SIKICH

Community Consolidated School District #15 Palatine, Illinois

Annual Financial Report

For the Year Ended June 30, 2026

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS
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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Community Consolidated School District #15
Palatine, 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 Community Consolidated School District #15 (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 Community Consolidated School District #15 as of June 30, 2026, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

The District adopted the Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements*, for the fiscal year ended June 30, 2026. Implementation of this Statement resulted in changes to the presentation and disclosure of certain information in the financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 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, 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.

Sikich CPA LLC

Naperville, Illinois
October 29, 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*

To the Board of Education
Community Consolidated School District #15
Palatine, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Community Consolidated School District #15 (the District), as of and for the year ended June 30, 2026, and the related notes to financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 29, 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Sikich CPA LLC

Naperville, Illinois
October 29, 2026

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

Community Consolidated School District 15
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2026

The discussion and analysis of Community Consolidated School District 15's (the "District") financial performance provides an overall review of the District's financial activities, for the year ended June 30, 2026. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

FINANCIAL STATEMENTS OVERVIEW

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the basic financial statements. This report also contains required supplementary information and supplementary financial information in addition to the basic financial statements.

Government-Wide Financial Statements

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

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

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

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. The District's governmental activities include instruction services, support services, community services, nonprogrammed charges and interest and fees related to long-term debt.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Each of the District's funds are considered governmental funds. The District maintains no fiduciary funds that are required to be reported as fiduciary activities. The District also maintains no proprietary funds.

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

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

The District maintains seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund (which is comprised of the Educational Account, the Tort Immunity and Judgment Account, and the Working Cash account); the Operations and Maintenance Fund; the Debt Service Fund; the Transportation Fund; the Municipal Retirement / Social Security Fund; the Capital Projects Fund; and the Fire Prevention and Safety Fund, all of which are considered to be major funds.

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

Notes to the Basic Financial Statements and Other Information
The notes to the financial statements provide additional information that is essential to a better understanding of the data provided in the government-wide and fund financial statements. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's other postemployment benefits (OPEB) data and pension data related to the Illinois Municipal Retirement Fund (IMRF) and the Teachers' Retirement System of the State of Illinois (TRS).

FINANCIAL SUMMARY

The District's financial position strengthened during fiscal year 2026. The following condensed information is drawn from the government-wide financial statements and compares the current year to the prior year.

Net position. Total net position increased $3,956,740, or 8.3 percent, to $51,829,892 at June 30, 2026. The increase came from two sources: property tax revenue exceeded the cost of services on the accrual basis and the District's share of IMRF moved from a net pension liability of $9,079,612 to a net pension asset of $3,779,347 as of the December 31, 2025 measurement date.

Revenues and expenditures. Total revenues of $269,459,593 were $7,622,461 (2.9 percent) higher than the prior year, primarily from property and replacement taxes. Total expenditures of $265,502,853 were $3,222,714 (1.2 percent) lower than the prior year. Instruction and pupil expenditures decreased $3,920,925, primarily due to lower contractual services and purchase of supplies and materials throughout the District.

Fund balances. At the fund level, total governmental fund balances increased $12,836,011 to $103,857,124. The Education (General) Fund balance decreased $1,593,861 to $43,646,933, of which $33,616,617 is unassigned and available for operations, representing approximately three (3) months of General Fund expenditures at the fiscal year 2026 spending level.

Debt. Outstanding general obligation bonds increased from $154,325,000 to $169,745,000 due to an issuance of Series 2026 bonds in the amount of $24,625,000. The bond proceeds will be used for future capital projects. In April 2026, Moody's Ratings affirmed the District's Aa2 issuer rating.

Table 1. Condensed Statement of Net Position, June 30

	2026	2025	Change
Assets			
Current and other assets	213,473,889	194,461,554	19,012,335
Capital assets, net	229,466,693	228,267,432	1,199,261
Total assets	**442,940,582**	**422,728,986**	**20,211,596**
Deferred outflows of resources	9,911,967	12,053,199	(2,141,232)
Total assets and deferred outflows	**452,852,549**	**434,782,185**	**18,070,364**
Liabilities			
Current liabilities	19,972,525	19,220,344	752,181
Long-term liabilities due within one year	12,037,072	13,964,151	(1,927,079)
Long-term liabilities due in more than one year	228,031,774	215,622,110	12,409,664
Total liabilities	**260,041,371**	**248,806,605**	**11,234,766**
Deferred inflows of resources	140,981,286	138,102,428	2,878,858
Total liabilities and deferred inflows	**401,022,657**	**386,909,033**	**14,113,624**
Net Position			
Net investment in capital assets	79,954,337	79,525,392	428,945
Restricted	16,348,950	14,634,162	1,714,788
Unrestricted	(44,473,395)	(46,286,402)	1,813,007
Total net position	**51,829,892**	**47,873,152**	**3,956,740**

Table 2. Condensed Statement of Activities, Year Ended June 30

	2026	2025	Change
Program revenues			
Charges for services	2,840,553	2,200,116	640,437
Operating grants and contributions	63,123,751	68,821,454	(5,697,703)
Capital Grants and contributions	50,000	61,704	(11,704)
General revenues			
Property and replacement taxes	177,595,895	164,429,734	13,166,161
State aid - formula grants	19,658,004	19,427,105	230,899
Other	6,191,390	6,897,019	(705,629)
Total revenues	**269,459,593**	**261,837,132**	**7,622,461**
Expenses			
Instruction	152,732,960	151,248,263	1,484,697
Support Services	104,175,681	109,581,303	(5,405,622)
Community Services	891,502	463,693	427,809
Payments to other governments	1,418,852	1,490,226	(71,374)
Interest & Fees	6,283,858	5,942,082	341,776
Total expenses	**265,502,853**	**268,725,567**	**(3,222,714)**
Change in net position	**3,956,740**	**(6,888,435)**	**10,845,175**
Change in accounting principle	-	(5,902,071)	5,902,071
Net position, beginning of year	47,873,152	60,663,658	(12,790,506)
Net position, end of year	**51,829,892**	**47,873,152**	**3,956,740**

DETAILED ANALYSES

Government-Wide Financial Analysis

Net position. Net investment in capital assets, $79,954,337, is the largest component of net position and represents the District's land, buildings, site improvements, machinery & equipment, vehicles, food service equipment, and subscription-based technology assets, net of accumulated depreciation and amortization. These assets are used to provide student services and are not available for future spending.

Restricted net position of $16,348,950 is constrained for operations & maintenance, transportation, retirement, and insurance purposes by the property tax levies that fund them. The $1,714,788 increase is mostly the change in the District's IMRF position: the net pension asset of $3,779,347 is reported as restricted for retirement, whereas in the prior year the District reported a net pension liability or $9,079,612. This positive change is a result from a better financial position with IMRF. Unrestricted net position (deficit) of ($44,473,395) decreased $1,813,007, which reflects that the current year increase in net position was recorded in the restricted and capital categories rather than in the unrestricted balance.

Deferred inflows of resources increased $2,878,858. The increase relates to $1,587,576 increase for property taxes levied for subsequent years and $1,291,282 for pension-related deferred inflows, which arose because IMRF investment returns and demographic experience were more favorable than the actuarial assumptions; that gain is recognized in pension expense over future years rather than immediately.

Revenues. Property and replacement taxes provided $177,595,895, or 65.9 percent of all revenue, consistent with the District's reliance on its tax levy. Property and replacement tax revenue increased $13,166,161 over the prior year. Using the supplied 2025 figures, the District's combined equalized assessed value (EAV) increased approximately 25 percent, from $4,379,507,976 in tax year 2024 to $5,474,254,563 in tax year 2025. This reflects growth in the taxable property base across Cook and DuPage Counties. The 2025 tax extension calculation incorporated a 2.9 percent CPI factor and qualifying new property under PTELL. Operating grants and contributions of $63,123,751, decreased $5,697,703, mainly due to the reduction of available Federal grant funding opportunities and funding. State aid of $19,658,004, consisting principally of the Illinois Evidence-Based Funding (EBF) formula and other state grants, increased $230,899. Investment income of $2,643,820 decreased $3,341,693 as bond proceeds were spent down on capital projects as well as cash on hand was limited due to delayed timing of property tax distributions.

Expenditures. Instruction and support services expenditures combined for $256,908,641 includes personnel costs, supplies and materials, building operations, insurance, technology, and $11,924,456 of depreciation and amortization. Interest and fiscal charges increased $341,776 due to the issuance of new bond proceeds debt.

Financial Analysis of the District's Funds

The District's Operating funds are Education (General), Operations & Maintenance, Transportation, IMRF/Social Security, Working Cash, and Tort Immunity & Insurance. The other funds are Debt Service Fund, Capital Projects Fund, and Life Safety Fund.

General Fund. The Education (General) Fund is the District's primary operating fund. The Working Cash Fund and Tort Fund consolidate into the General Fund for audit reporting purposes. Expenditures of $226,504,418 exceeded revenues of $224,910,557, decreasing fund balance by $1,593,861 to $43,646,933. Property taxes of $129,454,535 provided 58.9 percent of General Fund revenue. Federal and State grants totaling $33,867,792 were the second largest source. Expenditures included $153,239,200 for school instruction, $70,696,517 for support services, $889,170 for community services, and $47,617 for capital outlay.

Of the General Fund balance, $1,658,460 is nonspendable (prepaid items), $649,863 is restricted for insurance, $140,221 is assigned for working cash, and $7,581,772 is assigned to the fiscal year 2027 budget, and $33,616,617 is unassigned. The Board of Trustees maintains an unassigned balance sufficient to fund operations during the first quarter of each fiscal year, before the bulk of property tax collections is received in August and March, and to provide a reserve for unanticipated needs.

Operations and Maintenance Fund is the District's fund for utilities (telephone, natural gas, water and sewer, and electricity), custodians, and maintenance (building and vehicles). Total operating revenues increased $985,377 and expenditures decreased $838,656 compared to prior year. New LED lighting helped decrease electricity usage and a warmer winter helped decrease the use of natural gas.

Transportation is the District's fund to account for all student transportation costs. The District supports its own bus fleet and parks them on site. Property taxes of $4,659,523 and state reimbursement for transportation services of $4,291,738 make up majority of the revenues. As for expenditures, personnel costs, contracted services, bus insurance, repairs and maintenance, etc. total $11,077,774. With transportation costs continuing to increase and state revenues projected to be cut in fiscal year 2027, funding transportation will likely come from the Education Fund.

IMRF/Social Security Fund is a separate fund since IMRF and Social Security have their own property tax levies. IMRF is for the employees who contribute to the IMRF pension and Social Security are for majority of other employees. In fiscal year 2026, there was a planned drawdown of fund balance, so expenditures exceeded revenues by $1,024,568. The only way to draw down the fund balance in these funds is to "under-levy" property taxes, which will return to normal levels for tax levy 2026.

Debt Service Fund. The Debt Service Fund received $13,150,646 in property taxes and $333,107 in investment income and paid $9,363,314 of bond principal and $7,636,262 of interest. Part of the Series 2026 bond issuance included $1,503,176 of capitalized interest funding for the Debt Service fund to use on future interest payments. Fund balance increased $1,888,568 to $7,594,597, all of which is restricted for future debt service. The balance is held to make the principal and interest payments that fall due in the first half of the following fiscal year, before the tax collections that fund them are received.

Capital Projects Fund accounts for all the districts major capital projects at all the District buildings. Following the Moving15 Forward initiative, prior year's bond proceeds are used to fund the capital projects. Series 2026 bond issuance will fund fiscal year 2027, 2028, and 2029 expenditures. As a result, capital projects fund balance grew $26,653,822 to $40,685,460.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

Capital Assets

Capital assets, net of accumulated depreciation and amortization, were $229,466,693 at June 30, 2026, an increase of $1,199,261 from the prior year. The District finalized the construction of building additions and renovations during Summer 2025. This finalization allowed the district to move $69,767,490 of projects from construction in progress to buildings; $2,704,956 was added to construction in progress for projects that started in Summer 2026. The District added $7,041,124 of site improvements, $549,656 of vehicles, $757,636 of machinery and equipment, $40,110 for food service equipment and $836,573 of subscription-based assets. The District sold or scrapped $2,485,744 of vehicles during the year. Depreciation and amortization expense for the year was $11,924,456.

During fiscal year 2026, the District continued to invest in technology, facilities, and community services. The District completed the Moving15 Forward initiative of upgrading the District's schools that were in desperate need of updates. 15 of 20 school buildings received either an addition or were updated. In addition, flooring, lighting, audio/visual systems, playgrounds, and classroom furniture were all updated. Besides those initiative upgrades, two schools received new heating and ventilation (HVAC) systems and two other schools received new elevators. The parking lot and sidewalks at 12 schools were resurfaced and repaired. The District purchased 11 new buses and entered into a long-term lease on five (5) new electric buses.

Table 3. Capital Assets, Net of Depreciation and Amortization, June 30

	2026	2025
Land	7,827,932	7,827,932
Construction in progress	2,704,956	69,767,490
Buildings	194,158,125	131,588,051
Site Improvements	15,237,576	9,193,587
Machinery and equipment	4,995,422	4,658,018
Vehicles	1,874,947	1,955,123
Food service equipment	302,730	312,075
Rights of use assets – equipment and subscription assets	2,365,005	2,965,156
Total capital assets, net	**229,466,693**	**228,267,432**

Additional information on the District's capital assets are presented in Note 3 to the financial statements.

Long-Term Debt and Other Long-Term Obligations

The District has seven (7) series of general obligation bonds outstanding including a new series issued in 2026. The new 2026 bond series for $24,625,000 was issued for future capital projects. During the year the District paid $9,205,000 of principal and $7,525,663 of interest from the Debt Service Fund. As of June 30, 2026, the outstanding principal balance is $169,745,000. Principal payments in the amount of $9,670,000 are planned for fiscal year 2027. As of June 30, 2026, the statutory debt limit for the District was $321,573,265 of which $186,078,265 is fully available.

As part of the Moving15 Forward initiative, the District issued alternate revenue source bonds, Series 2023B, as the District's funding for capital projects. As of June 30, 2026, the outstanding principal balance is $34,250,000, with $1,320,000 principal due in fiscal year 2027.

Other long-term obligations consist of the SBITA liability of $538,334 for student's curriculum systems, compensated absences of $7,350,446. The unamortized bond premium of $13,188,280 is being amortized over the remaining life of the bonds with the maturity being in 2044. The District has $235,469 of health claims payable. Employees who retire under the retirement incentive option program are provided a cash payment. The District's obligation is $1,296,750. The District's net pension liability for is $7,601,762, while the District has a net pension asset for IMRF. Finally, the District's Other Post-Employment Benefit (OPEB) liability is $40,112,805. Both the net pension and OPEB liability are actuarial calculations for future amounts owed for retiring employees in the pension system.

