PRELIMINARY OFFICIAL STATEMENT DATED MAY 5, 2026

NEW ISSUE – BOOK-ENTRY ONLY

RATINGS+: BAM INSURED
S&P: "AA" (STABLE OUTLOOK)
S&P UNDERLYING RATING "A-" (STABLE OUTLOOK)

Interest on the Bonds is includible in gross income of the owners thereof for federal income tax purposes. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX MATTERS" herein for a more complete discussion.

SCHOOL DISTRICT NUMBER 148
COOK COUNTY, ILLINOIS
(DOLTON WEST)
$9,845,000* TAXABLE GENERAL OBLIGATION LIMITED TAX SCHOOL BONDS, SERIES 2026

Dated: Date of Issuance **Due: December 1, as Shown on the Inside Cover Page**

The Taxable General Obligation Limited Tax School Bonds, Series 2026 (the "Bonds") of School District Number 148, Cook County, Illinois (the "District"), are issuable as fully-registered bonds under the global book-entry system operated by The Depository Trust Company, New York, New York ("DTC"). Individual purchases will be made in book-entry system form only. Beneficial owners of the Bonds will not receive physical delivery of the Bonds. The Bonds are issued in fully-registered form in denominations of $5,000 and integral multiples thereof, and will bear interest payable on June 1 and December 1 of each year, with June 1, 2027 as the first interest payment date. Amalgamated Bank of Chicago, Chicago, Illinois, will act as registrar and paying agent for the Bonds. Details of payment of the Bonds are described herein. Interest is calculated based on a 360-day year consisting of twelve 30-day months.

Proceeds of the Bonds will be used to (i) increase the working cash fund of the District and (ii) pay costs associated with the issuance of the Bonds. See "USE OF PROCEEDS" herein.

The Bonds, in the opinion of Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"), are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The amount of said taxes that may be extended to pay the Bonds is limited as provided by law. See "THE BONDS – Limited Bonds" herein.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds Build America Mutual Assurance Company ("BAM"). See "BOND INSURANCE" herein and Appendix D – Specimen Municipal Bond Insurance Policy.

BAM

The Bonds are subject to optional redemption prior to maturity on the dates and at the redemption price described herein under "THE BONDS – Optional Redemption."

The Bonds are offered when, as and if issued by the District and received by Raymond James & Associates, Inc., Chicago, Illinois (the "Underwriter"), subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Bond Counsel. Chapman and Cutler LLP, Chicago, Illinois, is also acting as Disclosure Counsel to the District. Delivery of the Bonds through the facilities of DTC will be on or about June 11, 2026.

RAYMOND JAMES
AS UNDERWRITER

PMA
Part of PTMA Financial Solutions
AS MUNICIPAL ADVISOR

The date of this Official Statement is May __, 2026.

*Preliminary, subject to change.
+See "BOND RATINGS" herein.

MATURITY SCHEDULE, AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NUMBERS

$9,845,000* Taxable General Obligation Limited Tax School Bonds, Series 2026

Maturity (December 1)	Amount ($)*	Rate (%)	Yield (%)	CUSIP(1) (215075)
2027	520,000			
2028	805,000			
2029	850,000			
2030	895,000			
2031	945,000			
2032	995,000			
2033	1,050,000			
2034	1,110,000			
2035	1,170,000			
2036	1,235,000			
2037	270,000			

(1) CUSIP data herein is provided by CUSIP Global Services ("CGS"). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. No representations are made as to the correctness of the CUSIP numbers. These CUSIP numbers are subject to change after the issuance of the Bonds.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended by the District from time to time (collectively, the "Official Statement"), may be treated as an Official Statement with respect to the Bonds described herein that is deemed final by the District as of the date hereof (or of any such supplement or amendment), except for the omission of certain information permitted to be omitted pursuant to such Rule.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as statements of the District or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. Unless otherwise indicated, the District is the source of all tables and statistical and financial information contained in this Official Statement. The information set forth herein relating to governmental bodies other than the District has been obtained from such governmental bodies or from other sources believed to be reliable. The information and opinions expressed herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date of this Official Statement.

PMA Securities, LLC, Naperville, Illinois, is serving as municipal advisor (the "Municipal Advisor") to the District in connection with the issuance of the Bonds. In preparing this Official Statement, the Municipal Advisor has relied upon the District, and other sources, having access to relevant data to provide accurate information for this Official Statement. To the best of the Municipal Advisor's knowledge, the information contained in this Official Statement is true and accurate. However, the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information.

Any statements made in this Official Statement, including the Appendices, involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such estimates will be realized. This Official Statement contains certain forward-looking statements and information that are based on the District's beliefs as well as assumptions made by and information currently available to the District. Such statements are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or expected.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

This Official Statement should be considered in its entirety and no one factor considered less important than any other by reason of its position in this Official Statement. Where statutes, resolutions, reports or other documents are referred to herein, reference should be made to such statutes, resolutions, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

Upon issuance, the Bonds will not be registered under the Securities Act of 1933, as amended, and will not be listed on any stock or other securities exchange and neither the Securities and Exchange Commission nor any other Federal, State, Municipal or other governmental entity, other than the District, shall have passed upon the accuracy or adequacy of this Official Statement.

Build America Mutual Assurance Company ("BAM") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM supplied by BAM and presented under the heading "BOND INSURANCE" and "Appendix D – Specimen Municipal Bond Insurance Policy".

