCHOOL DISTRICT NO. 106
STUDENT ACTIVITIES (INCLUDED WITHIN THE EDUCATIONAL ACCOUNT)
SCHEDULE OF REVENUES, EXPENDITURES AND FUND BALANCE
YEAR ENDED JUNE 30, 2026

	Beginning Balance	Revenues	Expenditures	Ending Balance
Bannockburn School District No. 106	$ 98	$ -	$ -	$ 98
Total	$ 98	$ -	$ -	$ 98

BANNOCKBURN SCHOOL DISTRICT NO. 106
SCHEDULE OF ASSESSED VALUATION, TAX EXTENSIONS
AND COLLECTIONS
MOST RECENT TAX YEARS

	2025	2024	2023
ASSESSED VALUATION	$ 251,748,286	$ 252,436,153	$ 245,779,092
TAX EXTENSIONS BY LEVY			
Educational	$ 4,554,731	$ 5,030,108	$ 5,040,774
PTAB/CE Recapture	27,700	83,668	13,071
Working cash	20,001	18,105	43,319
Operations and maintenance	650,001	539,209	345,570
Transportation	125,001	77,124	58,031
Municipal retirement	60,002	48,781	39,354
Social security	80,001	76,402	72,301
Total	$ 5,517,436	$ 5,873,397	$ 5,612,420
TAX COLLECTIONS			
Year Ended June 30,			
2024	$ -	$ -	$ 2,699,426
2025	-	2,904,731	2,762,394
2026	2,689,027	2,870,697	-
Total	$ 2,689,027	$ 5,775,428	$ 5,461,820
Percent of Total Levy			
Collected through June 30, 2026	48.74%	98.33%	97.32%

SCHEDULE 11

BANNOCKBURN SCHOOL DISTRICT NO. 106
SCHEDULE OF PER CAPITA TUITION CHARGE
AND AVERAGE DAILY ATTENDANCE
MOST RECENT FISCAL YEARS

	Year Ended June 30,		
	2026	2025	2024
Allowable Expenses	$ 5,705,745	$ 5,793,490	$ 5,535,421
Average Daily Attendance	145.17	151.92	156.23
Per Capita Tuition Charge	$ 39,304	$ 38,135	$ 35,431