Table 4. Outstanding Long-Term Obligations, June 30

	2026	2025
General obligation bonds, Series 2016	5,935,000	8,775,000
General obligation bonds, Series 2017	3,990,000	6,005,000
General obligation bonds, Series 2020	10,500,000	10,835,000
General obligation bonds, Series 2023	38,560,000	41,060,000
General obligation bonds, Series 2023A	39,220,000	39,345,000
General obligation bonds, Series 2025	12,665,000	12,800,000
General obligation bonds, Series 2026	24,625,000	-
Alternate revenue bonds, Series 2023B	34,250,000	35,505,000
Unamortized bond premium	13,188,280	11,353,101
SBITA payable	538,334	696,648
Health claims payable	235,469	1,839,584
Retirement incentive program	1,296,750	1,138,500
Compensated absences	7,350,446	7,149,367
Net pension liability	7,601,762	16,463,377
Net Other Post-Employment liability	40,112,805	36,620,684
Total long-term obligations	**240,068,846**	**229,586,261**

Additional information on the District's long-term debt is presented in Note 4 to the financial statements, and on its participation in pensions in Note 6.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The following matters, known to management at the date of this report, are expected to have a significant effect on the District's financial position or results of operations in the coming year.

Fiscal year 2027 budget. The Board of Trustees adopted the fiscal year 2027 budget in September 2026. Budgeted operating funds revenues are $217,539,739, budgeted operating funds expenditures are $222,483,181, and total appropriations across all funds are $269,072,176. The budget reflects anticipated property tax revenue, personnel and benefit costs, ongoing student services, and planned capital improvements. The fiscal year 2027 has a budgeted operating funds deficit of $4,943,442. The District plans to address this deficit by reviewing all sources including federal & state grant opportunities, state funding formulas, staffing levels amongst administration and schools, employee benefit costs (i.e. insurance, and capital outlay.

Property tax collections. Considering property taxes are the main source of revenue the District, any fluctuations to property tax distribution timing could have significant impacts to cash flows. In fiscal year 2026, property taxes distributions were delayed three months, causing the district to borrow short-term tax anticipation warrants to help fund cash flows. Once distributions were received, that short-term debt was paid off. In fiscal year 2027, property tax distributions were again delayed two months. The County offered an interest-free bridge loan to help taxing districts in need. The District took advantage of the interest-free loan in the amount of $27,285,000 with repayment coming directly from property tax distributions once they began. Additional information on the District's short-term debt is presented in Note 5 to the financial statements.

Health and Life Safety. In fiscal year 2027, the District will begin working on projects as a result of the 10-year health and life safety survey that was conducted by the local Regional Office of Education. The survey found some of the school's HVAC systems need updating. Considering the large costs associated with HVAC projects and the labor shortages due to all the data centers being built everywhere, the District is spreading the five (5) HVAC projects over three (3) years. The estimated total cost for these projects is $56.5 million. The projects are anticipated to be funded with health and life safety bonds, paid for via a property tax levy.

Grant Funding. Federal and state grant funding continues to be a topic of conversation for political administration. That means the District's grant opportunities continue to decrease or be eliminated completely. In fiscal year 2027, the District lost about $2 million of grant fund. That funding helped support services provided to students. Without those funds, those services will need to be reviewed for effectiveness in order to continue providing.

Pension. The District's IMRF plan was over 100 percent funded at the December 31, 2025 measurement date, producing a net pension asset while the TRS pension plan was under 100 percent, resulting in a net pension liability. Pension results depend on investment returns and actuarial assumptions and can change materially from year to year. The District's statutory contribution rate for calendar year 2026 is set by IMRF and is reflected in the fiscal year 2027 budget.

Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the monies it receives. If you have questions about this report, or need additional financial information, contact the Business Office:

Diana McCluskey, Chief School Business Official
Community Consolidated School District 15
580 North 1st Bank Drive
Palatine, Illinois 60067

BASIC FINANCIAL STATEMENTS

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

STATEMENT OF NET POSITION

June 30, 2026

	Governmental Activities
ASSETS	
Cash and investments	$ 114,589,897
Receivables (net of allowance for uncollectibles)	
Property taxes, net	89,990,069
Intergovernmental	3,456,116
Prepaid items	1,658,460
Net pension asset	3,779,347
Capital assets	
Capital assets not being depreciated	10,532,888
Depreciable/amortizable building, property and equipment, net	218,933,805
Total assets	442,940,582
DEFERRED OUTFLOWS OF RESOURCES	
Pension items - TRS	1,129,819
Pension items - IMRF	1,309,316
OPEB items - RHP	2,640,106
OPEB items - THIS	4,832,726
Total deferred outflows of resources	9,911,967
Total assets and deferred outflows of resources	452,852,549
LIABILITIES	
Accounts payable	5,972,932
Salaries and wages payable	11,012,722
Claims payable	2,548,186
Interest payable	438,685
Long-term liabilities	
Due within one year	12,037,072
Due after one year	228,031,774
Total liabilities	260,041,371

(This statement is continued on the following page.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

STATEMENT OF NET POSITION (Continued)

June 30, 2026

	Governmental Activities
DEFERRED INFLOWS OF RESOURCES	
Pension items - TRS	$ 356,472
Pension items - IMRF	9,210,569
OPEB items - RHP	3,645,730
OPEB items - THIS	41,464,937
Property taxes levied for subsequent years	86,303,578
Total deferred inflows of resources	140,981,286
Total liabilities and deferred inflows of resources	401,022,657
NET POSITION	
Net investment in capital assets	79,954,337
Restricted for	
Tort immunity and judgment	649,863
Operations and maintenance	9,323,721
Transportation	336,778
Retirement	6,038,588
Unrestricted (deficit)	(44,473,395)
TOTAL NET POSITION	$ 51,829,892

See accompanying notes to financial statements.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2026

FUNCTIONS AND 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: Primary Government Governmental Activities
PRIMARY GOVERNMENT					
Governmental Activities					
Instruction	$ 152,732,960	$ 1,514,474	$ 43,274,825	$ -	$ (107,943,661)
Support services	104,175,681	1,326,079	19,797,754	50,000	(83,001,848)
Community services	891,502	-	51,172	-	(840,330)
Payments to other governments	1,418,852	-	-	-	(1,418,852)
Interest and fees	6,283,858	-	-	-	(6,283,858)
Total governmental activities	265,502,853	2,840,553	63,123,751	50,000	(199,488,549)
TOTAL PRIMARY GOVERNMENT	$ 265,502,853	$ 2,840,553	$ 63,123,751	$ 50,000	(199,488,549)
General Revenues					
Property taxes					175,231,658
Replacement taxes					2,364,237
State aid - formula grants, grants and contributions					18,614,086
State aid - ESSR grants					1,043,918
Investment earnings					2,643,820
Miscellaneous					3,547,570
Total					203,445,289
CHANGE IN NET POSITION					3,956,740
NET POSITION, JULY 1					47,873,152
NET POSITION, JUNE 30					$ 51,829,892

See accompanying notes to financial statements.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2026

	General	Operations and Maintenance	Transportation	Municipal Retirement Social Security
ASSETS				
Cash and investments	$ 50,455,964	$ 9,248,751	$ 562,164	$ 2,322,273
Receivables				
Property taxes, net	66,953,615	10,920,224	2,573,837	2,547,757
Intergovernmental	3,456,116	-	-	-
Prepaid items	1,658,460	-	-	-
TOTAL ASSETS	$ 122,524,155	$ 20,168,975	$ 3,136,001	$ 4,870,030
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 1,265,184	$ 377,157	$ 328,553	$ -
Salaries and wages payable	10,835,885	3,352	4,187	169,298
Claims payable	2,548,186	-	-	-
Total liabilities	14,649,255	380,509	332,740	169,298
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent years	64,227,967	10,464,745	2,466,483	2,441,491
Total deferred inflows of resources	64,227,967	10,464,745	2,466,483	2,441,491
Total liabilities and deferred inflows of resources	78,877,222	10,845,254	2,799,223	2,610,789
FUND BALANCES				
Nonspendable				
Prepaid items	1,658,460	-	-	-
Restricted for				
Tort immunity and judgment	649,863	-	-	-
Operations and maintenance	-	9,323,721	-	-
Transportation	-	-	336,778	-
Retirement	-	-	-	2,259,241
Capital projects	-	-	-	-
Assigned for				
Debt service	-	-	-	-
Working cash	140,221	-	-	-
Capital projects	-	-	-	-
Future years' budget	7,581,772	-	-	-
Unassigned	33,616,617	-	-	-
Total fund balances	43,646,933	9,323,721	336,778	2,259,241
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 122,524,155	$ 20,168,975	$ 3,136,001	$ 4,870,030

Debt Service	Capital Projects	Fire Prevention and Safety	Total
$ 7,302,853	$ 44,687,498	$ 10,394	$ 114,589,897
6,994,636	-	-	89,990,069
-	-	-	3,456,116
-	-	-	1,658,460
$ 14,297,489	$ 44,687,498	$ 10,394	$ 209,694,542
$ -	$ 4,002,038	$ -	$ 5,972,932
-	-	-	11,012,722
-	-	-	2,548,186
-	4,002,038	-	19,533,840
6,702,892	-	-	86,303,578
6,702,892	-	-	86,303,578
6,702,892	4,002,038	-	105,837,418
-	-	-	1,658,460
-	-	-	649,863
-	-	-	9,323,721
-	-	-	336,778
-	-	-	2,259,241
7,594,597	27,584,046	-	35,178,643
-	-	-	-
-	-	-	140,221
-	13,101,414	10,394	13,111,808
-	-	-	7,581,772
-	-	-	33,616,617
7,594,597	40,685,460	10,394	103,857,124
$ 14,297,489	$ 44,687,498	$ 10,394	$ 209,694,542

See accompanying notes to financial statements.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

June 30, 2026

FUND BALANCES OF GOVERNMENTAL FUNDS	$	103,857,124
Amounts reported for governmental activities in the statement of net position are different because:		
Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet		229,466,693
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position		
Deferred outflows of resources		1,309,316
Deferred inflows of resources		(9,210,569)
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Teachers' Retirement System of the State of Illinois are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position		
Deferred outflows of resources		1,129,819
Deferred inflows of resources		(356,472)
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Teachers' Health Insurance Security Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position		
Deferred outflows of resources		4,832,726
Deferred inflows of resources		(41,464,937)
Differences between expected and actual experiences and assumptions changes for the OPEB - RHP plan are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position		
Deferred outflows of resources		2,640,106
Deferred inflows of resources		(3,645,730)

(This statement is continued on the following page.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

June 30, 2026

Amounts reported for governmental activities in the statement of net position are different because: (Continued)		
Interest not due in the current period, but paid prior to year end is an asset in the governmental funds balance sheet, but is expensed on the government-wide statements.	$	(438,685)
Long-term liabilities/assets applicable to the District's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position		
General obligation bonds		(169,745,000)
Leases payable		(538,334)
Health claims payable		(235,469)
Unamortized bond premium		(13,188,280)
Compensated absences		(7,350,446)
Early retirement incentives		(1,296,750)
Total OPEB liability - RHP		(12,140,599)
Total OPEB liability - THIS		(27,972,206)
Net pension asset - IMRF		3,779,347
Net pension liability - TRS		(7,601,762)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$	51,829,892

See accompanying notes to financial statements.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	General	Operations and Maintenance	Transportation	Municipal Retirement Social Security
REVENUES				
Property taxes	$ 129,454,535	$ 21,396,647	$ 5,043,071	$ 5,315,326
Corporate personal property replacement taxes	1,491,879	647,358	-	225,000
State sources	68,683,264	-	4,573,790	-
Federal sources	13,373,291	-	-	-
Investment income	1,260,326	425,118	-	136,394
Other local sources	458,377	152,908	13,748	-
Other	5,188,885	255,338	182,379	-
Total revenues	219,910,557	22,877,369	9,812,988	5,676,720
EXPENDITURES				
Current				
Instruction				
Regular programs	82,153,770	-	-	957,773
Special programs	40,531,460	-	-	841,832
Other instructional programs	30,553,970	-	-	380,868
Support services				
Pupils	21,794,446	-	-	1,523,803
Instructional staff	18,075,402	-	-	332,109
General administration	6,408,100	-	-	58,575
School administration	14,201,461	-	-	382,809
Business	7,034,714	-	-	2,018,967
Transportation	-	-	11,352,014	-
Operations and maintenance	-	13,732,053	-	-
Central	2,623,416	-	-	196,505
Other support services	558,978	-	-	-
Community services	889,170	-	5,606	8,047
Intergovernmental				
Payments to other districts and government units	1,418,852	-	-	-
Debt service				
Interest	28,800	-	-	-
Principal	-	-	-	-
Capital outlay	47,617	76,844	-	-
Total expenditures	226,320,156	13,808,897	11,357,620	6,701,288
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,409,599)	9,068,472	(1,544,632)	(1,024,568)
OTHER FINANCING SOURCES (USES)				
Transfers in	5,000,000	-	1,650,000	-
Transfers (out)	(184,262)	(9,650,000)	-	-
Issuance of debt	-	-	-	-
Premium from issuance of debt	-	-	-	-
Total other financing sources (uses)	4,815,738	(9,650,000)	1,650,000	-
NET CHANGE IN FUND BALANCE	(1,593,861)	(581,528)	105,368	(1,024,568)
FUND BALANCES, JULY 1	45,240,794	9,905,249	231,410	3,283,809
FUND BALANCES, JUNE 30	$ 43,646,933	$ 9,323,721	$ 336,778	$ 2,259,241

Debt Service	Capital Projects	Fire Prevention and Safety	Total
$ 14,022,079	$ -	$ -	$ 175,231,658
-	-	-	2,364,237
-	50,000	-	73,307,054
-	618,950	21,834	14,014,075
178,627	643,355	-	2,643,820
-	136,489	-	761,522
-	-	-	5,626,602
14,200,706	1,448,794	21,834	273,948,968
-	-	-	83,111,543
-	-	-	41,373,292
-	-	-	30,934,838
-	-	-	23,318,249
-	-	-	18,407,511
-	-	-	6,466,675
-	-	-	14,584,270
-	2,490,501	11,440	11,555,622
-	-	-	11,352,014
-	-	-	13,732,053
-	-	-	2,819,921
-	-	-	558,978
-	-	-	902,823
-	-	-	1,418,852
7,636,262	-	-	7,665,062
9,363,314	-	-	9,363,314
-	11,207,642	-	11,332,103
16,999,576	13,698,143	11,440	288,897,120
(2,798,870)	(12,249,349)	10,394	(14,948,152)
3,184,262	-	-	9,834,262
-	-	-	(9,834,262)
-	24,625,000	-	24,625,000
1,503,176	1,655,987	-	3,159,163
4,687,438	26,280,987	-	27,784,163
1,888,568	14,031,638	10,394	12,836,011
5,706,029	26,653,822	-	91,021,113
$ 7,594,597	$ 40,685,460	$ 10,394	$ 103,857,124

See accompanying notes to financial statements.