School District Number 148
Cook County, Illinois
(Dolton West)
114 West 144th Street
Riverdale, Illinois 60827
(708) 841-2290

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Board of Education
Dr. Shalonda Randle, President
Andrea M. Johnson, Vice President
Sherrie Bush, Secretary
Charles Givines
Faith E. Gunter
Aritha Harvey
Larry Lawrence

School Treasurer
Thornton Township Trustees of Schools

Interim Superintendents
Dr. Sheila Harrison-Williams
Dr. Mable Alfred

* * * * * * * * * * * * * * * * * *

Paying Agent/Registrar
Amalgamated Bank of Chicago
30 North LaSalle Street 38th Floor
Chicago, Illinois 60602

Independent Auditors
John Kasperek Co.
1471 Ring Road
Calumet City, Illinois 60409

Bond and Disclosure Counsel
Chapman and Cutler LLP
320 South Canal Street
Chicago, Illinois 60606

Municipal Advisor
PMA Securities, LLC
2135 CityGate Lane, 7th Floor
Naperville, Illinois 60563

Underwriter
Raymond James & Associates, Inc.
120 South Riverside Plaza, Suite 600
Chicago, Illinois 60606

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Appendices:

School District Number 148
Cook County, Illinois
(Dolton West)
$9,845,000* Taxable General Obligation Limited Tax School Bonds, Series 2026

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning School District Number 148, Cook County, Illinois (the "District"), in connection with the offering and sale of its $9,845,000* Taxable General Obligation Limited Tax School Bonds, Series 2026 (the "Bonds"), This Official Statement includes the cover page, the reverse thereof and the Appendices. Certain factors that may affect an investment decision concerning the Bonds are described throughout this Official Statement. Persons considering a purchase of the Bonds should read this Official Statement in its entirety.

THE BONDS

General Description

The Bonds will be issued in fully-registered form, without coupons, in denominations of $5,000 each or authorized integral multiples thereof under a book-entry only system operated by The Depository Trust Company, New York, New York ("DTC"). Principal of and interest on the Bonds will be payable as described under the caption "BOOK-ENTRY SYSTEM" by Amalgamated Bank of Chicago, Chicago, Illinois, as paying agent and registrar (the "Registrar").

The Bonds will be dated as of the date of delivery and will mature as shown on the inside cover page of this Official Statement. Interest on the Bonds will be payable on each June 1 and December 1, beginning June 1, 2027. The Bonds will bear interest from their dated date, or from the most recent interest payment date to which interest has been paid or provided for, computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Bonds will be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of the Registrar in Chicago, Illinois. Interest on each Bond will be paid by check or draft of the Registrar payable upon presentation in lawful money of the United States of America to the person in whose name such Bond is registered at the close of business on the record date, which is the 15th day of the month next preceding the interest payment date (the "Record Date").

The Bonds are subject to optional redemption prior to maturity as discussed under "Optional Redemption" herein.

*Preliminary, subject to change.

Registration and Exchange

The Bonds may be transferred, registered and assigned only on the registration books of the Registrar (the "Register"), and such registration shall be at the expense of the District; provided, however, that the District or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Registrar and duly executed by, the registered owner or his or her attorney duly authorized in writing, the District shall execute and the Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully-registered Bond or Bonds of the same maturity of authorized denominations for a like aggregate principal amount. Any fully-registered Bond or Bonds may be exchanged at said office of the Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. The execution by the District of any fully-registered Bond shall constitute full and due authorization of such Bond and the Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

The Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the Record Date with respect to any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

Authority and Purpose

The Bonds are issued pursuant to the School Code of the State of Illinois (the "School Code"), the Local Government Debt Reform Act of the State of Illinois (the "Debt Reform Act"), and all laws amendatory thereof and supplementary thereto, and a bond resolution adopted by the Board of Education (the "Board") of the District on March 24, 2026, as supplemented by a notification of sale (together, the "Bond Resolution"). Proceeds of the Bonds will be used to (i) increase the working cash fund of the District (the "Working Cash Fund") and (ii) pay costs associated with the issuance of the Bonds. See "USE OF PROCEEDS" herein.

Security and Payment

The Bonds, in the opinion of Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"), are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The amount of said taxes that will be extended to pay the Bonds is limited pursuant to the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "Limitation Law"). See "Limited Bonds" herein.

The Bond Resolution provides for the levy of ad valorem taxes, unlimited as to rate, upon all taxable property within the District in amounts to pay, as and when due, all principal of and interest on the Bonds to the amount of the Base (as hereinafter defined). The Bond Resolution will be filed with the County Clerk of The County of Cook, Illinois (the "County Clerk"), and will serve as authorization to the County Clerk to extend and collect the property taxes as set forth in the Bond Resolution to pay the Bonds.

Reference is made to Appendix A for the proposed form of legal opinion of Bond Counsel.

Limited Bonds

The Bonds are limited bonds and are issued pursuant to the School Code, as supplemented by the Debt Reform Act. Although the obligation of the District to pay the Bonds is a general obligation under the School Code and all taxable property in the District is subject to the levy of taxes to pay the Bonds without limitation as to rate, the amount of said taxes that will be extended to pay the Bonds is limited pursuant to the Limitation Law.

The Debt Reform Act provides that the Bonds are payable from the debt service extension base of the District (the "Base"), which is an amount equal to that portion of the extension for the District for the 1994 levy year constituting an extension for payment of principal and interest on bonds issued by the District without referendum, but not including alternate bonds issued under Section 15 of the Debt Reform Act or refunding obligations issued to refund or to continue to refund obligations of the District initially issued pursuant to referendum, increased each year commencing with the 2009 levy year, by the lesser of 5% or the percentage increase in the Consumer Price Index (as defined in the Limitation Law, the "CPI") during the 12-month calendar year preceding the levy year (the "Annual Increase"). The Limitation Law further provides that the annual amount of taxes to be extended to pay the Bonds and all other limited bonds heretofore and hereafter issued by the District shall not exceed the Base.

As of the closing of the Bonds, the Bonds will constitute one of two series of limited bonds of the District that are payable from the Base. Payments on the Bonds from the Base will be made on a parity with the payments on the District's outstanding General Obligation Limited Tax Refunding School Bonds, Series 2019A (the "2019A Bonds"). The District is authorized to issue from time to time additional limited bonds payable from the Base, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District's limited bonds. The amount of the Base for the 2026 levy year has been determined to be $1,320,220.22, which is calculated as follows:

Levy Year	The Base	Annual Increase or 5%	Annnual Increase	New Base
2009	$ 883,156.00	0.10%	$ 883.15	$ 884,039.15
2010	884,039.15	2.70%	23,869.05	907,908.20
2011	907,908.20	1.50%	13,618.62	921,526.82
2012	921,526.82	3.00%	27,645.80	949,172.62
2013	949,172.62	1.70%	16,135.93	965,308.55
2014	965,308.55	1.50%	14,479.62	979,788.17
2015	979,788.17	0.80%	7,838.30	987,626.47
2016	987,626.47	0.70%	6,913.38	994,539.85
2017	994,539.85	2.10%	20,885.33	1,015,425.18
2018	1,015,425.18	2.10%	21,323.92	1,036,749.10
2019	1,036,749.10	1.90%	19,698.23	1,056,447.33
2020	1,056,447.33	2.30%	24,298.28	1,080,745.61
2021	1,080,745.61	1.40%	15,130.43	1,095,876.04
2022	1,095,876.04	5.00%	54,793.80	1,150,669.84
2023	1,150,669.84	5.00%	57,533.49	1,208,203.33
2024	1,208,203.33	3.40%	41,078.91	1,249,282.24
2025	1,249,282.24	2.90%	36,229.18	1,285,511.42
2026	1,285,511.42	2.70%	34,708.80	1,320,220.22

The following chart shows the Base of the District, the debt service on the District's 2019A Bonds and the Bonds (the "Limited Bonds"), and the available Base after the issuance of the Bonds.

Levy Year	Debt Service on the 2019A Bonds	Debt Service on the Bonds*	Total Limited Bonds Debt Service*	Base (1)	Available Base*
2025	$ 239,200	$ -	$ 239,200	$ 1,285,511	$ 1,046,311
2026	-	1,317,172	1,317,172	1,320,220	3,049
2027	-	1,317,875	1,317,875	1,320,220	2,345
2028	-	1,318,600	1,318,600	1,320,220	1,620
2029	-	1,316,850	1,316,850	1,320,220	3,370
2030	-	1,317,625	1,317,625	1,320,220	2,595
2031	-	1,315,650	1,315,650	1,320,220	4,570
2032	-	1,315,925	1,315,925	1,320,220	4,295
2033	-	1,318,175	1,318,175	1,320,220	2,045
2034	-	1,317,125	1,317,125	1,320,220	3,095
2035	-	1,317,775	1,317,775	1,320,220	2,445
2036	-	284,850	284,850	1,320,220	1,035,370
	$ 239,200	$ 13,457,622	$ 13,696,822		

*Preliminary, subject to change.
(1) Pursuant to Public Act 96-0501, the District's Base will increase by the lesser of CPI or 5% each year. In this chart, the applicable CPI increase has been applied to levy years 2025 and 2026, and is assumed to be 0% per year thereafter.
Note: Amounts are rounded.

Optional Redemption

The Bonds due on and after December 1, 2036* are subject to redemption prior to maturity, at the option of the District as a whole or in part in integral multiples of $5,000 in any order of the maturity as determined by the District (less than all of the Bonds of a single maturity to be selected by the Registrar), on December 1, 2035*, and on any date thereafter, at a redemption price of par plus accrued interest to the redemption date.

Redemption Procedures

The District will, at least 45 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Registrar), notify the Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Registrar from the Bonds of such maturity by such method of lottery as the Registrar shall deem fair and appropriate (except when the Bonds are held in a book-entry system, in which case the selection of Bonds to be redeemed will be made in accordance with procedures established by DTC or any other book-entry depository); *provided* that such lottery will provide for the selection for

*Preliminary, subject to change.

redemption of Bonds or portions thereof in principal amounts of $5,000 and integral multiples thereof.

Unless waived by any holder of Bonds to be redeemed, notice of the call for any redemption will be given by the Registrar on behalf of the District by mailing the redemption notice by first-class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bonds to be redeemed at the address shown on the Register or at such other address as is furnished in writing by such registered owner to the Registrar.

All notices of redemption will state (1) the redemption date, (2) the redemption price, (3) if less than all the outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of Bonds, the respective principal amounts) of the Bonds to be redeemed, (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon will cease to accrue from and after said date, (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment will be the principal corporate trust office of the Registrar and (6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed at the option of the District are received by the Registrar prior to the giving of such notice of redemption, such notice may, at the option of the District, state that said redemption will be conditional upon the receipt of such moneys by the Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice will be of no force and effect, the District will not redeem such Bonds, and the Registrar will give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the District will deposit with the Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as described above and in the Bond Resolution, and notwithstanding failure to receive such notice, the Bonds or portions of Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price), such Bonds or portion of Bonds will cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds will be paid by the Registrar at the redemption price.

USE OF PROCEEDS

Proceeds of the Bonds will be used to increase the Working Cash Fund. Proceeds of the Bonds are expected to be used for cash flow purposes. Approximately $8 million of the expected Bond proceeds are expected to be used to build up the fund balance of the Working Cash Fund. Approximately $2 million of the expected Bond proceeds are anticipated to be used over the next several fiscal years to cover the District's structural deficit until such time as the District's operations are balanced. See "SUMMARY OF OPERATING RESULTS - Management Discussion" herein.

SOURCES AND USES

Estimated Sources of Funds

Par Amount of the Bonds..............................	
[Net] Original Issue Premium/(Discount)......	
Total Sources	$ -

Estimated Uses of Funds

Deposit into the Working Cash Fund............	
Costs of Issuance.(1)..	
Total Uses	$ -

(1) Includes Underwriter's discount, Bond and Disclosure Counsel fees, Municipal Advisor's fee, Registrar's fee, rating agency fee, bond insurance premium and other costs of issuance.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Build America Mutual Assurance Company ("BAM") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products to issuers in the U.S. public finance markets. BAM will only insure municipal bonds, as defined in Section 6901 of the New York Insurance Law, which are most often issued by states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 28 Liberty Street, 59th Floor, New York, New York 10005, its telephone number is: 212-235-2500, and its website is located at: www.bambonds.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at https://www.spglobal.com/en/. The rating of BAM should be evaluated independently. The rating reflects S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Bonds, nor does it guarantee that the rating on the Bonds will not be revised or withdrawn.