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$	12,836,011
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceed depreciation expense in the current period		
Capital outlay		13,141,464
Depreciation and amortization expense		(11,924,456)
Proceeds from the disposal of capital assets are recognized in governmental funds but the loss is recognized in the statement of activities		(17,747)
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources are not a source or use of financial resources		(1,336,898)
The change in the Teachers' Retirement System of the State of Illinois net pension liability and deferred outflows/inflows of resources are not a source or use of financial resources		180,964
The change in the Teachers' Health Insurance Security Fund total OPEB liability and deferred outflows/inflows of resources are not a source or use of financial resources		7,242,992
The change in the net OPEB liability and deferred outflows/inflows of resources are not a source or use of financial resources		(370,731)
Some revenues and expenses reported in the statement of activities do not provide (use) current financial resources and therefore are not reported in the governmental funds		
State proportionate share contribution revenue - TRS and THIS		(4,489,375)
State proportionate share expense - TRS and THIS		4,489,375

(This statement is continued on the following page.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

Amounts reported for governmental activities in the statement of activities are different because: (Continued)	
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding on the statement of activities	
General obligation bonds issued	$ (24,625,000)
Premium on bonds issued	(3,159,163)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal on the government-wide statement of activities	9,363,314
The change in the compensated absences liability is shown as a reduction of expenses on the statement of activities	(201,079)
The net change in the retiree incentive program is not a source or use of financial resources	(158,250)
The net change in health claims payable is not a source or use of financial resources	1,604,115
The change in accrued interest on long-term debt is shown as a decrease of expense on the statement of activities	57,220
The amortization of certain amounts related to the issuance of long-term debt are not a use of a financial resource	
Bond premium	1,323,984
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 3,956,740

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Community Consolidated School District #15 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

a. Nature of Operations

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

b. Reporting Entity

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

c. Fund Accounting

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Fund Accounting (Continued)

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

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds), the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds) and the management of funds held in trust where the interest earnings can be used for governmental services (permanent fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund. The District has no permanent funds.

District considers all governmental funds to be major.

General Fund

The General Fund includes the Educational Account, Tort Immunity and Judgment Account, and the Working Cash Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources held by the District to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid upon collection of property taxes in the fund(s) loaned to. As allowed by the School Code of Illinois, this Fund may be permanently abolished and become part of the Educational Account or it may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Account of at least .05% of the District's current equalized assessed valuation. The Tort Immunity and Judgment Account is used to account for revenues derived from a specific property tax levy and state reimbursement grants and expenditures of these monies is for risk management activities. The Student Activity balance is accounted for in the Educational Account. The balance accounts for activities such as student yearbooks, student clubs, councils, scholarships and convenience accounts.

Special Revenue Funds

The Operations and Maintenance Fund accounts for all revenues and expenditures made for operations, repair, and maintenance of the District's building and land. Revenues consist primarily of local property taxes, and personal property replacement taxes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Fund Accounting (Continued)

Special Revenue Funds (Continued)

The Transportation Fund accounts for all revenue and expenditures made for student transportation. Revenues are derived primarily from local property taxes and state reimbursement grants. The District elected to report this fund as a major fund.

The Municipal Retirement/Social Security Fund accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for noncertified employees. Revenues to finance contributions are derived primarily from local property taxes and personal property replacement taxes. The District elected to report this fund as a major fund.

Debt Service Fund

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary source of revenue is local property taxes levied specifically for debt service and transfers from other funds. The District elected to report this fund as a major fund.

Capital Projects Funds

The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities. Revenues are derived from bond proceeds, TIF surplus funds, impact fees and transfers from other funds.

The Fire Prevention and Safety Fund accounts for state-approved life safety projects financed through bond issuance or local property taxes levied specifically for such purposes. The District elected to report this fund as a major fund.

d. Government-Wide Financial Statements

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Government-Wide Financial Statements (Continued)

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within 60 days after year end. Expenditures are recorded when the related liability is incurred.

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

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

The District reports unearned and unavailable revenue on its financial statements. Unavailable revenues arise when potential revenue does not meet the available criteria for recognition in the current period for governmental funds. Unearned revenues also arise when resources are received by the District before it has legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

subsequent periods, when revenue recognition criteria are met, or when the District has a legal claim to the resources by meeting all eligibility requirements, the liability for unearned revenue is removed from the financial statements and revenue is recognized. Unavailable revenue results from property taxes being levied and reported as a receivable before the period for which the taxes are levied.

f. Cash and Investments

Cash and Cash Equivalents

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

Investments

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

g. Property Taxes

Property taxes are levied in December of each year and attach as an enforceable lien on the property as of the preceding January 1. The original 2025 tax levy was adopted on December 10, 2025. The District's annual property tax levy is subject to two statutory limitations: individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt or other voter referenda provisions). PTELA limits the increase in total taxes billed to the lesser of 5% or the new percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consist of new construction, annexations and tax increment finance district property being eligible for taxation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Property Taxes (Continued)

A portion of the 2025 tax levy is recognized as a receivable in fiscal year 2026. The District considers that the first installments of the 2025 levy received before year end are to be used to finance operations in fiscal year 2026. The District has determined that the remaining installments of the 2025 levy are to be used to finance operations in fiscal year 2027 as has recorded these amounts as deferred inflows. Property taxes are collected by the County Collector/Treasurer, who in turn remits to the District its respective share. Taxes levied in one year become due and payable by the taxpayers in two installments in June and September during the following year.

The 2026 tax levy, which attached as an enforceable lien on property as of January 1, 2026, has not been recorded as a receivable as of June 30, 2026, as the tax has not yet been levied by the District and will not be levied until December 2026 and; therefore, the levy is not measurable at June 30, 2026.

h. Capital Assets

Capital assets, which include land, construction in progress, buildings, site improvements, machinery and equipment, vehicles, food service equipment and right to use leased and subscription assets are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than $20,000 and an estimated useful life in excess of 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 at the date of donation. Land and construction in progress are not depreciated by the District.

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

Assets	Years
Buildings and site improvements	20-50
Machinery, equipment vehicles, and food service equipment	5-10

Intangible assets represent the District's right-to-use leased assets and subscription arrangements. These intangible assets, as defined by GASB Statement No. 87, *Leases*, and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements,* are for leases of nonfinancial assets including equipment, buildings, and software. Intangibles are amortized over the shorter of the lease term or useful life of the intangible asset.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Deferred Outflows/Inflows of Resources

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

j. Compensated Absences

Employees who work a twelve-month year are entitled to be compensated for vacation time. Vacations are usually taken within the year. Any remaining, unused vacation is forfeited October 1st following the end of the fiscal year.

All certified employees receive a specified number of annual sick days, depending on their years of service, in accordance with the agreement between the Board of Education and the District. Employees do not receive payment for unused sick days, except for the 12-month custodial staff, who upon retirement are paid for any days in excess of 240 days, at a rate of $25 per day, or can be converted into creditable earnings with IMRF.

In accordance with GASB Statement No. 101, *Compensated* Absences, vested or accumulated vacation and sick leave that is due to employees who have retired or terminated by the end of the year is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation and sick leave of governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees. The entire balance of vacation leave is recognized as a liability at year end. A liability is recognized for the portion of accumulating sick leave benefits that is estimated to be more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

k. Long-Term Liabilities

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Liabilities (Continued)

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

l. Net Position/Fund Balances

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

Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities or from enabling legislation adopted by the District. Committed fund balance is constrained by formal actions of the Board, which is considered the District's highest level of decision-making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. This intent can be expressed by the Board of Education or their delegation to the Superintendent or Assistant Superintendent through the budgetary process. Any residual fund balance in the General Fund and any deficit fund balance of any other governmental fund is reported as unassigned.

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Use of Estimates

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

n. Prepaid Items

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

2. DEPOSITS AND INVESTMENTS

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

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

The Illinois School District Liquid Asset Fund Plus (ISDLAF), operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at net asset value (NAV) rather than fair value. The Multi-Class Series invests in high-quality short-term debt instruments (money market instruments), and shares may be redeemed on any Illinois banking day. The Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shared may be redeemed with seven day's advance notice. There were no known restrictions on the redemption of the District's investments as of June 30, 2026.

2. DEPOSITS AND INVESTMENTS (Continued)

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

The primary objectives of the policy are, in order of priority, safety of principal, liquidity, rate of return and diversification.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District's investment policy requires all amounts deposited or invested with financial institutions be either covered by federal depository insurance or collateral, preferably held by a third party, in the District's name, in an amount equal to the amount of deposits in excess of depository insurance coverage. At June 30, 2026, the bank balances of the District's deposits with financial institutions were fully insured or collateralized.

Investments

The following are the District's investments in debt securities as of June 30, 2026:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Government securities*	$ 2,141,666	$ 491,069	$ 1,650,597	$ -	$ -
Corporate bonds/notes	994,263	170,298	823,965	-	-
U.S. agencies	440,465	63,460	377,005	-	-
Negotiable certificates of deposits	1,949,803	-	1,949,803	-	-
Municipal bonds	767,212	-	767,212	-	-
TOTAL	$ 6,293,409	$ 724,827	$ 5,568,582	$ -	$ -

*The U.S. Government securities encompass U.S. Treasury bonds, U.S. Treasury notes and U.S. Government bonds.

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

2. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The District has the following recurring fair value measurements as of June 30, 2026: the U.S. Government securities, corporate bonds/notes, U.S. agencies, negotiable CDs and municipal bonds are valued using quoted matrix pricing models (Level 2 inputs).

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. State Statues limit the investment in commercial paper and corporate bonds to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). Investments in The Illinois Funds, ISDLAF and Illinois Trust are rated AAAm. The U.S. Government securities are rated AA1 to AA+, the corporate bonds/notes are rated A2 to Aa3, and municipal bonds are rated Aa2 by S&P. The U.S. agencies and negotiable CDs are not rated.

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

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

Concentration of credit risk for investments is the risk that the District has a high percentage of their investments invested in one type of investment. The District's investment policy requires diversification strategies to be determined and revised periodically by the District's Investment Officer to meet the District's ongoing need for safety, liquidity and rate of return.

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

3. CAPITAL ASSETS

Changes in capital assets during the year ended June 30, 2026, are as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	$ 7,827,932	$ -	$ -	$ 7,827,932
Construction in progress	69,767,490	2,704,955	69,767,489	2,704,956
Total capital assets not being depreciated	77,595,422	2,704,955	69,767,489	10,532,888
Capital assets being depreciated and amortized				
Buildings	251,571,242	70,948,900	-	322,520,142
Site improvements	15,157,231	7,041,124	-	22,198,355
Machinery and equipment	24,995,509	787,636	-	25,783,145
Vehicles	13,845,224	549,656	2,485,744	11,909,136
Food service equipment	930,275	40,110	-	970,385
Lease assets				
Equipment	829,410	-	-	829,410
Subscription assets	3,467,110	836,572	72,967	4,230,715
Total capital assets being depreciated and amortized	310,796,001	80,203,998	2,558,711	388,441,288
Less accumulated depreciation and amortization for				
Buildings	119,983,191	8,378,826	-	128,362,017
Site improvements	5,963,644	997,134	-	6,960,778
Machinery and equipment	20,337,491	450,232	-	20,787,723
Vehicles	11,890,099	612,085	2,467,997	10,034,187
Food service equipment	618,200	49,456	-	667,656
Lease assets				
Equipment	143,881	165,882	-	309,763
Subscription assets	1,187,485	1,270,841	72,967	2,385,359
Total accumulated depreciation and amortization	160,123,991	11,924,456	2,540,964	169,507,483
Total capital assets being depreciated and amortized, net	150,672,010	68,279,542	17,747	218,933,805
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 228,267,432	$ 70,984,497	$ 69,785,236	$ 229,466,693

3. CAPITAL ASSETS (Continued)

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

Instruction	
Regular programs	$ 6,200,215
Support services	
Pupils	3,100,109
General administration	257,058
Transportation	1,294,575
Operations and maintenance	1,072,499
TOTAL DEPRECIATION AND AMORTIZATION - GOVERNMENTAL ACTIVITIES	$ 11,924,456

4. LONG-TERM DEBT

a. General Obligation Bonds

General obligation bonds of the District consisted of the following at June 30, 2026:

	Beginning Balances	Increases	Decreases	Ending Balances	Current Portion
$16,575,000 GO Limited Tax Bonds Series 2016; due December 1, 2027; interest at 5%.	$ 8,775,000	$ -	$ 2,840,000	$ 5,935,000	$ 3,075,000
$8,725,000 GO Limited Tax Bonds Series 2017; due December 1, 2027; interest at 4%.	6,005,000	-	2,015,000	3,990,000	2,100,000
$11,805,000 GO Limited Tax Bonds Series 2020; due December 1, 2029; interest at 3% to 5%.	10,835,000	-	335,000	10,500,000	-
$45,700,000 GO Limited Tax Bonds Series 2023; due December 1, 2044; interest at 4% to 5%.	41,060,000	-	2,500,000	38,560,000	2,610,000
$41,600,000 GO Limited Tax Bonds Series 2023A; due December 1, 2043; interest at 5% to 5.25%.	39,345,000	-	125,000	39,220,000	145,000
$38,555,000 GO Alternative Revenue Bonds Series 2023B; due December 1, 2044; interest at 5% to 5.25%.	35,505,000	-	1,255,000	34,250,000	1,320,000

4. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances	Current Portion
$12,800,000 GO Limited Tax Bonds Series 2025; due December 1, 2031; interest at 5%.	$ 12,800,000	$ -	$ 135,000	$ 12,665,000	$ 420,000
$24,625,000 GO Limited Tax Bonds Series 2026; due December 1, 2035; interest at 5%.	-	24,625,000	-	24,625,000	-
TOTAL GENERAL OBLIGATION BONDS	$ 154,325,000	$ 24,625,000	$ 9,205,000	$ 169,745,000	$ 9,670,000

The Alternate Revenue Source Bonds, Series 2023B will require $52,306,163 for remaining interest and principal payments. During the fiscal year ended June 30, 2026, the principal and interest of $3,071,735 was 21.63% of the pledged revenue, which included the total debt service property tax levy, TIF reimbursements, and investment earnings.

b. Changes in Long-Term Debt

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

	Beginning Balances	Increases	Decreases	Ending Balances	Current Portion
General obligation bonds	$ 154,325,000	$ 24,625,000	$ 9,205,000	$ 169,745,000	$ 9,670,000
Unamortized bond premium	11,353,101	3,159,163	1,323,984	13,188,280	-
Leases payable	696,648	-	158,314	538,334	164,764
Health claims payable	1,839,584	38,121,795	39,725,910	235,469	235,469
Retirement incentive program	1,138,500	586,500	428,250	1,296,750	452,750
Compensated absences*	7,149,367	201,079	-	7,350,446	1,012,806
Net pension liability - TRS	7,383,765	217,997	-	7,601,762	-
Net pension liability - IMRF**	9,079,612	-	9,079,612	-	-
Total OPEB liability - THIS	24,372,699	3,599,507	-	27,972,206	12,871
Net OPEB liability - RHP	12,247,985	-	107,386	12,140,599	488,412
TOTAL	$ 229,586,261	$ 70,511,041	$ 60,028,456	$ 240,068,846	$ 12,037,072

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

**The IMRF net pension is reported as a net pension asset at June 30, 2026.

4. LONG-TERM DEBT (Continued)

b. Changes in Long-Term Debt (Continued)

The obligations for future health claims, retirement incentive program, net pension liabilities and OPEB liabilities will be repaid from the General Fund.

c. Future Debt Service Requirements

A summary of the future debt service requirements to amortize the remaining outstanding general obligation bonds as of June 30, 2026, is as follows:

Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2027	$ 9,670,000	$ 8,156,196	$ 17,826,196
2028	9,570,000	7,705,250	17,275,250
2029	10,125,000	7,220,669	17,345,669
2030	10,360,000	6,750,006	17,110,006
2031	10,950,000	6,258,525	17,208,525
2032-2036	58,415,000	22,864,250	81,279,250
2037-2041	36,855,000	10,918,350	47,773,350
2042-2047	23,800,000	1,738,110	25,538,110
TOTAL	$ 169,745,000	$ 71,611,356	$ 241,356,356

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is $7,594,597 in the Debt Service Fund to service the outstanding bonds payable.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2026, the statutory debt limit for the District was $321,573,265 of which $186,078,265 is fully available.

4. LONG-TERM DEBT (Continued)

d. Early Retirement Incentives

The District has offered an early retirement incentive to employees. The remaining outstanding early retirement incentive obligations are as follows:

Year Ending June 30,	Amount
2027	$ 452,750
2028	355,500
2029	299,000
2030	166,000
2031	23,500
TOTAL	$ 1,296,750

e. Leases

The District entered into various agreements to finance the acquisition of various copiers and printers. The lease agreements qualify as other than short-term leases under GASB Statement No. 87 and, therefore, have been recorded at the present value of the future minimum lease payments. The leases require monthly payments ranging from $30 to $7,761 and expire at various dates through December 2030. The lease liabilities are measured at incremental borrowing rate of 4.00%. The obligations for these leases will be repaid from the Debt Service Fund with transfers from the General Fund (Educational Account). The District has recorded right-to-use assets of $829,410 as of June 30, 2026.

A summary of the future debt service requirements to amortize the remaining outstanding leases payable as of June 30, 2026, is as follows:

Year Ending June 30,	Principal	Interest	Total
2027	$ 164,764	$ 18,580	$ 183,344
2028	171,476	11,868	183,344
2029	159,220	5,124	164,344
2030	42,874	392	43,266
TOTAL	$ 538,334	$ 35,964	$ 574,298

4. LONG-TERM DEBT (Continued)

f. Subscriptions

The District entered into various software arrangements for general and financial operations. The District has prepaid on all software arrangements, and as a result, do not carry a liability related to the subscriptions at June 30, 2026. The District has recorded right-to-use assets of $4,230,715 as of June 30, 2026.

5. SHORT-TERM DEBT

Changes in Short-Term Debt

The following is a summary of changes in short-term debt for the year ended June 30, 2026:

	Beginning Balances	Increases	Decreases	Ending Balances	Current Portion
$25,000,000 Taxable Anticipated Warrants, Series 2025, issued October 14, 2025, payable in one annual installment and interest rate of 4.86% paid on February 17, 2026.	$ -	$ 25,000,000	$ 25,000,000	$ -	$ -
TOTAL	$ -	$ 25,000,000	$ 25,000,000	$ -	$ -

The Taxable Anticipated Warrants, Series 2025, were issued to provide the revenue source for the payment of certain outstanding obligations of the District.

6. RETIREMENT PLAN COMMITMENTS

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

The table below is a summary for all net pension liability plans as of and for the year ended June 30, 2026:

	TRS	IMRF	Total
Net pension liability (asset)	$ 7,601,762	$ (3,779,347)	$ 3,822,415
Deferred outflows of resources	1,129,819	1,309,316	2,439,135
Deferred inflows of resources	356,472	9,210,569	9,567,041
Pension expense	43,229,483	3,992,179	47,221,662

6. RETIREMENT PLAN COMMITMENTS (Continued)

a. Teachers' Retirement System of the State of Illinois

Plan Description

The District participates in the TRS. TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration. TRS issues a publicly available financial report that can be obtained at http://trsil.org/financial/acfrs/fy2025; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, Illinois 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

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

6. RETIREMENT PLAN COMMITMENTS (Continued)

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

Benefits Provided (Continued)

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

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2026, was 9% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-Behalf Contributions to TRS

The State makes employer pension contributions on behalf of the District. For the year ended June 30, 2026, state contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability (NPL) associated with the employer, and the employer recognized revenue and expenditures of $42,707,245 in pension contributions from the State.

6. RETIREMENT PLAN COMMITMENTS (Continued)

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

2.2 Formula Contributions

Employers contribute 0.58% of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2026, were $590,242 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 District to pay an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contributions rate is the total employer normal cost beginning with the year ended June 30, 2018.

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

For the year ended June 30, 2026, the employer pension contribution was 10.34% of salaries paid from federal and special trust funds. For the year ended June 30, 2026, salaries totaling $1,092,454 were paid from federal and special trust funds that required employer contributions of $112,960. These contributions are deferred because they were paid after the June 30, 2025 measurement date.

Employer Retirement Cost Contributions

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2026, the employer paid $88,187 to TRS for employer contributions due on salary increases in excess of 6% and $0 for sick leave days granted in excess of the normal annual allotment.

6. RETIREMENT PLAN COMMITMENTS (Continued)

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

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

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

District's proportionate share of the net pension liability	$ 7,601,762
State's proportionate share of the net pension liability associated with the District	610,862,756
TOTAL	$ 618,464,518

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 District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 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 0.0089694667%, which was an increase of 0.0003702650% from its proportion measured as of June 30, 2024 (0.0085992017%).

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

	Governmental Activities	General Fund
State on-behalf contributions - revenue and expense/expenditure	$ 42,707,245	$ 47,272,870
District TRS pension (benefit) expense	522,238	703,202
TOTAL TRS EXPENSE/EXPENDITURE	$ 43,229,483	$ 47,976,072

6. RETIREMENT PLAN COMMITMENTS (Continued)

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

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 21,211	$ 12,177
Net difference between projected and actual earnings on pension plan investments	-	108,509
Assumption changes	78,885	1,467
Changes in proportion and differences between employer contributions and proportionate share of contributions	326,521	234,319
District contributions subsequent to the measurement date	703,202	-
TOTAL	$ 1,129,819	$ 356,472

$703,202 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 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,	Amount
2027	$ (32,894)
2028	(2,762)
2029	45,351
2030	36,210
2031	24,240
TOTAL	$ 70,145

6. RETIREMENT PLAN COMMITMENTS (Continued)

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

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

The assumed mortality rates are based on the Society of Actuaries PubT-2010 mortality tables, applying adjustments for TRS-specific 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 in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class that were used by the actuary are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	37.00%	4.59%
Private equity	15.00%	7.93%
Public income	15.00%	3.52%
Private credit	8.00%	6.70%
Real assets	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%	

6. RETIREMENT PLAN COMMITMENTS (Continued)

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

Discount Rate

At June 30, 2025, the discount rate used to measure the total pension liability was 7%, 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, district contributions and state contributions will be made at the current statutorily required rates.

Based on those assumptions, TRS' fiduciary net position at June 30, 2025 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier 1's liability is partially funded by Tier 2 members, as the Tier 2 member contribution is higher than the cost of Tier 2 benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Employer's proportionate share of the net pension liability	$ 9,456,697	$ 7,601,762	$ 6,062,561

TRS Fiduciary Net Position

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

6. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund

Plan Description

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

Plan Administration

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

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

Plan Membership

At December 31, 2025, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	1,133
Inactive employees entitled to but not yet receiving benefits	1,719
Active employees	977
TOTAL	3,829

Benefits Provided

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

6. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Benefits Provided (Continued)

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

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

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the year ended June 30, 2026, was 7.87% of covered payroll.

Actuarial Assumptions

The District's net pension liability was measured as of December 31, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2025
Actuarial cost method	Entry-age normal
Assumptions	
Price inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%
Asset valuation method	Fair value

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.

6. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Single Discount Rate

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

Long-Term Expected Rate of Return

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	32.50%	7.35%
International equity	18.00%	7.45%
Fixed income	24.00%	4.75%
Real estate	10.50%	6.25%
Alternative investments	14.00%	3.90% to 8.50%
Cash equivalents	1.00%	3.00%
TOTAL	100.00%	

6. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2025	$ 170,757,901	$ 161,678,289	$ 9,079,612
Changes for the period			
Service cost	2,736,927	-	2,736,927
Interest	12,084,410	-	12,084,410
Difference between expected and actual experience	50,537	-	50,537
Changes in assumptions	-	-	-
Employer contributions	-	2,619,136	(2,619,136)
Employee contributions	-	1,470,464	(1,470,464)
Net investment income	-	25,384,267	(25,384,267)
Benefit payments and refunds	(10,889,704)	(10,889,704)	-
Other (net transfer)	-	(1,743,034)	1,743,034
Net changes	3,982,170	16,841,129	(12,858,959)
BALANCES AT DECEMBER 31, 2025	$ 174,740,071	$ 178,519,418	$ (3,779,347)

6. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

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

For the year ended June 30, 2026, the District recognized pension expense of $3,992,179.

At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 24,264	$ -
Assumption changes	-	-
Net difference between projected and actual earnings on pension plan investments	-	9,210,569
Employer contributions after the measurement date	1,285,052	-
TOTAL	$ 1,309,316	$ 9,210,569

$1,285,052 reported as deferred outflows of resources resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending June 30, 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,	
2027	$ 2,121,503
2028	(4,828,600)
2029	(3,684,752)
2030	(2,794,456)
Thereafter	-
TOTAL	$ (9,186,305)

6. RETIREMENT PLAN COMMITMENTS (Continued)

b. Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	$ 13,326,929	$ (3,779,347)	$ (17,730,167)

c. Social Security/Medicare

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "nonparticipating employees." These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security/Medicare. The District paid the total required contribution for the current fiscal year.

d. 457(b) Retirement Savings Plan

On July 1, 2018 (EPIC) and February 23, 2015 (OMNI) the Board of Education approved the establishment of a 457(b) Retirement Plan, which is a defined contribution plan, for District employees. The plan is held in a trust and administered by a third party serving as the plan's trustee. The number of employees participating in the plan on June 30, 2026 was 17. The plan allows for both employee and the District to make optional contributions to the plan. For the fiscal year ended June 30, 2026, the District did not make any contributions to the plan.

e. 403(b) Retirement Plan

The District also has a 403(b) Salary Reduction plan, that also contains a Roth option, which is a defined contribution plan, for District employees. The plan is held in a trust and administered by a third party serving as the plan's trustee. The number of employees participating in the plan on June 30, 2026 was 404. The plan allows for both employee and the District to make contributions to the plan. For the fiscal year ended June 30, 2026, the District did not make any contributions to the plan.

6. RETIREMENT PLAN COMMITMENTS (Continued)

f. TRS Supplemental Savings Plan

Illinois Teachers' Retirement System established a Supplemental Savings Plan that is available to Illinois public school teachers employed outside the city of Chicago that is required to be adopted by all public-school districts in Illinois by September 30, 2022. The Board of Education voted to adopt this plan on February 28, 2022. The Supplemental Savings Plan is a 457(b) Retirement Plan, which is a defined contribution plan. The plan assets are held in a trust and is administered by a third party serving as the plan's trustee. The number of employees participating in the plan on June 30, 2026 was 166. The plan allows for both employee and the District to make contributions to the plan. For the fiscal year ended June 30, 2026, the District did not make any contributions to the plan.

7. OTHER POSTEMPLOYMENT BENEFITS

The table below is a summary for other postemployment benefit plans as of and for the year ended June 30, 2026:

	RHP	THIS	Total
OPEB liability	$ 12,140,599	$ 27,972,206	$ 40,112,805
Deferred outflows of resources	2,640,106	4,832,726	7,472,832
Deferred inflows of resources	3,645,730	41,464,937	45,110,667
OPEB expense	859,143	(5,569,018)	(4,709,875)

a. Retirees Health Plan

Plan Description

The District's other postemployment benefits (OPEB) plan is a single-employer defined benefit healthcare plan that is administered by the District. The 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, publicly available report. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The activity of the plan is reported in the District's General Fund.

Benefits Provided

The plan provides the ability for retirees and their spouses to access the District's group health insurance plan during retirement until age 65, 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.

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan (Continued)

Benefits Provided (Continued)

TRS employees are only eligible who are retired as of June 30, 2014 or who have submitted their notice to retire by August 31, 2013. IMRF Tier I (date of hire is prior to January 1, 2011) participants are eligible upon attaining age 55 with at least eight years of service. IMRF Tier II (date of hire is on or after January 1, 2011) participants are eligible to retire upon attaining age 62 with ten years of service.

Membership

As of June 30, 2026, membership consisted of:

Retirees and beneficiaries currently receiving benefits	108
Active employees	1,802
TOTAL	1,910
Participating employers	1

Total OPEB Liability

The District's total OPEB liability of $12,140,599 was based upon an actuarial valuation dated July 1, 2024 with a measurement date of June 30, 2025 and a reporting date of June 30, 2026.

Actuarial Assumptions and Other Inputs

The total OPEB liability at June 30, 2026 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updated procedures to June 30, 2025 (reporting date of June 30, 2026), including updating the discount rate, as noted below:

Actuarial cost method	Entry-age normal
Actuarial value of assets	N/A
Inflation	2.50%
Salary increases	0.00%
Discount rate	4.79%
Healthcare cost trend rates	8.00% initial, 5.00% ultimate

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan (Continued)

Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on the 20-year municipal bond yield at June 30, 2026.

Mortality rates were based on the Pub-2010 Public Retirement Plans General mortality table projected generationally with Scale MP-2021.

Changes in the Total OPEB Liability

	Total OPEB Liability
BALANCES AT JULY 1, 2025	$ 12,247,985
Changes for the period	
Service cost	525,087
Interest	497,396
Difference between expected and actual experience	632,423
Changes in benefit terms	-
Changes in assumptions	(1,273,880)
Benefit payments	(488,412)
Net changes	(107,386)
BALANCES AT JUNE 30, 2026	$ 12,140,599

There were changes in assumptions related to the discount rate changing from 3.97% in 2025 to 4.79% in 2026.