Capitalization of BAM

BAM's total admitted assets, total liabilities, and total capital and surplus, as of December 31, 2025 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were $514.1 million, $290 million and $224 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.bambonds.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official

Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE".

Additional Information Available from BAM

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at https://bambonds.com/insights/#video. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles. Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at https://bambonds.com/credit-profiles. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers. The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Bonds, whether at the initial offering or otherwise

BOOK-ENTRY SYSTEM

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission (the "Commission"). More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the District or Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC, and the District takes no responsibility for the accuracy thereof.

The District will have no responsibility or obligation to any Securities Depository, any Participants in the Book-Entry System or the Beneficial Owners with respect to (i) the accuracy of any records maintained by the Securities Depository or any Participant; (ii) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption price of, or interest on, any Bonds; (iii) the delivery of any notice by the Securities Depository or any Participant; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (v) any other action taken by the Securities Depository or any Participant.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Summary of Property Assessment, Tax Levy and Collection Procedures

A separate tax to pay principal of and interest on the Bonds will be levied on all taxable real property within the District. The information under this caption describes the current procedures for real property assessments, tax levies and collections in Cook County, Illinois (the "County"). There can be no assurance that the procedures described herein will not change.

Real Property Assessment

The County Assessor (the "Assessor") is responsible for the assessment of all taxable real property within the County, including such property located within the boundaries of the District, except for certain railroad property, pollution control facilities and low sulfur dioxide emission coal-fueled devices, which are assessed directly by the Illinois Department of Revenue (the "Department"). For triennial reassessment purposes, Cook County is divided into three districts: west and south suburbs (the "South Tri"), north and northwest suburbs (the "North Tri"), and the City of Chicago (the "City Tri"). The District is located in the South Tri and was last reassessed for the 2023 tax levy year. The District will next be reassessed for the 2026 levy year.

Real property in the County is separated into classes for assessment purposes. After the Assessor establishes the fair market value of a parcel of property, that value is multiplied by the appropriate classification percentage to arrive at the assessed valuation (the "Assessed Valuation") for the parcel. Such classification percentages range from 10% for certain residential, commercial and industrial property to 25% for other industrial and commercial property.

Property is classified for assessment into six basic categories, each of which is assessed at various percentages of fair market value as follows: Class 1 - unimproved real estate (10%); Class 2 - residential (10%); Class 3 - rental-residential (16% in tax year 2009, 13% in tax year 2010, and 10% in tax year 2011 and subsequent years); Class 4 - not-for-profit (25%); Class 5a - commercial (25%); and Class 5b - industrial (25%).

In addition, property may be temporarily classified into one of eight additional assessment classification categories. Upon expiration of such classification, property so classified will revert to one of the basic six assessment classifications described above. The additional assessment classifications are as follows:

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Class	Description of Qualifying Property	Assessment Percentage	Reverts to Class
6b	Newly constructed industrial properties or substantially rehabilitated sections of existing industrial properties	10% for first 10 years and any 10-year renewal; if not renewed, 15% in year 11, 20% in year 12	5b
C	Industrial property that has undergone environmental testing and remediation	10% for first 10 years, 15% in year 11, 20% in year 12	5b
	Commercial property that has undergone environmental testing and remediation	10% for first 10 years, 15% in year 11, 20% in year 12	5a
7a/7b	Newly constructed or substantially rehabilitated commercial properties in an area in need of commercial development	10% for first 10 years, 15% in year 11, 20% in year 12	5a
7c	Newly constructed or rehabilitated commercial buildings and acquisition of abandoned property and rehabilitation of buildings thereon including the land upon which the buildings are situated and the land related to the rehabilitation	10% for first 3 years and any 3-year renewal; if not renewed, 15% in year 4, 20% in year 5	5a
8	Industrial properties in enterprise communities or zones in need of substantial revitalization	10% for first 10 years and any 10-year renewal; if not renewed, 15% in year 11, 20% in year 12	5b
	Commercial properties in enterprise communities or zones in need of substantial revitalization	10% for first 10 years, 15% in year 11, 20% in year 12	5a
9	New or substantially rehabilitated multi-family residential properties in target areas, empowerment or enterprise zones	10% for first 10 years and any 10-year renewal	As Applicable
S	Class 3 properties subject to Section 8 contracts renewed under the "Mark up to Market" option	10% for term of Section 8 contract renewal and any subsequent renewal	3
L	Substantially rehabilitated Class 3, 4 or 5b properties qualifying as "Landmark" or "Contributing" buildings	10% for first 10 years and any 10-year renewal; if not renewed, 15% in year 11, 20% in year 12	3, 4, or 5b
	Substantially rehabilitated Class 5a properties qualifying as "Landmark" or "Contributing" buildings	10% for first 10 years, 15% in year 11, 20% in year 12	5a

The Assessor has established procedures enabling taxpayers to contest their proposed Assessed Valuations. Once the Assessor certifies its final Assessed Valuations, a taxpayer can seek review of its assessment by appealing to the Cook County Board of Review (the "Board of Review"), which consists of three commissioners elected by the voters of the County. The Board of Review has the power to adjust the Assessed Valuations set by the Assessor.

Owners of residential property having six or fewer units are able to appeal decisions of the Board of Review to the Illinois Property Tax Appeal Board (the "PTAB"), a statewide administrative body. The PTAB has the power to determine the Assessed Valuation of real property based on equity and the weight of the evidence. Taxpayers may appeal the decision of PTAB to either the Circuit Court of Cook County (the "Circuit Court") or the Illinois Appellate Court under the Illinois Administrative Review Law.

As an alternative to seeking review of Assessed Valuations by PTAB, taxpayers who have first exhausted their remedies before the Board of Review may file an objection in the Circuit Court. The procedure under this alternative is similar to the judicial review procedure described in the immediately preceding paragraph, however, the standard of proof differs. In addition, in cases where the Assessor agrees that an assessment error has been made after tax bills have been issued, the Assessor can correct any factual error, and thus reduce the amount of taxes due, by issuing a Certificate of Error. Certificates of Error are not issued in cases where the only issue is the opinion of the valuation of the property.