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan (Continued)

Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table on the following page presents the total OPEB liability of the District calculated using the discount rate of 4.79% as well as what the District total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.79%) or 1 percentage point higher (5.79%) than the current rate:

	1% Decrease (3.79%)	Current Discount Rate (4.79%)	1% Increase (5.79%)
Total OPEB liability	$ 13,954,245	$ 12,140,599	$ 10,684,487

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 5.00% to 8.00% as well as what the District's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (4.00% to 7.00%) or 1 percentage point higher (6.00% to 9.00%) than the current rate:

	1% Decrease (varies)	Current Healthcare Rate (varies)	1% Increase (varies)
Total OPEB liability	$ 10,919,636	$ 12,140,599	$ 13,718,875

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

For the year ended June 30, 2026, the District recognized OPEB expense of $859,143. At June 30, 2026, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 553,370	$ 1,288,669
Changes of assumptions	2,086,736	2,357,061
TOTAL	$ 2,640,106	$ 3,645,730

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

a. Retirees Health Plan (Continued)

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

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

Year Ending June 30,	
2027	$ (69,455)
2028	(72,159)
2029	(250,322)
2030	(250,325)
2031	(265,831)
Thereafter	(97,532)
TOTAL	$ (1,005,624)

b. Teachers' Health Insurance Security Fund

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

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

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teachers' Health Insurance Security Fund (Continued)

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

- On-behalf contributions to the THIS Fund - The State makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 0.90% of pay during the year ended June 30, 2026. State contributions were $915,893 and the District recognized revenue and expenditures of this amount during the year.

- Employer contributions to the THIS Fund - The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67% during the year ended June 30, 2026. For the year ended June 30, 2026, the District paid $681,832 to the THIS Fund, which was 100% of the required contribution.

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

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2024, rolled forward to June 30, 2025, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.25%
Salary increases	Depends on service and ranges from 8.50% at one year of service to 3.50% at 20 or more years of service.
Investment rate of return	2.75%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Trend for plan year 2026 based on actual premium increases. For non-Medicare costs, trend rates start at 8.00% for plan year 2027 and decrease gradually to an ultimate rate of 4.25% in 2042. For MAPD costs, trend rates are based on actual premium increases for 2026, expected increases in 2027 and 2028 and 7.80% in 2029, declining gradually to an ultimate rate of 4.25% in 2041.

Mortality rates for retirement and beneficiary annuitants: PubT-2010 Retiree Mortality Table, adjusted for TRS experience. Disabled Annuitants: PubNS-2010 Non-Safety Disabled Retiree Table. Pre-Retirement: PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2021.

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teachers' Health Insurance Security Fund (Continued)

Single Discount Rate

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

Since the THIS is financed on a pay-as-you-go basis, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index described above. The discount rates are 5.20% as of June 30, 2025 and 3.97% as of June 30, 2024.

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

The following presents the District's proportionate share of the collective net OPEB liability, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.20%) or 1 percentage point higher (6.20%) than the current discount rate:

	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
Employer's proportionate share of the collective net OPEB liability	$ 31,258,087	$ 27,972,206	$ 25,139,657

The following table shows the District's net OPEB liability as of June 30, 2025, using current trend rates and sensitivity trend rates that are either 1 percentage point higher or lower. The current claims trend rates are 6.00% in 2026, 8.00% in 2027, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2042.

	1% Decrease[a]	Current Discount Rate	1% Increase[b]
Employer's proportionate share of the collective net OPEB liability	$ 24,272,130	$ 27,972,206	$ 32,475,498

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teachers' Health Insurance Security Fund (Continued)

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

[a] One percentage point decrease in healthcare trend rates -

Pre-Medicare per capita costs: 5.00% in 2026, 7.00% in 2027, decreasing by 0.25% per year to an ultimate rate of 3.25% in 2042.

Post-Medicare per capita costs: Based on actual increase in 2026, expected increases in 2027 to 2028, 6.80% in 2029 decreasing ratably to an ultimate trend rate of 3.25% in 2041.

[b] One percentage point increase in healthcare trend rates -

Pre-Medicare per capita costs: 7.00% in 2026, 9.00% in 2027, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2042.

Post-Medicare per capita costs: Based on actual increase in 2026, expected increases in 2027 to 2028, 8.80% in 2029 decreasing ratably to an ultimate trend rate of 5.25% in 2041.

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

The collective net OPEB liability was measured as of June 30, 2025 and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of that date. The District proportion of the collective net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of the District, actuarially determined. At June 30, 2025, the District's proportion was 0.311346%, which was an increase of 0.003242% from its proportion measured as of June 30, 2024 (0.308104%). The State's support and total are for disclosure purposes only.

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

Employer's proportionate share of the net OPEB liability	$ 27,972,206
State's proportionate share of the net OPEB liability associated with the employer	37,945,941
TOTAL	$ 65,918,147

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teachers' Health Insurance Security Fund (Continued)

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

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

	Governmental Activities	General Fund
State on-behalf contributions - revenue and expense/expenditure	$ 992,142	$ 915,893
District THIS pension (benefit) expense	(6,561,160)	681,832
TOTAL THIS EXPENSE/EXPENDITURE	$ (5,569,018)	$ 1,597,725

At June 30, 2026, the District disclosed deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,851,095	$ 8,394,446
Changes of assumptions	644,304	29,601,103
Net difference between projected and actual earnings on OPEB plan investments	-	44,982
Changes in the proportion and differences between employer contributions and proportionate share of contributions	655,495	3,424,406
Employer contributions subsequent to the measurement date	681,832	-
TOTAL	$ 4,832,726	$ 41,464,937

7. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Teachers' Health Insurance Security Fund (Continued)

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

$681,832 disclosed as deferred outflows of resources related to OPEB resulting from the District's contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2027. Other amounts disclosed as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year Ended June 30,	
2027	$ (4,248,935)
2028	(4,248,935)
2029	(4,248,935)
2030	(4,248,935)
2031	(4,248,935)
Thereafter	(16,069,368)
TOTAL	$ (37,314,043)

8. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omission; injuries to employees; employees' health and natural disasters.

The District purchases insurance from private insurance companies for general liability and other coverages not included below. Premiums have been recorded as expenditures in the appropriate funds. The District is self-insured for medical and dental, workers' compensation, and unemployment compensation coverage that is provided to District personnel. A third party administrator administers claims for a monthly fee per participant. Expenditures are recorded as incurred in the form of direct contributions from the District to the third party administrator for payment of employee health, worker's compensation, and unemployment compensation claims and administration fees. The District's liability will not exceed $100,000 per employee for HMO plans and $275,000 per employee for PPO medical coverage, as provided by stop-loss provisions incorporated into the plan. There is no aggregate stop-loss provision incorporated in the plan. The District's liability will not exceed $300,000 per employee and $1,000,000 in the aggregate for workers' compensation coverage, as provided by stop-loss provisions incorporated into the plan.

8. RISK MANAGEMENT (Continued)

At June 30, 2026, total unpaid claims, including an estimate of claims that have been incurred but not reported (IBNRs) to the administrative agent, totaled $2,783,655. These estimates are developed based on reports prepared by the administrative agent. The District does not allocate overhead costs or other non-incremental costs to the claims liability.

For the two fiscal years ended June 30, 2026 and 2025, changes in the liability for unpaid claims are as follows:

	2026	2025
Unpaid claims, beginning of fiscal year	$ 4,374,468	$ 7,455,933
Incurred claims (including IBNRs)	38,121,795	30,931,397
Claim payments	(39,712,608)	(34,012,862)
UNPAID CLAIMS, END OF FISCAL YEAR	$ 2,783,655	$ 4,374,468

At June 30, 2026, the unpaid claims includes $235,469 of estimated incurred but not reported claims and $2,548,186 of known reported claims. $235,469 is reported as long-term debt.

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. Settled claims have not exceeded commercial insurance coverage for the past three fiscal years.

9. COMMITMENTS AND CONTINGENCIES

a. Litigation

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

b. Grants

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

10. INTERFUND TRANSFERS

Fund	Transfer In	Transfer Out
General	$ 5,000,000	$ 184,262
Operations and Maintenance	-	9,650,000
Transportation	1,650,000	-
Debt Service	3,184,262	-
TOTAL	$ 9,834,262	$ 9,834,262

The purpose of significant transfers were as follows:

- $5,000,000 transferred to the General (Educational Account) Fund from the Operations and Maintenance Fund. The amounts transferred represents a permanent transfer of interest income to pay for education expenses as well as to cover other operating expenses.

- $1,650,000 transferred to the Transportation Fund from the Operations and Maintenance Fund. The amounts transferred represents a permanent transfer of interest income to pay for transportation and other operating expenses.

- $3,184,262 transferred to the Debt Service Fund from the General Fund (Educational Account) and Operations and Maintenance Fund. The amount transferred represents payments for principal and interest on long-term debt obligations.

11. CONSTRUCTION COMMITMENTS

The District has contracts for construction projects which have been approved by the Board of Education at June 30, 2026. Future commitments under these contracts approximate $2,612,269 at June 30, 2026.

12. SUBSEQUENT EVENT

Subsequent to year-end, Cook County experienced delays in issuing the second installment property tax bills due to software-related issues. Property tax bills, which are normally mailed in early July with an August 1 due date, were instead mailed on September 1, 2026, with a due date of October 1, 2026. To assist taxing districts with potential cash flow constraints resulting from the delay, Cook County offered interest-free bridge loans. The District received an interest-free bridge loan in the amount of $27,285,000 in August 2026. Property tax collections were applied directly to repayment of the bridge loan, and the loan was fully repaid through property tax distributions received in October 2026.

REQUIRED SUPPLEMENTARY INFORMATION

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	$ 125,500,950	$ 127,873,595	$ 2,372,645
Special education property taxes	1,532,329	1,580,940	48,611
Corporate personal property replacement taxes	1,491,879	1,491,879	-
Special education tuition from other districts	15,000	-	(15,000)
Investment income	1,778,500	1,260,326	(518,174)
Sales to pupils - lunch	700,000	926,919	226,919
Sales to adults	3,000	7,678	4,678
Other food service	20,000	10,970	(9,030)
Admission - other	500	-	(500)
Rentals - regular textbooks	1,000,000	1,382,940	382,940
Fees	92,000	131,535	39,535
Student activity fund revenue	500,000	254,578	(245,422)
Rentals	1,000	-	(1,000)
Contributions and donations from private sources	15,000	20	(14,980)
TIF Reimbursement	3,813,000	2,446,354	(1,366,646)
Other local fees	13,000	27,891	14,891
Other local revenue	150,000	458,377	308,377
Total local sources	136,626,158	137,854,002	1,227,844
State sources			
Evidence based funding formula	18,594,000	18,614,086	20,086
Special education - private facility tuition	-	394,190	394,190
Special education - orphanage - individual	720,000	674,862	(45,138)
Special education - orphanage - summer individual	5,000	-	(5,000)
Special education - orphanage - improvement (CTEI)	10,000	-	(10,000)
State free lunch and breakfast	50,000	36,352	(13,648)
Early childhood - block grant	503,403	510,000	6,597
Other restricted revenue from state sources	234,877	265,011	30,134
Total state sources	20,117,280	20,494,501	377,221
Federal sources			
National school lunch program	3,000,000	2,801,627	(198,373)
School breakfast program	750,000	606,122	(143,878)
Summer food service program	10,000	37,230	27,230
Child and adult care food program	55,000	98,704	43,704
Title I - low income	2,445,000	2,664,133	219,133
Title IV - student support and academic enrichment grant	150,000	164,978	14,978
Title IV - 21st century comm learning centers	161,000	219,259	58,259
Federal special education - preschool flow through	107,476	147,125	39,649
Federal special education - IDEA flow through	2,909,000	2,673,431	(235,569)

(This schedule is continued on the following pages.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES (Continued)			
Federal sources (Continued)			
Title III - IMM Ed	$ -	$ 44,404	$ 44,404
Title III - English Language Association	299,133	307,549	8,416
Title II - teacher quality	261,462	160,786	(100,676)
Medicaid matching funds - administrative outreach	250,000	1,504,650	1,254,650
Medicaid matching funds - fee-for-service program	750,000	899,375	149,375
Other restricted revenues from federal sources	780,000	1,043,918	263,918
Total federal sources	11,928,071	13,373,291	1,445,220
Total revenues	168,671,509	171,721,794	3,050,285
EXPENDITURES			
Instruction			
Regular programs			
Salaries	49,139,119	49,447,726	308,607
Employee benefits	9,050,000	10,132,621	1,082,621
Purchased services	1,258,400	1,227,410	(30,990)
Supplies and materials	2,271,900	1,810,095	(461,805)
Capital outlay	-	260	260
Other objects	29,500	9,110	(20,390)
Noncapitalized equipment	280,480	182,020	(98,460)
Total regular programs	62,029,399	62,809,242	779,843
Special education programs			
Salaries	21,370,121	21,542,988	172,867
Employee benefits	6,046,686	6,724,767	678,081
Purchased services	441,308	272,120	(169,188)
Supplies and materials	472,954	464,558	(8,396)
Other objects	2,700,000	2,963,457	263,457
Noncapitalized equipment	65,995	105,298	39,303
Total special education programs	31,097,064	32,073,188	976,124
Special education programs pre-K			
Salaries	50,000	469	(49,531)
Employee benefits	-	6	6
Total special education programs pre-K	50,000	475	(49,525)

(This schedule is continued on the following pages.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Instruction (Continued)			
Remedial and supplemental programs - pre-K			
Salaries	$ 1,313,838	$ 75,740	$ (1,238,098)
Employee benefits	372,637	8,510	(364,127)
Purchased services	-	18,186	18,186
Supplies and materials	46,466	107,400	60,934
Total remedial and supplemental programs - pre-K	1,732,941	209,836	(1,523,105)
Interscholastic programs			
Salaries	1,133,306	950,750	(182,556)
Employee benefits	-	10,792	10,792
Purchased services	48,000	44,915	(3,085)
Supplies and materials	70,000	65,374	(4,626)
Other objects	17,000	6,860	(10,140)
Total interscholastic programs	1,268,306	1,078,691	(189,615)
Summer school programs			
Salaries	426,165	798,698	372,533
Employee benefits	-	47,045	47,045
Purchased services	11,728	7,320	(4,408)
Supplies and materials	-	999	999
Total summer school programs	437,893	854,062	416,169
Gifted program			
Salaries	-	1,067	1,067
Employee benefits	-	13	13
Purchased services	5,000	4,793	(207)
Total gifted programs	5,000	5,873	873
Bilingual programs			
Salaries	16,531,077	17,011,910	480,833
Employee benefits	2,777,000	3,542,779	765,779
Purchased services	3,500	91,268	87,768
Supplies and materials	132,000	128,317	(3,683)
Capital outlay	-	1,798	1,798
Total bilingual programs	19,443,577	20,776,072	1,332,495

(This schedule is continued on the following pages.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Instruction (Continued)			
Student activity fund expenditures			
Other objects	$ 500,000	$ 291,055	$ (208,945)
Total student activity fund expenditures	500,000	291,055	(208,945)
Total instruction	116,564,180	118,098,494	1,534,314
Support services			
Pupils			
Attendance and social work services			
Salaries	3,698,527	3,713,269	14,742
Employee benefits	703,100	672,255	(30,845)
Purchased services	9,790	51,023	41,233
Supplies and materials	300	20,930	20,630
Other objects	450	426	(24)
Total attendance and social work services	4,412,167	4,457,903	45,736
Guidance services			
Salaries	485,656	450,495	(35,161)
Employee benefits	90,750	72,991	(17,759)
Total guidance services	576,406	523,486	(52,920)
Health services			
Salaries	3,870,830	3,946,237	75,407
Employee benefits	910,000	855,134	(54,866)
Purchased services	221,110	160,324	(60,786)
Supplies and materials	46,850	41,997	(4,853)
Capital outlay	4,000	-	(4,000)
Other objects	640	-	(640)
Noncapitalized equipment	78,590	16,746	(61,844)
Total health services	5,132,020	5,020,438	(111,582)
Psychological services			
Salaries	1,998,918	1,892,465	(106,453)
Employee benefits	430,000	399,380	(30,620)
Purchased services	301,500	174,942	(126,558)