Equalization

After the Assessor has established the Assessed Valuation for each parcel for a given year, and following any revisions by the Board of Review or PTAB, the Department is required by statute to review the Assessed Valuations. The Department establishes an equalization factor (the "Equalization Factor"), commonly called the "multiplier," for each county to make all valuations uniform among the 102 counties in the State of Illinois (the "State"). Under State law, the aggregate of the assessments within each county is equalized at 33-1/3% of the estimated fair cash value of real property located within the county prior to any applicable exemptions. One multiplier is applied to all property in the County, regardless of its assessment category, except for certain farmland property and wind energy assessable property, which are not subject to equalization. The following table sets forth the Equalization Factor for the County for the last ten tax levy years.

Tax Levy Year	Equalization Factor
2015	2.6685
2016	2.8032
2017	2.9627
2018	2.9109
2019	2.9160
2020	3.2234
2021	3.0027
2022	2.9237
2023	3.0163
2024	3.0355

Once the Equalization Factor is established, the Assessed Valuation, as revised by the Board of Review or PTAB, is multiplied by the Equalization Factor to determine the equalized assessed valuation (the "EAV") of that parcel. The EAV for each parcel is the final property valuation used for determination of tax liability. The aggregate EAV for all parcels in any taxing body's jurisdiction, plus the valuation of property assessed directly by the Department, constitute the total real estate tax base for the taxing body, which is used to calculate tax rates (the "Assessment Base").

Exemptions

The Illinois Property Tax Code, as amended (the "Property Tax Code"), exempts certain property from taxation. Certain property is exempt from taxation on the basis of ownership and/or use, including, but not limited to, public parks, not-for-profit schools, public schools, churches, not-for-profit hospitals and public hospitals. In addition, the Property Tax Code provides a variety of homestead exemptions, which are discussed below.

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes ("Residential Property") may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of $10,000 for tax years 2017 and thereafter.

The Long-Time Occupant Homestead Exemption limits the increase in EAV of a taxpayer's homestead property to 10% per year if such taxpayer has owned the property for at least 10 years as of January 1 of the assessment year (or 5 years if purchased with certain government assistance) and has a household income of $100,000 or less ("Qualified Homestead Property"). If the taxpayer's annual income is $75,000 or less, the EAV of the Qualified Homestead Property may increase by no more than 7% per year. There is no exemption limit for Qualified Homestead Properties.

The Homestead Improvement Exemption applies to Residential Property that has been improved and to properties that have been rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to an annual maximum amount of $75,000 for up to four years, to the extent the Assessed Valuation is attributable solely to such improvements or rebuilding.

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. The maximum exemption is $8,000 for tax years 2017 and thereafter.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of $65,000 beginning in assessment year 2017. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year. Beginning in tax year 2017, the amount of the exemption is equal to the greater of the amount calculated as described in the previous sentence (as more completely set forth in the Property Tax Code) or $2,000.

Purchasers of certain single family homes and residences of one to six units located in certain targeted areas (as defined in the applicable section of the Property Tax Code) can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least $5 per square foot, adjusted by the CPI. Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year and (c) 35% in the ninth year. The benefit ceases in the tenth year. The program will be phased out by June 30, 2029.

The Natural Disaster Homestead Exemption (the "Natural Disaster Exemption") applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the equalized assessed value of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

Several exemptions are available to veterans of the United States armed forces. The Veterans with Disabilities Exemption for Specially-Adapted Housing exempts up to $100,000 of the Assessed Valuation of property owned and used exclusively by veterans with a disability, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran's disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs or for housing or adaptations donated by a charitable organization to such disabled veteran.

The Standard Homestead Exemption for Veterans with Disabilities provides an annual homestead exemption to veterans with a service-connected disability based on the percentage of such disability. If the veteran has a (a) service-connected disability of 30% or more but less than 50%, the annual exemption is $2,500, (b) service-connected disability of 50% or more but less than 70%, the annual exemption is $5,000, and (c) service-connected disability of 70% or more, the property is exempt from taxation.

The Returning Veterans' Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, and the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time, two-year homestead exemption of $5,000.

Finally, the Homestead Exemption for Persons with Disabilities provides an annual homestead exemption in the amount of $2,000 for property that is owned and occupied by certain disabled persons who meet State-mandated guidelines.

Tax Levy

As part of the annual budgetary process of governmental units (the "Units") with power to levy taxes in the County, the designated body for each Unit annually adopts proceedings to levy real estate taxes. The administration and collection of real estate taxes is statutorily assigned to the County Clerk and the County Treasurer. After the Units file their annual tax levies, the County Clerk computes the annual tax rate for each Unit. The County Clerk computes the Unit's maximum allowable levy by multiplying the maximum tax rate for that Unit by the prior year's EAV for all property currently in the District. The prior year's EAV includes the EAV of any new property, the current year value of any annexed property and any recovered tax increment value, minus any disconnected property for the current year under the Limitation Law. The tax rate for a Unit is computed by dividing the lesser of the maximum allowable levy or the actual levy by the current year's EAV.

Property Tax Extension Limitation Law

The Limitation Law is applied after the prior year EAV limitation. The Limitation Law limits the annual growth in the amount of property taxes to be extended for certain Illinois non-home rule units, including the District. The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes, unlimited as to rate and amount, cannot be issued by the affected taxing bodies unless they are approved by referendum, are alternate bonds, are for certain refunding purposes or are bonds issued for school fire prevention and safety purposes.

The use of prior year EAVs to limit the allowable tax levy may reduce tax rates for funds that are at or near their maximum rates in taxing districts with rising EAVs. These reduced rates and all other rates for those funds subject to the Limitation Law are added together, which results in the aggregate preliminary rate. The aggregate preliminary rate is then compared to the limiting rate. If the limiting rate is more than the aggregate preliminary rate, there is no further reduction in rates due to the Limitation Law. If the limiting rate is less than the aggregate preliminary rate, the aggregate preliminary rate is further reduced to the limiting rate. In all cases, taxes are extended using current year EAV under Section 18-140 of the Property Tax Code.