(This schedule is continued on the following pages.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Pupils (Continued)			
Psychological services (Continued)			
Supplies and materials	$ 12,000	$ 22,119	$ 10,119
Other objects	800	480	(320)
Noncapitalized equipment	-	931	931
Total psychological services	2,743,218	2,490,317	(252,901)
Speech pathology and audiology services			
Salaries	3,204,065	3,370,814	166,749
Employee benefits	760,000	600,550	(159,450)
Purchased services	251,850	53,861	(197,989)
Supplies and materials	3,000	5,203	2,203
Other objects	300	-	(300)
Total speech pathology and audiology services	4,219,215	4,030,428	(188,787)
Other support services - pupils			
Purchased services	36,900	40,020	3,120
Total support services - pupils	36,900	40,020	3,120
Total pupils	17,119,926	16,562,592	(557,334)
Instructional staff			
Improvement of instructional services			
Salaries	6,239,708	4,681,325	(1,558,383)
Employee benefits	1,644,000	1,434,507	(209,493)
Purchased services	856,795	722,528	(134,267)
Supplies and materials	209,500	89,318	(120,182)
Other objects	71,500	225,742	154,242
Noncapitalized equipment	3,000	-	(3,000)
Total improvement of instructional services	9,024,503	7,153,420	(1,871,083)
Educational media services			
Salaries	3,542,852	3,294,366	(248,486)
Employee benefits	746,510	754,612	8,102
Purchased services	1,200,317	951,710	(248,607)

(This schedule is continued on the following pages.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Instructional staff (Continued)			
Educational media services (Continued)			
Supplies and materials	$ 454,628	$ 449,288	$ (5,340)
Capital outlay	391,000	303,280	(87,720)
Other objects	2,000	1,934	(66)
Noncapitalized equipment	1,925,000	1,927,439	2,439
Total educational media services	8,262,307	7,682,629	(579,678)
Assessment and testing			
Salaries	-	14,495	14,495
Employee benefits	-	1,775	1,775
Purchased services	190,500	82,130	(108,370)
Supplies and materials	5,000	15,057	10,057
Other objects	8,500	-	(8,500)
Noncapitalized equipment	18,000	-	(18,000)
Total assessment and testing	222,000	113,457	(108,543)
Total instructional staff	17,508,810	14,949,506	(2,559,304)
General administration			
Board of education services			
Salaries	635,900	1,035,140	399,240
Employee benefits	81,600	290,230	208,630
Purchased services	369,500	454,557	85,057
Supplies and materials	2,500	4,711	2,211
Other objects	20,000	57,885	37,885
Noncapitalized equipment	-	10,918	10,918
Total board of education services	1,109,500	1,853,441	743,941
Executive administration services			
Salaries	843,068	734,964	(108,104)
Employee benefits	170,000	190,997	20,997
Purchased services	112,000	211,798	99,798
Supplies and materials	25,000	72,810	47,810
Other objects	6,200	6,842	642
Total executive administration services	1,156,268	1,217,411	61,143

(This schedule is continued on the following pages.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
General administration (Continued)			
Special area administration services			
Salaries	$ 133,289	$ 417,753	$ 284,464
Employee benefits	-	150,113	150,113
Total special area administration services	133,289	567,866	434,577
Tort immunity services			
Purchased services	1,952,000	2,114,392	162,392
Total tort immunity services	1,952,000	2,114,392	162,392
Total general administration	4,351,057	5,753,110	1,402,053
School administration			
Office of the principal services			
Salaries	8,061,216	7,915,990	(145,226)
Employee benefits	2,985,000	3,058,281	73,281
Purchased services	52,406	43,277	(9,129)
Supplies and materials	81,319	82,980	1,661
Noncapitalized equipment	17,500	4,063	(13,437)
Total office of the principal services	11,197,441	11,104,591	(92,850)
Total school administration	11,197,441	11,104,591	(92,850)
Business			
Direction of business support services			
Salaries	205,337	205,337	-
Employee benefits	77,000	71,473	(5,527)
Total direction of business support services	282,337	276,810	(5,527)
Fiscal services			
Salaries	745,750	708,938	(36,812)
Employee benefits	184,000	182,950	(1,050)
Purchased services	316,000	270,625	(45,375)
Supplies and materials	25,000	13,732	(11,268)
Other objects	5,000	2,534	(2,466)
Noncapitalized equipment	24,000	-	(24,000)
Total fiscal services	1,299,750	1,178,779	(120,971)

(This schedule is continued on the following pages.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Business (Continued)			
Pupil transportation services			
Purchased services	$ 33,000	$ -	$ (33,000)
Total pupil transportation services	33,000	-	(33,000)
Food service			
Salaries	1,714,855	1,677,511	(37,344)
Employee benefits	800,000	815,450	15,450
Purchased services	107,700	131,318	23,618
Supplies and materials	2,610,000	2,242,206	(367,794)
Capital outlay	62,400	45,559	(16,841)
Other objects	4,200	4,461	261
Noncapitalized equipment	50,000	5,797	(44,203)
Total food service	5,349,155	4,922,302	(426,853)
Internal Services			
Salaries	134,055	58,520	(75,535)
Employee benefits	-	3,004	3,004
Purchased services	341,728	265,915	(75,813)
Supplies and materials	25,000	17,263	(7,737)
Total internal services	500,783	344,702	(156,081)
Total business	7,465,025	6,722,593	(742,432)
Central			
Information services			
Salaries	293,530	314,240	20,710
Employee benefits	37,500	38,226	726
Purchased services	65,750	88,237	22,487
Supplies and materials	15,000	1,510	(13,490)
Other objects	2,500	2,894	394
Total information services	414,280	445,107	30,827

(This schedule is continued on the following pages.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
Central (Continued)			
Staff services			
Salaries	$ 924,982	$ 825,844	$ (99,138)
Employee benefits	245,000	240,659	(4,341)
Purchased services	164,000	97,574	(66,426)
Supplies and materials	47,438	17,232	(30,206)
Other objects	2,000	2,066	66
Total staff services	1,383,420	1,183,375	(200,045)
Data processing services			
Salaries	453,462	451,260	(2,202)
Employee benefits	73,800	75,270	1,470
Purchased services	577,065	445,018	(132,047)
Supplies and materials	1,000	357	(643)
Other objects	1,000	135	(865)
Total data processing services	1,106,327	972,040	(134,287)
Total central	2,904,027	2,600,522	(303,505)
Other support services			
Salaries	8,000	5,607	(2,393)
Employee benefits	-	4,909	4,909
Purchased services	65,436	48,837	(16,599)
Total other support services	73,436	59,353	(14,083)
Total support services	60,619,722	57,752,267	(2,867,455)
Community services			
Salaries	80,800	143,628	62,828
Employee benefits	22,056	17,631	(4,425)
Purchased services	116,987	345,783	228,796
Supplies and materials	38,768	28,938	(9,830)
Other objects	-	297,000	297,000
Total community services	258,611	832,980	574,369

(This schedule is continued on the following page.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Payments to other districts and governmental units			
Payments for regular programs			
Purchased services	$ 704,331	$ 688,693	$ (15,638)
Total payments for regular programs	704,331	688,693	(15,638)
Payments for special education programs - tuition			
Other objects	40,000	917	(39,083)
Total payments for special education programs - tuition	40,000	917	(39,083)
Payments for special education programs - transfers			
Other objects	635,000	729,242	94,242
Total payments for special education programs - tuition	635,000	729,242	94,242
Total payments to other districts and governmental units	1,379,331	1,418,852	39,521
Debt service - interest on long-term debt	-	28,800	28,800
Total expenditures	178,821,844	178,131,393	(690,451)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(10,150,335)	(6,409,599)	3,740,736
OTHER FINANCING SOURCES (USES)			
Transfers in	5,000,000	5,000,000	-
Transfers (out)	(180,000)	(184,262)	(4,262)
Total other financing sources (uses)	4,820,000	4,815,738	(4,262)
NET CHANGE IN FUND BALANCE (BUDGETARY BASIS)	$ (5,330,335)	(1,593,861)	$ 3,736,474
ADJUSTMENTS TO GAAP BASIS			
On-behalf revenues		48,188,763	
On-behalf expenditures		(48,188,763)	
NET CHANGE IN FUND BALANCE (GAAP BASIS)		(1,593,861)	
FUND BALANCE, JULY 1		45,240,794	
FUND BALANCE, JUNE 30		$ 43,646,933	

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	$ 20,738,863	$ 21,396,647	$ 657,784
Corporate personal property replacement taxes	750,000	647,358	(102,642)
Interest on investments	500,000	425,118	(74,882)
Rentals	150,000	255,338	105,338
Other local sources	100,000	152,908	52,908
Total local sources	22,238,863	22,877,369	638,506
Total revenues	22,238,863	22,877,369	638,506
EXPENDITURES			
Support services			
Operations and maintenance			
Operation and maintenance of plant services			
Salaries	5,994,428	5,702,729	(291,699)
Employee benefits	1,526,000	1,406,941	(119,059)
Purchased services	2,373,600	2,461,846	88,246
Supplies and materials	3,984,000	3,852,864	(131,136)
Capital outlay	500,000	76,844	(423,156)
Other objects	3,000	1,348	(1,652)
Noncapitalized equipment	175,000	108,128	(66,872)
Total operation and maintenance of plant services	14,556,028	13,610,700	(945,328)
Other support services			
Salaries	-	138,901	138,901
Employee benefits	-	59,296	59,296
Total other support services	-	198,197	198,197
Total support services - operations and maintenance	14,556,028	13,808,897	(747,131)
Total expenditures	14,556,028	13,808,897	(747,131)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,682,835	9,068,472	1,385,637
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(8,000,000)	(9,650,000)	(1,650,000)
Total other financing sources (uses)	(8,000,000)	(9,650,000)	(1,650,000)
NET CHANGE IN FUND BALANCE	$ (317,165)	(581,528)	$ (264,363)
FUND BALANCE, JULY 1		9,905,249	
FUND BALANCE, JUNE 30		$ 9,323,721	

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	$ 4,888,036	$ 5,043,071	$ 155,035
Regular transportation fees from pupils or parents - in state	8,500	9,580	1,080
Regular transportation fees from other districts - in state	32,500	68,167	35,667
Regular transportation fees from other sources - in state	25,000	47,427	22,427
Investment income	125,000	-	(125,000)
Impact fees from municipal or county governments	-	13,748	13,748
Other	5,000	57,205	52,205
Total local sources	5,084,036	5,239,198	155,162
State sources			
Transportation - regular	2,650,000	3,010,884	360,884
Transportation - special education	1,750,000	1,562,906	(187,094)
Total state sources	4,400,000	4,573,790	173,790
Total revenues	9,484,036	9,812,988	328,952
EXPENDITURES			
Support services			
Transportation			
Pupil transportation services			
Salaries	5,052,863	5,234,517	181,654
Employee benefits	1,753,000	1,863,717	110,717
Purchased services	1,226,100	2,254,225	1,028,125
Supplies and materials	1,425,000	1,334,735	(90,265)
Capital outlay	650,000	619,631	(30,369)
Other objects	150	-	(150)
Noncapitalized equipment	65,000	45,189	(19,811)
Total pupil transportation services	10,172,113	11,352,014	1,179,901
Total support services - transportation	10,172,113	11,352,014	1,179,901
Community services			
Purchased services	-	5,606	5,606
Total community services	-	5,606	5,606
Total expenditures	10,172,113	11,357,620	1,185,507
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(688,077)	(1,544,632)	(856,555)

(This schedule is continued on the following page.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
OTHER FINANCING SOURCES (USES)			
Transfers in	$ -	$ 1,650,000	$ 1,650,000
Total other financing sources (uses)	-	1,650,000	1,650,000
NET CHANGE IN FUND BALANCE	$ (688,077)	105,368	$ 793,445
FUND BALANCE, JULY 1		231,410	
FUND BALANCE, JUNE 30		$ 336,778	

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	$ 2,754,284	$ 2,391,967	$ (362,317)
FICA/Medicare only property taxes	2,754,284	2,923,359	169,075
Corporate personal property replacement taxes	225,000	225,000	-
Investment income	165,000	136,394	(28,606)
Total local sources	5,898,568	5,676,720	(221,848)
Total revenues	5,898,568	5,676,720	(221,848)
EXPENDITURES			
Instruction			
Regular programs	707,700	957,773	250,073
Special education programs	1,304,500	841,832	(462,668)
Special education programs pre-K			-
Remedial and supplemental programs - K-12	85,000	1,368	(83,632)
Interscholastic programs	26,900	13,986	(12,914)
Summer school programs	-	52,582	52,582
Gifted programs	-	15	15
Bilingual programs	227,100	312,917	85,817
Total instruction	2,351,200	2,180,473	(170,727)
Support services			
Pupils			
Attendance and social work services	42,500	58,148	15,648
Guidance services	-	6,467	6,467
Health services	561,400	1,106,511	545,111
Psychological services	36,000	305,080	269,080
Speech pathology and audiology services	30,500	47,597	17,097
Total pupils	670,400	1,523,803	853,403
Instructional staff			
Improvement of instructional services	138,250	143,857	5,607
Educational media services	203,750	188,040	(15,710)
Assessment and testing	-	212	212
Total instructional staff	342,000	332,109	(9,891)

(This schedule is continued on the following page.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
EXPENDITURES (Continued)			
Support services (Continued)			
General administration			
Board of education services	$ 6,500	$ 14,125	$ 7,625
Executive administration services	54,250	38,465	(15,785)
Special area administration services	-	5,985	5,985
Total general administration	60,750	58,575	(2,175)
School administration			
Office of principal services	368,000	382,809	14,809
Total school administration	368,000	382,809	14,809
Business			
Direction of business support services	-	3,077	3,077
Fiscal services	99,450	109,959	10,509
services	927,500	861,032	(66,468)
Pupil transportation services	706,500	765,226	58,726
Food services	245,750	243,794	(1,956)
Internal services	11,950	35,879	23,929
Total business	1,991,150	2,018,967	27,817
Central			
Planning, research, development, and evaluations			
Information services	55,825	53,890	(1,935)
Staff services	66,400	74,649	8,249
Data processing services	77,150	67,966	(9,184)
Total central	199,375	196,505	(2,870)
Total support services	3,631,675	4,512,768	881,093
Community services	-	8,047	8,047
Total expenditures	5,982,875	6,701,288	718,413
NET CHANGE IN FUND BALANCE	$ (84,307)	(1,024,568)	$ (940,261)
FUND BALANCE, JULY 1		3,283,809	
FUND BALANCE, JUNE 30		$ 2,259,241	

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED JUNE 30,	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	$ 2,655,281	$ 2,411,192	$ 1,729,730	$ 2,067,841	$ 2,329,297	$ 2,358,101	$ 1,994,059	$ 2,469,175	$ 2,403,627	$ 2,503,551
Contributions in relation to the actuarially determined contribution	2,655,281	2,411,192	1,767,684	2,067,221	2,329,434	2,377,567	2,029,882	2,485,545	2,408,418	2,515,329
CONTRIBUTION DEFICIENCY (Excess)	$ -	$ -	$ (37,954)	$ 620	$ (137)	$ (19,466)	$ (35,823)	$ (16,370)	$ (4,791)	$ (11,778)
Covered payroll	$ 33,752,700	$ 30,931,229	$ 26,208,023	$ 23,391,862	$ 22,289,919	$ 21,713,641	$ 22,430,357	$ 21,659,433	$ 21,196,007	$ 21,434,510
Contributions as a percentage of covered payroll	7.87%	7.80%	6.74%	8.84%	10.45%	10.95%	9.05%	11.48%	11.36%	11.73%

Notes to Required Supplemental Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 18 years until the remaining period reaches ten years (then ten-year rolling period); the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.85% to 13.75% compounded annually and price inflation of 2.25%.

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

Last Ten Fiscal Years

FISCAL YEAR ENDED JUNE 30,	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Statutorily required contribution	$ 703,202	$ 717,636	$ 514,886	$ 501,205	$ 483,250	$ 480,069	$ 467,677	$ 453,658	$ 905,705	$ 1,056,048
Contributions in relation to the statutorily required contribution	703,202	717,636	519,176	501,137	483,089	480,733	467,823	453,570	906,854	1,051,657
CONTRIBUTION DEFICIENCY (Excess)	$ -	$ -	$ (4,290)	$ 68	$ 161	$ (664)	$ (146)	$ 88	$ (1,149)	$ 4,391
Covered payroll	$ 101,765,941	$ 97,118,715	$ 92,160,628	$ 88,773,408	$ 86,414,644	$ 83,318,904	$ 82,770,487	$ 80,633,994	$ 78,216,900	$ 77,096,168
Contributions as a percentage of covered payroll	0.69%	0.74%	0.56%	0.56%	0.56%	0.58%	0.57%	0.56%	1.16%	1.36%

Notes to Required Supplemental Information

Changes of assumptions: For the 2025 and 2024 measurement year, the assumed investment rate of return was of 7%, including an inflation rate of 2.50% and a real return of 4.50%. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated Aug. 16, 2024. For the 2023-2022 and 2020-2016 measurement years, the assumed investment rate of return was 7%, including an inflation rate of 2.50% and a real return of 4.50%*. Salary increases were assumed to vary by service credit. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively.

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' HEALTH INSURANCE SECURITY FUND

Last Nine Fiscal Years

FISCAL YEAR ENDED JUNE 30,	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Actuarially determined contribution	$ 681,832	$ 650,695	$ 594,782	$ 578,978	$ 766,534	$ 761,488	$ 741,833	$ 688,309	$ 647,608
Contributions in relation to the actuarially determined contribution	681,832	650,695	589,009	589,780	766,667	762,099	741,731	688,502	647,665
CONTRIBUTION DEFICIENCY (Excess)	$ -	$ -	$ 5,773	$ (10,802)	$ (133)	$ (611)	$ 102	$ (193)	$ (57)
Covered payroll	$ 101,765,941	$ 97,118,715	$ 92,160,628	$ 88,773,408	$ 86,414,644	$ 83,318,904	$ 82,770,487	$ 80,633,994	$ 78,216,900
Contributions as a percentage of covered payroll	0.67%	0.67%	0.64%	0.66%	0.89%	0.91%	0.90%	0.85%	0.83%

Notes to Required Supplemental Information

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

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

Last Ten Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
TOTAL PENSION LIABILITY										
Service cost	$ 2,736,927	$ 2,455,460	$ 2,213,757	$ 2,086,607	$ 2,066,746	$ 2,327,881	$ 2,258,064	$ 2,146,836	$ 2,365,295	$ 2,391,445
Interest	12,084,410	11,612,277	11,165,795	10,732,210	10,342,183	10,027,941	9,680,084	9,338,430	9,370,058	8,954,239
Differences between expected and actual experience	50,537	2,893,833	2,898,286	2,754,579	2,247,689	1,727,450	703,365	1,349,426	(1,579,013)	382,859
Changes in assumptions	-	-	(186,558)	-	-	(981,508)	-	3,390,009	(3,760,868)	(417,042)
Benefit payments, including refunds of member contributions	(10,889,704)	(10,290,556)	(9,816,968)	(9,496,009)	(9,077,724)	(8,195,917)	(7,560,865)	(6,987,760)	(6,428,144)	(6,039,161)
Net change in total pension liability	3,982,170	6,671,014	6,274,312	6,077,387	5,578,894	4,905,847	5,080,648	9,236,941	(32,672)	5,272,340
Total pension liability - beginning	170,757,901	164,086,887	157,812,575	151,735,188	146,156,294	141,250,447	136,169,799	126,932,858	126,965,530	121,693,190
TOTAL PENSION LIABILITY - ENDING	$ 174,740,071	$ 170,757,901	$ 164,086,887	$ 157,812,575	$ 151,735,188	$ 146,156,294	$ 141,250,447	$ 136,169,799	$ 126,932,858	$ 126,965,530
PLAN FIDUCIARY NET POSITION										
Contributions - employer	$ 2,619,136	$ 2,146,432	$ 1,767,684	$ 2,067,221	$ 2,329,434	$ 2,377,567	$ 2,029,882	$ 2,485,545	$ 2,408,418	$ 2,515,329
Contributions - member	1,470,464	1,293,085	1,211,289	1,121,367	1,010,870	992,120	1,028,251	1,009,104	976,846	977,407
Net investment income	25,384,267	15,322,636	15,829,625	(22,504,278)	25,816,712	19,324,226	22,287,894	(6,956,143)	19,836,871	7,263,321
Benefit payments, including refunds of member contributions	(10,889,704)	(10,290,556)	(9,816,968)	(9,496,009)	(9,077,724)	(8,195,917)	(7,560,865)	(6,987,760)	(6,428,144)	(6,039,161)
Other (net transfer)	(1,743,034)	(331,505)	3,348,045	(767,948)	(131,420)	663,850	(44,957)	2,454,450	(3,000,058)	633,859
Net change in plan fiduciary net position	16,841,129	8,140,092	12,339,675	(29,579,647)	19,947,872	15,161,846	17,740,205	(7,994,804)	13,793,933	5,350,755
Plan fiduciary net position - beginning	161,678,289	153,538,197	141,198,522	170,778,169	150,830,297	135,668,451	117,928,246	125,923,050	112,129,117	106,778,362
PLAN FIDUCIARY NET POSITION - ENDING	$ 178,519,418	$ 161,678,289	$ 153,538,197	$ 141,198,522	$ 170,778,169	$ 150,830,297	$ 135,668,451	$ 117,928,246	$ 125,923,050	$ 112,129,117
EMPLOYER'S NET PENSION LIABILITY (ASSET)	$ (3,779,347)	$ 9,079,612	$ 10,548,690	$ 16,614,053	$ (19,042,981)	$ (4,674,003)	$ 5,581,996	$ 18,241,553	$ 1,009,808	$ 14,836,413

MEASUREMENT DATE DECEMBER 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Plan fiduciary net position as a percentage of the total pension liability	102.16%	94.68%	93.57%	89.47%	112.55%	103.20%	96.05%	86.60%	99.20%	88.31%
Covered payroll	$ 32,409,567	$ 28,734,028	$ 26,208,023	$ 23,391,862	$ 22,289,919	$ 21,713,641	$ 22,430,357	$ 21,659,433	$ 21,196,007	$ 21,434,510
Employer's net pension liability as a percentage of covered payroll	(11.66%)	31.60%	40.25%	71.02%	(85.43%)	(21.53%)	24.89%	84.22%	4.76%	69.22%

Assumption Changes:

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

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

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

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

2023 - changes in assumptions related to mortality rates.

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

Last Ten Fiscal Years

MEASUREMENT DATE JUNE 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability	0.00896947%	0.00859920%	0.00854078%	0.00844456%	0.00928662%	0.00986138%	0.01033001%	0.01091651%	0.02201122%	0.02715559%
District's proportionate share of the net pension liability	$ 7,601,762	$ 7,383,765	$ 7,258,008	$ 7,079,951	$ 7,244,616	$ 8,502,014	$ 8,378,481	$ 8,508,853	$ 16,816,162	$ 21,435,551
State's proportionate share of the net pension liability associated with the District	610,862,756	615,647,658	626,369,804	614,138,821	607,175,799	665,921,910	596,287,372	582,892,077	571,728,000	619,267,667
TOTAL	$ 618,464,518	$ 623,031,423	$ 633,627,812	$ 621,218,772	$ 614,420,415	$ 674,423,924	$ 604,665,853	$ 591,400,930	$ 588,544,162	$ 245,086,684
District's covered payroll	$ 97,118,715	$ 92,160,628	$ 88,773,408	$ 86,414,644	$ 83,318,904	$ 82,770,487	$ 80,633,994	$ 78,216,900	$ 77,096,168	$ 79,091,122
District's proportionate share of the net pension liability associated with the employer as a percentage of its covered payroll	7.83%	8.01%	8.18%	8.19%	8.70%	10.27%	10.39%	10.88%	21.81%	27.10%
Plan fiduciary net position as a percentage of the total pension liability	47.70%	45.40%	43.90%	42.80%	45.10%	37.80%	39.60%	40.00%	39.30%	36.40%

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

Last Nine Fiscal Years

MEASUREMENT DATE JUNE 30,	2026	2025	2024	2023	2022	2021	2020	2019	2018
TOTAL OPEB LIABILITY									
Service cost	$ 525,087	$ 476,152	$ 459,757	$ 635,993	$ 614,275	$ 445,675	$ 638,111	$ 678,459	$ 655,471
Interest	497,396	441,141	421,704	293,821	291,442	385,681	440,855	367,574	304,511
Differences between expected and actual experience	632,423	-	(1,412,683)	-	(132,745)	-	(1,456,661)	-	(581,892)
Employee contributions	-	-	-	-	-	-	-	-	708,698
Changes of assumptions	(1,273,880)	702,724	1,187,631	(2,236,348)	272,314	1,798,388	1,478,276	(751,074)	68,930
Changes of benefit terms	-	-	-	-	-	-	(648,473)	-	-
Benefit payments	(488,412)	(648,795)	(696,365)	(687,194)	(616,002)	(644,804)	(618,732)	(594,437)	(1,351,198)
Net change in total OPEB liability	(107,386)	971,222	(39,956)	(1,993,728)	429,284	1,984,940	(166,624)	(299,478)	(195,480)
Total OPEB liability - beginning	12,247,985	11,276,763	11,316,719	13,310,447	12,881,163	10,896,223	11,062,847	11,362,325	11,557,805
TOTAL OPEB LIABILITY - ENDING	$ 12,140,599	$ 12,247,985	$ 11,276,763	$ 11,316,719	$ 13,310,447	$ 12,881,163	$ 10,896,223	$ 11,062,847	$ 11,362,325
Covered-employee payroll	$ 129,441,852	$ 121,973,044	$ 114,851,696	$ 110,958,619	$ 106,718,159	$ 106,360,324	$ 102,361,382	$ 99,089,475	$ 100,478,072
Employer's total OPEB liability as a percentage of covered-employee payroll	9.38%	10.04%	9.82%	10.20%	12.47%	12.11%	10.72%	11.16%	11.31%

2018-2025 - changes in assumptions related to the discount rate and healthcare cost trend rates

2026 - changes in assumptions related to the discount rate.

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

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

Last Nine Fiscal Years

MEASUREMENT DATE JUNE 30,	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
District's proportion of the collective net OPEB liability	0.311346%	0.308104%	0.314394%	0.318942%	0.321049%	0.327459%	0.328025%	0.330040%	0.335163%
District's proportionate share of the collective net OPEB liability	$ 27,972,206	$ 24,372,699	$ 22,408,016	$ 21,830,561	$ 70,808,667	$ 87,549,114	$ 90,788,912	$ 86,952,028	$ 86,973,444
State's proportionate share of the collective net OPEB liability associated with the District	37,945,941	33,099,220	30,302,777	29,698,331	96,006,218	118,605,207	122,939,770	116,757,822	114,217,743
TOTAL	$ 65,918,147	$ 57,471,919	$ 52,710,793	$ 51,528,892	$ 166,814,885	$ 206,154,321	$ 20,017,102	$ 203,709,850	$ 201,191,187
Plan's fiduciary net position as a percentage of the total pension liability	8.03%	7.43%	6.21%	5.24%	1.40%	0.70%	0.25%	(0.07%)	(0.17%)
District's covered payroll	$ 97,118,715	$ 92,160,628	$ 88,773,408	$ 86,414,644	$ 83,318,904	$ 82,770,487	$ 80,633,994	$ 78,216,900	$ 77,096,168
Proportionate of the collective net OPEB liability associated with employer as a percentage of its covered payroll	28.80%	26.45%	25.24%	25.26%	84.99%	105.77%	112.59%	111.17%	112.81%

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

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2026

1. BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with GAAP for local governments.

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

a. The administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.

b. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.

c. The budget is legally adopted through passage of a resolution.

d. The legal level of budgetary control is at the individual fund level, therefore, actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.

2. EXCESS EXPENDITURES OVER BUDGETS

The following fund expenditures were in excess of the budget at June 30, 2026:

Fund	Budget	Expenditures	Excess
Transportation	$ 10,172,113	$ 11,357,620	$ 1,185,507
Illinois Municipal Retirement/ Social Security	5,982,875	6,701,288	718,413
Debt Service	16,913,988	16,999,576	85,588
Capital Projects	11,000,000	13,698,143	2,698,143
Fire Prevention and Safety	-	11,440	11,440

3. BUDGETARY VARIANCES

General Fund revenues exceeded the final budget by a total of $3,050,285 primarily due to higher-than-anticipated property tax collections ($2,372,645), Medicaid reimbursements ($1,404,025), state grant revenues ($377,221), non-Medicaid federal grant revenues ($41,195), and rental and textbook fee revenues ($382,940) received during the fiscal year. Property tax collections were more than budgeted due to distribution timing issues in the prior fiscal year the County experienced caused by their software resulting in increased collections in fiscal year 2026. General Fund expenditures were below budget by a combined total of $690,451 primarily due to lower-than-anticipated costs in instructional staff support services, remedial and supplemental programs, pupil services, and business services resulting from staffing vacancies, timing of expenditures, and other operational cost savings realized during the year. These expenditure reductions were a concerted effort by District administration to help the fiscal year 2027 budget deficit.