The District has the authority to levy taxes for many different purposes. See "FINANCIAL INFORMATION – Tax Rates." The ceiling at any particular time on the rate at which these taxes may be extended for the District is either (a) unlimited (as provided by statute), (b) initially set by statute but permitted to be increased by referendum, (c) capped by statute, or (d) limited to the rate approved by referendum. The only ceiling on a particular tax rate is the ceiling set by statute, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing districts (such as the District) have flexibility to levy taxes for the purposes for which they most need the money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the District's limiting rate computed in accordance with the provisions of the Limitation Law.

If the District's Adequacy Target (as defined under "STATE AID" herein) exceeds 110% for the school year that begins during the calendar year immediately preceding the levy year for which a tax reduction is sought, a petition signed by at least 10% of the registered voters in the District may be filed requiring a proposition to be submitted to the District's voters at the next consolidated election in April of odd-numbered years asking the voters whether the District must reduce its extension for educational purposes for the levy year in which the election is held to an amount that is less than the extension for educational purposes for the immediately preceding levy year. The reduced extension, however, may not be more than 10% lower than the amount extended for educational purposes in the previous levy year and may not cause the District's Adequacy Target to fall below 110% for the levy year for which the reduction is sought. If the voters approve the proposition, the County Clerk will extend a rate for educational purposes that is no greater than the limiting rate for educational purposes computed in accordance with the Limitation Law. If such proposition is submitted to the voters, it may not be submitted again at any of the next two consolidated elections.

In general, the annual growth permitted under the Limitation Law is the lesser of 5% or the percentage increase in the CPI during the calendar year preceding the levy year. Taxes can also be increased due to new construction, referendum approval of tax rate increases, mergers and consolidations. Local governments, including the District, can issue limited bonds (such as the Bonds) in lieu of general obligation bonds that have otherwise been authorized by applicable law. See "THE BONDS - Limited Bonds" herein.

Beginning with levy year 2021, each tax-capped taxing district (such as the District) receives an automatic levy increase in the amount of any property tax refunds paid by such taxing district in the prior year as a result of the issuance of certificates of error, court orders issued in connection with valuation tax objection complaints and PTAB decisions. For levy year 2024, the additional amount added to the District's tax levy as a result of this change was $167,190.

Pursuant to Section 18-190.7 of the Property Tax Code, school districts that have a designation of "recognition" or "review" according to the Illinois State Board of Education's ("ISBE") School District Financial Profile System, park districts, library districts and community college districts and for which taxes were not extended at the maximum amount permitted under the Limitation Law in a given levy year may be able to recapture all or a portion of such unrealized levy amount in a subsequent levy year. Section 18-190.7 directs county clerks, in calculating the limiting rate for a given taxing district, to use the greater of the taxing district's last preceding aggregate extension or the district's last preceding aggregate extension if the taxing district had utilized the maximum limiting rate permitted without referendum for each of the three immediately preceding levy years. The aggregate extension of a taxing district that includes any recapture for a particular levy year cannot exceed the taxing district's aggregate extension for the immediately preceding levy year by more than 5%. If a taxing district cannot recapture the entire unrealized levy amount in a single levy year, the taxing district may increase its aggregate extension in each succeeding levy year until the entire levy amount is recaptured.

Illinois legislators have introduced several proposals to further modify the Limitation Law, including freezing property taxes and extending tax caps to all taxing bodies in the State. The District cannot predict whether, or in what form, any change to the Limitation Law may be enacted into law, nor can the District predict the effect of any such change on the District's finances.

Extensions

The County Clerk then computes the total tax rate applicable to each parcel of real property by aggregating the tax rates of all of the Units having jurisdiction over the particular parcel. The County Clerk extends the tax by entering the tax (determined by multiplying the total tax rate by the EAV of that parcel for the current assessment year) in the books prepared for the County Collector (the "Warrant Books") along with the tax rates, the Assessed Valuation and the EAV. The Warrant Books are the County Collector's authority for the collection of taxes and are used by the County Collector as the basis for issuing tax bills to all property owners.

Collections

Property taxes are collected by the County Collector, who also serves as the County Treasurer, who remits to each Unit its share of the collections. Taxes levied in one year become payable during the following year in two installments, the first due on March 1 and the second on the later of August 1 or 30 days after the mailing of the tax bills. A payment due is deemed to be paid on time if the payment is postmarked on the due date. Beginning with the first installment payable in 2010, the first installment is equal to 55% of the prior year's tax bill. However, if a Certificate of Error is approved by a court or certified on or before November 30 of the preceding year and before the estimated tax bills are prepared, then the first installment is instead based on the certain percentage of the corrected prior year's tax bill. The second installment covers the balance of the current year's tax bill, and is based on the then current tax year levy, Assessed Valuation and Equalization Factor, and reflects any changes from the prior year in those factors. The first installment penalty date has historically been the first business day in March. Due to delays in the second penalty installment date with respect to levy years 2021 and 2024, the subsequent first installment penalty date for levy years 2022 and 2025 was changed by legislation enacted by the General Assembly of the State (the "General Assembly") from, with respect to levy year 2022, March 1, 2023 to April 1, 2023, and, with respect to levy year 2025, March 1, 2026, to April 1, 2026. The District did not experience any cash flow issues due to such change with respect to levy year 2022. The District does expect to experience cash flow issues due to such change with respect to levy year 2025.

The following table sets forth the second installment penalty date for the last ten tax levy years in the County.

Tax Levy Year	Second Installment Penalty Date
2015	August 1, 2016
2016	August 1, 2017
2017	August 1, 2018
2018	August 1, 2019
2019	August 3, 2020
2020	August 2, 2021
2021	December 30, 2022
2022	December 1, 2023
2023	August 1, 2024
2024	December 15, 2025

The distribution of the County's property tax bills has been delayed several times in recent years. As a result of ongoing efforts to modernize technology within various County property tax agencies, personnel shortages and turnover attributable to COVID-19 and the complicated nature of the reassessment of property taxes in the City of Chicago, the distribution of amounts related to the second installment for each of the 2021 and 2022 tax years (for amounts payable in calendars 2022 and 2023, respectively), were delayed. Due to further efforts to modernize the County's property tax system, the County's second installment property tax distributions were delayed again for tax year 2024 (collectible in calendar year 2025). The District experienced cash flow issues due to such delays and issued $3,245,000 Taxable 2024 Educational Purposes Tax Anticipation Warrants (the "Warrants") on October 9, 2025. See "Financial Information—Short-Term Financing Record" herein.

It is possible that the changes to the assessment appeals process described above will cause delays similar to those experienced in past years in preparation and mailing of the second installment in future years. In the future, the County may provide for tax bills to be payable in four installments instead of two.

During the periods of peak collections, tax receipts are forwarded to each Unit on a weekly basis. Upon receipt of taxes from the County Collector, the District promptly credits the taxes received to the funds for which they were levied.

Unpaid Taxes and Annual Tax Sales

Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are deemed delinquent and bear interest at the rate of 0.75% per month (or portion thereof) until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax. If taxes go unpaid for 13 months, the County Treasurer is required to sell the delinquent property taxes at the "Annual Tax Sale", which is a sale of tax liens, not properties. A public sale is held, at which time successful tax buyers pay the unpaid taxes plus penalties. Taxpayers can redeem their property by paying the amount paid at the sale, plus interest penalties and fees. If no redemption is made within the applicable redemption period, the tax buyer can secure a court-ordered deed to the home. Tax buyers can seek the deed to a home after 2-1/2 years, with the option of a six-month extension. If the property is abandoned, that time frame can be shortened to two years. Owners of vacant, commercial and industrial properties have six months to redeem their taxes before the tax buyer can seek ownership of the property.

If there is no sale of the tax lien on a parcel of property at the Annual Tax Sale, the taxes are forfeited and the property becomes eligible to be purchased at any time thereafter at an amount equal to all delinquent taxes and interest accrued to the date of purchase. Redemption periods and procedures are the same as applicable to the Annual Tax Sale.

When taxes remain unpaid for more than 20 years, Illinois law states that the property is "forfeited to the state." As a practical matter, this does not happen. Instead, the taxes are wiped out, as the property remains in its distressed condition barring a change in the owner's circumstances or it being sold.

Scavenger Sales

In the County, if a property's taxes go unpaid in at least three of the previous 20 years, the property is offered at a biennial "Scavenger Sale," which like the Annual Tax Sale, is a sale of unpaid taxes. The winning bidder is not required to pay any of the previous years' unpaid taxes. If the owner, however, does not redeem such back taxes, the winning bidder can seek deed to the property. To obtain the deed, the bidder must pay all unpaid taxes billed on the property between the last year covered by the Scavenger Sale and the date the bidder seeks the deed. Redemption periods vary from six months to two and a half years depending upon the type and occupancy of the property. As in the Annual Sale, bidders at the Scavenger Sale can seek the deed to a home after 2-1/2 years, with the option of a six-month extension. If the property is abandoned, that time frame can be shortened to two years. With a vacant, commercial or industrial property, the winning buyer can seek the deed after six months.

Public Act 103-0555, effective January 1, 2024, eliminates the County's mandatory Scavenger Sale and allows the County or local governments to take control of properties if they are not purchased in the Annual Tax Sale. The County, like all other Illinois counties, can cease selling tax liens and instead work to connect chronically-delinquent, forfeited tax liens to new development opportunities.

Federal Court Decisions Regarding Tax Sale Systems

Recent federal court decisions have challenged the constitutionality of tax sale systems similar to the Illinois tax sale system in other states. In December 2025, a federal court determined that the County's tax sale system is likewise unconstitutional based on those earlier rulings. The General Assembly has not yet considered legislation to modify the tax sale system in the State. The District makes no prediction as to the effect of such rulings on the State's tax sale process or the likelihood, or effect, of any legislation modifying such tax sale process in the future.

Truth in Taxation Law

Legislation known as the Truth in Taxation Law (the "Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels.

The provisions of the Law do not apply to levies made to pay principal of and interest on the Bonds. The District covenanted in the Bond Resolution that it will not take any action or fail to take any action which would adversely affect the ability of the District to levy and collect the taxes levied by the District for payment of principal of and interest on the Bonds. The District also covenanted that it will comply with all present and future applicable laws to assure that such taxes will be levied, extended, collected and deposited as provided in the Bond Resolution.

RISK FACTORS

The purchase of the Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Bonds should make an independent evaluation of the entirety of the information presented in this Official Statement and its appendices in order to make an informed investment decision. Certain of the investment risks are described below. The following statements, however, should not be considered a complete description of all risks to be considered in the decision to purchase the Bonds, nor should the order of the presentation of such risks be construed to reflect the relative importance of the various risks. There can be no assurance that other risk factors are not material or will not become material in the future.

Finances of the State of Illinois

State funding sources constituted 49.28% of the District's combined Educational Fund and Operations and Maintenance Fund (the "General Fund") revenue sources for the fiscal year ended June 30, 2025. While the finances of the State have significantly improved in recent years, the State continues to deal with a severe underfunding of its pension systems, which, based on the comprehensive annual financial reports of the State's five retirement systems, have a combined unfunded pension liability of approximately $140 billion and a combined funded ratio of approximately 45%. Also, despite nine credit rating upgrades since June 2021, the State's long-term general obligation bonds carry the lowest ratings of all states.

Federal Revenues

Illinois school districts receive direct and indirect funding from various federal programs, such as Title I, the Individuals with Disabilities Education Act, and nutrition programs such as the National School Lunch and Breakfast Programs. These programs are subject to the priorities and policies of the federal government, which may change significantly from one administration to another, and such programs may be modified through executive action or through legislation enacted by the Congress of the United States ("Congress"). Under the current administration, the federal government has taken executive actions to reduce the size and scope of the U.S.