Operations and Maintenance Fund revenues exceeded the final budget primarily due to property tax collections ($657,784), rental income ($105,338), and other local revenues ($52,908). Property tax collections were more than budgeted due to distribution timing issues in the prior fiscal year the County experienced caused by their software resulting in increased collections in fiscal year 2026. Rental income increased as more outside vendors used the schools for meetings and sports. Expenditures were below budget by a total of $747,131 primarily due to lower-than-anticipated salaries ($152,798), employee benefits ($59,763), capital outlay ($423,156), supplies and materials ($131,136), and noncapitalized equipment expenditures ($66,872) as certain maintenance activities and facility improvement projects were deferred, completed at lower costs than anticipated, or not fully implemented during the fiscal year.

Transportation Fund expenditures exceeded the final budget by a total of $1,185,507 primarily due to increased contracted transportation costs ($1,028,125), employee salaries ($181,654), and employee benefits ($110,717). Due to a bus driver shortage, the District needed to hire contracted drivers at a premium cost to cover routes. The driver shortage was unforeseen and thus unbudgeted.

IMRF/Social Security Fund expenditures exceeded the final budget by a total $718,413 primarily due to employer retirement ($201,181) and payroll tax contributions ($517,232) associated with salary and staffing costs that exceeded original budget estimates.

SUPPLEMENTARY INFORMATION

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

COMBINING BALANCE SHEET
GENERAL FUND - BY ACCOUNT

June 30, 2026

	Educational Account	Tort Immunity and Judgment Account	Working Cash Account	Total
ASSETS				
Cash and investments	$ 49,679,646	$ 636,097	$ 140,221	$ 50,455,964
Receivables				
Property taxes, net	66,176,671	776,944	-	66,953,615
Intergovernmental	3,456,116	-	-	3,456,116
Prepaid items	1,658,460	-	-	1,658,460
TOTAL ASSETS	$ 120,970,893	$ 1,413,041	$ 140,221	$ 122,524,155
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 1,246,544	$ 18,640	$ -	$ 1,265,184
Salaries and wages payable	10,835,885	-	-	10,835,885
Claims payable	2,548,186	-	-	2,548,186
Total liabilities	14,630,615	18,640	-	14,649,255
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent years	63,483,429	744,538	-	64,227,967
Total deferred inflows of resources	63,483,429	744,538	-	64,227,967
Total liabilities and deferred inflows of resources	78,114,044	763,178	-	78,877,222
FUND BALANCES				
Nonspendable for prepaid items	1,658,460	-	-	1,658,460
Restricted for tort immunity and judgment	-	649,863	-	649,863
Assigned for working cash	-	-	140,221	140,221
Assigned for future years' budget	7,581,772	-	-	7,581,772
Unassigned	33,616,617	-	-	33,616,617
Total fund balances	42,856,849	649,863	140,221	43,646,933
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 120,970,893	$ 1,413,041	$ 140,221	$ 122,524,155

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Educational Account	Tort Immunity and Judgment Account	Working Cash Account	Total
REVENUES				
Property taxes	$ 127,932,213	$ 1,522,322	$ -	$ 129,454,535
Corporate personal property replacement taxes	1,491,879	-	-	1,491,879
State aid	68,683,264	-	-	68,683,264
Federal aid	13,373,291	-	-	13,373,291
Investment income	1,230,338	23,934	6,054	1,260,326
Other local sources	454,072	4,305	-	458,377
Other	5,188,885	-	-	5,188,885
Total revenues	218,353,942	1,550,561	6,054	219,910,557
EXPENDITURES				
Current				
Instruction				
Regular programs	82,153,770	-	-	82,153,770
Special programs	40,531,460	-	-	40,531,460
Other instructional programs	30,553,970	-	-	30,553,970
Support services				
Pupils	21,794,446	-	-	21,794,446
Instructional staff	18,075,402	-	-	18,075,402
General administration	4,293,708	2,114,392	-	6,408,100
School administration	14,201,461	-	-	14,201,461
Business	7,034,714	-	-	7,034,714
Central	2,623,416	-	-	2,623,416
Other support services	558,978	-	-	558,978
Community services	889,170	-	-	889,170
Intergovernmental				
Payments to other districts and government units	1,418,852	-	-	1,418,852
Capital outlay	47,617	-	-	47,617
Debt service				
Interest	28,800	-	-	28,800
Total expenditures	224,205,764	2,114,392	-	226,320,156
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,851,822)	(563,831)	6,054	(6,409,599)
OTHER FINANCING SOURCES (USES)				
Transfers in	5,000,000	-	-	5,000,000
Transfers (out)	(184,262)	-	-	(184,262)
Total other financing sources (uses)	4,815,738	-	-	4,815,738
NET CHANGE IN FUND BALANCES	(1,036,084)	(563,831)	6,054	(1,593,861)
FUND BALANCES, JULY 1	43,892,933	1,213,694	134,167	45,240,794
FUND BALANCES, JUNE 30	$ 42,856,849	$ 649,863	$ 140,221	$ 43,646,933

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Property taxes	$ 13,930,909	$ 14,022,079	$ 91,170
Interest on investments	200,000	178,627	(21,373)
Total local sources	14,130,909	14,200,706	69,797
Total revenues	14,130,909	14,200,706	69,797
EXPENDITURES			
Debt service			
Payments on long-term debt			
Interest	7,558,988	7,636,262	77,274
Principal	9,355,000	9,363,314	8,314
Total payments on long-term debt	16,913,988	16,999,576	85,588
Total expenditures	16,913,988	16,999,576	85,588
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,783,079)	(2,798,870)	(15,791)
OTHER FINANCING SOURCES (USES)			
Transfers in	3,180,000	3,184,262	4,262
Premium from issuance of debt	-	1,503,176	1,503,176
Total other financing sources (uses)	3,180,000	4,687,438	1,507,438
NET CHANGE IN FUND BALANCE	$ 396,921	1,888,568	$ 1,491,647
FUND BALANCE, JULY 1		5,706,029	
FUND BALANCE, JUNE 30		$ 7,594,597	

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Interest on investments	$ 1,100,000	$ 643,355	$ (456,645)
Impact fees from municipal or county governments	-	104,889	104,889
Other local revenue	-	31,600	31,600
Total local sources	1,100,000	779,844	(320,156)
State sources			
Infrastructure improvements - school infrastructure - maintenance projects	-	50,000	50,000
Total state sources	-	50,000	50,000
Federal sources			
Preschool IDEA flow through	-	43,950	43,950
IDEA flow through	-	575,000	575,000
Total federal sources	-	618,950	618,950
Total revenues	1,100,000	1,448,794	348,794
EXPENDITURES			
Support services			
Business			
Facilities acquisition and construction services			
Salaries	-	128,281	128,281
Purchased services	-	955,546	955,546
Capital outlay	11,000,000	11,207,642	207,642
Other objects	-	276,049	276,049
Noncapitalized equipment	-	1,130,625	1,130,625
Total facilities acquisition and construction services	11,000,000	13,698,143	2,698,143
Total support services - business	11,000,000	13,698,143	2,698,143
Total expenditures	11,000,000	13,698,143	2,698,143
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,900,000)	(12,249,349)	(2,349,349)

(This schedule is continued on the following page.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
OTHER FINANCING SOURCES (USES)			
Issuance of debt	$ -	$ 24,625,000	$ 24,625,000
Premium from issuance of debt	-	1,655,987	1,655,987
Total other financing sources (uses)	-	26,280,987	26,280,987
NET CHANGE IN FUND BALANCE	$ (9,900,000)	14,031,638	$ 23,931,638
FUND BALANCE, JULY 1		26,653,822	
FUND BALANCE, JUNE 30		$ 40,685,460	

(See independent auditor's report.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

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

For the Year Ended June 30, 2026

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
REVENUES			
Local sources			
Interest on investments	$ 250	$ -	$ (250)
Total local sources	250	-	(250)
Federal sources			
IDEA flow through	-	21,834	21,834
Total federal sources	-	21,834	21,834
Total revenues	250	21,834	21,584
EXPENDITURES			
Support service - business			
Facilities acquisition and construction services			
Purchased services	-	11,440	11,440
Total expenditures	-	11,440	11,440
NET CHANGE IN FUND BALANCE	$ 250	10,394	$ 10,144
FUND BALANCE, JULY 1		-	
FUND BALANCE, JUNE 30		$ 10,394	

(See independent auditor's report.)

OTHER SUPPLEMENTAL INFORMATION

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

SCHEDULE OF GENERAL OBLIGATION BONDS PAYABLE

June 30, 2026

Year Ending	Life Safety School Bonds Series 2016 Limited Tax General Obligation			Life Safety Bonds School Series 2017 Limited Tax General Obligation		
June 30,	Principal	Interest	Total	Principal	Interest	Total
2027	$ 3,075,000	$ 219,875	$ 3,294,875	$ 2,100,000	$ 117,600	$ 2,217,600
2028	2,860,000	71,500	2,931,500	1,890,000	37,800	1,927,800
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
2039	-	-	-	-	-	-
2040	-	-	-	-	-	-
2041	-	-	-	-	-	-
2042	-	-	-	-	-	-
2043	-	-	-	-	-	-
2044	-	-	-	-	-	-
	$ 5,935,000	$ 291,375	$ 6,226,375	$ 3,990,000	$ 155,400	$ 4,145,400

Limited Tax General Obligation Life Safety Bonds School Series 2020			General Obligation School Bonds, Series 2023		
Principal	Interest	Total	Principal	Interest	Total
$ -	$ 438,400	$ 438,400	$ 2,610,000	$ 1,801,550	$ 4,411,550
540,000	424,900	964,900	1,615,000	1,695,925	3,310,925
5,630,000	270,650	5,900,650	1,595,000	1,615,675	3,210,675
4,330,000	64,950	4,394,950	1,670,000	1,534,050	3,204,050
-	-	-	1,760,000	1,448,300	3,208,300
-	-	-	1,845,000	1,358,175	3,203,175
-	-	-	1,935,000	1,263,675	3,198,675
-	-	-	2,035,000	1,164,425	3,199,425
-	-	-	2,135,000	1,060,175	3,195,175
-	-	-	2,240,000	950,800	3,190,800
-	-	-	2,355,000	835,925	3,190,925
-	-	-	2,470,000	715,300	3,185,300
-	-	-	2,595,000	588,675	3,183,675
-	-	-	2,720,000	455,800	3,175,800
-	-	-	2,860,000	316,300	3,176,300
-	-	-	3,000,000	184,800	3,184,800
-	-	-	-	-	-
-	-	-	3,120,000	62,400	3,182,400
$ 10,500,000	$ 1,198,900	$ 11,698,900	$ 38,560,000	$ 17,051,950	$ 55,611,950

(This schedule is continued on the following pages.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

SCHEDULE OF GENERAL OBLIGATION BONDS PAYABLE (Continued)

June 30, 2026

Year Ending	General Obligation School Bonds, Series 2023A			General Obligation Alternative Revenue Bonds, Series 2023B		
June 30,	Principal	Interest	Total	Principal	Interest	Total
2027	$ 145,000	$ 1,978,431	$ 2,123,431	$ 1,320,000	$ 1,756,600	$ 3,076,600
2028	1,280,000	1,941,025	3,221,025	1,385,000	1,690,600	3,075,600
2029	1,445,000	1,869,494	3,314,494	1,455,000	1,621,350	3,076,350
2030	1,525,000	1,791,531	3,316,531	1,530,000	1,548,600	3,078,600
2031	1,600,000	1,709,500	3,309,500	1,605,000	1,472,100	3,077,100
2032	1,685,000	1,625,375	3,310,375	1,685,000	1,391,850	3,076,850
2033	1,775,000	1,538,875	3,313,875	1,770,000	1,307,600	3,077,600
2034	1,860,000	1,448,000	3,308,000	1,860,000	1,219,100	3,079,100
2035	1,955,000	1,352,625	3,307,625	1,950,000	1,126,100	3,076,100
2036	2,055,000	1,252,375	3,307,375	2,050,000	1,028,600	3,078,600
2037	2,150,000	1,147,250	3,297,250	2,150,000	926,100	3,076,100
2038	2,265,000	1,036,874	3,301,874	2,265,000	813,225	3,078,225
2039	2,375,000	920,875	3,295,875	2,380,000	694,313	3,074,313
2040	2,500,000	795,875	3,295,875	2,505,000	569,363	3,074,363
2041	2,625,000	664,625	3,289,625	2,640,000	437,850	3,077,850
2042	2,760,000	530,000	3,290,000	2,775,000	299,250	3,074,250
2043	2,895,000	388,625	3,283,625	2,925,000	153,561	3,078,561
2044	6,325,000	119,474	6,444,474	-	-	-
	$ 39,220,000	$ 22,110,829	$ 61,330,829	$ 34,250,000	$ 18,056,162	$ 52,306,162

General Obligation School Bonds, Series 2025			General Obligation Limited Tax School Bonds, Series 2026		
Principal	Interest	Total	Principal	Interest	Total
$ 420,000	$ 622,750	$ 1,042,750	$ -	$ 1,220,990	$ 1,220,990
-	612,250	612,250	-	1,231,250	1,231,250
-	612,250	612,250	-	1,231,250	1,231,250
1,180,000	582,750	1,762,750	125,000	1,228,125	1,353,125
5,850,000	407,000	6,257,000	135,000	1,221,625	1,356,625
5,215,000	130,375	5,345,375	-	1,218,250	1,218,250
-	-	-	5,815,000	1,072,875	6,887,875
-	-	-	6,265,000	770,875	7,035,875
-	-	-	6,745,000	445,625	7,190,625
-	-	-	5,540,000	138,500	5,678,500
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 12,665,000	$ 2,967,375	$ 15,632,375	$ 24,625,000	$ 9,779,365	$ 34,404,365

(This schedule is continued on the following page.)

COMMUNITY CONSOLIDATED SCHOOL DISTRICT #15
PALATINE, ILLINOIS

SCHEDULE OF GENERAL OBLIGATION BONDS PAYABLE (Continued)

June 30, 2026

Year Ending June 30,	Total General Obligation Bonds		
	Principal	Interest	Total
2027	$ 9,670,000	$ 8,156,196	$ 17,826,196
2028	9,570,000	7,705,250	17,275,250
2029	10,125,000	7,220,669	17,345,669
2030	10,360,000	6,750,006	17,110,006
2031	10,950,000	6,258,525	17,208,525
2032	10,430,000	5,724,025	16,154,025
2033	11,295,000	5,183,025	16,478,025
2034	12,020,000	4,602,400	16,622,400
2035	12,785,000	3,984,525	16,769,525
2036	11,885,000	3,370,275	15,255,275
2037	6,655,000	2,909,275	9,564,275
2038	7,000,000	2,565,399	9,565,399
2039	7,350,000	2,203,863	9,553,863
2040	7,725,000	1,821,038	9,546,038
2041	8,125,000	1,418,775	9,543,775
2042	8,535,000	1,014,050	9,549,050
2043	5,820,000	542,186	6,362,186
2044	9,445,000	181,874	9,626,874
	$ 169,745,000	$ 71,611,356	$ 241,356,356

(See independent auditor's report.)