Department of Education, to terminate or restrict certain programs and services for students with disabilities, low-income students, and students from diverse backgrounds, and to impose new conditions and requirements for federal funding. These actions may impact the availability and amount of federal revenues received by Illinois school districts, such as the District. A reduction or interruption in federal funding, or an increase in compliance costs, could adversely affect the District's financial condition and operations. The District makes no prediction as to the effect of these actions on the District's federal revenues, which constituted 35.38% of the District's General Fund revenue sources for the fiscal year ended June 30, 2025 (see "SUMMARY OF OPERATING RESULTS – General Fund Revenue Sources" herein for more information), or the District's ability to comply with federal laws and regulations in the future.

Local Economy

The financial health of the District is in part dependent on the strength of the local economy. Many factors impact the local economy, including rates of employment and economic growth and the level of residential and commercial development. It is not possible to predict to what extent any changes in economic conditions, demographic characteristics, population or commercial and industrial activity will occur and what impact such changes would have on the finances of the District.

Unemployment

Unemployment rates are not specifically compiled for the District. However, the Villages of Dolton and Riverdale (together, the "Villages") located within the District have had higher unemployment rates as compared to the County and the State for the last five years. Unemployed workers who reside within the District may lack the financial resources to pay taxes owed to the District in a timely manner or at all. The high number of unemployed workers residing within the District could increase the likelihood that the District will not be able to collect the full amount of taxes levied, both to pay the Bonds and to fund the District's operations, which could adversely affect the District's ability to repay or the timing of repayment of the Bonds.

Tax Collections

The District has historically collected less than 100% of its taxes levied. See "FINANCIAL INFORMATION – Tax Extensions and Collections" herein. While the District has the right to file a deficiency levy assessed against all the taxable property in the District if tax collections ultimately remain low, the ability of the District to pay principal and interest on the Bonds could be adversely affected. In addition, delays in recovering delinquent taxes create risks for purchasers of the Bonds. Recovery of taxes is subject to the procedures of the County for providing notice to record holders of the property of a pending tax sale. During any period of time in which property offered for sale remains unsold or is later abandoned, delinquent taxes will likely continue to be unpaid. A description of the remedies of the District in the event of nonpayment of taxes is contained in the section entitled "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES."

Loss or Change of Bond Ratings

The Bonds have received a credit rating S&P and are expected to receive an insured credit rating from S&P. The ratings can be changed or withdrawn at any time for reasons both under and outside the District's control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

Cybersecurity

Computer networks and data transmission and collection are vital to the efficient operation of the District. Despite the implementation of network security measures by the District, its information technology and infrastructure may be vulnerable to deliberate attacks by hackers, malware, ransomware or computer viruses, or may otherwise be breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks and the information stored thereon could be disrupted, accessed, publicly disclosed, lost or stolen. Although the District does not believe that its information technology systems are at a materially greater risk of cybersecurity attacks than other similarly-situated governmental entities, any such disruption, access, disclosure or other loss of information could have an adverse effect on the District's operations and financial health. Further, as cybersecurity threats continue to evolve, the District may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate any vulnerabilities, or invest in new technology designed to mitigate security risks.

Secondary Market for the Bonds

No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The hereinafter-defined Underwriter is not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof.

Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

Continuing Disclosure

A failure by the District to comply with the Undertaking (as defined herein) for continuing disclosure (see "CONTINUING DISCLOSURE" herein) will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with Rule 15c2-12 (the "Rule") adopted by the Commission under the Exchange Act, and may adversely affect the transferability and liquidity of the Bonds and their market price.

Suitability of Investment

The interest rates borne by the Bonds are intended to compensate the investor for assuming the risk of investing in the Bonds. As such, the value of the interest compensation to any particular investor will vary with individual tax rates and circumstances. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Future Changes in Laws

Various state and federal laws, regulations and constitutional provisions apply to the District and to the Bonds. The District can give no assurance that there will not be a change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the District, or the taxing authority of the District. For example, many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by State government. Future actions of the State may affect the overall financial conditions of the District, the taxable value of property within the District, and the ability of the District to levy property taxes or collect revenues for its ongoing operations.

Bankruptcy

The rights and remedies of the Bondholders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The various opinions of counsel to be delivered with respect to the Bonds will be similarly qualified.

THE DISTRICT

General Description

The District is located in the County approximately 22 miles south of downtown Chicago's Loop, 17 miles southeast of Midway International Airport and 16 miles east of the Cook-Will County Line. The District serves a major portion of the Village of Riverdale (41.00% of the District's 2024 EAV), the Village of Dolton (54.59% of the District's 2024 EAV), and a small portion of the City of Harvey and the Village of South Holland. The area's extensive transportation network includes Interstates 80, 94 and 294, along with the U.S. Highway 6 and Illinois Route 83. Rail freight service is provided by CSX Railroad, including two large rail switching yards near the District. Commuter rail transportation is available at three different rail stations in the Village of Riverdale.

Students of the District typically attend Thornton Township High School District Number 205 ("Thornton 205"). Higher education needs of the District are served by several institutions including South Suburban Community College District No. 510 ("South Suburban

Community College”), Prairie State College, Chicago State University, Saint Xavier University, Trinity Christian College, a private four-year college, and Moraine Valley Community College.

Educational Facilities

The District operates ten facilities.

Facility	Grades	Current Enrollment	Capacity Enrollment	Constructed	Years of Additions/Renovations
Early Childhood Center	PreK	191	400	1997	2003
Franklin Elementary School	K-6	224	400	1951	1955
Lincoln Elementary School	K-6	330	500	1911	2000
Lincoln Junior High School	7-8	166	250	1911	2000
Park Elementary School	K-6	190	400	1950	2001
Riverdale School	K-4	137	300	2005	N/A
Roosevelt Elementary School(1)	K-6	278	400	1949	1953
Roosevelt Junior High School(1)	7-8	134	250		
Washington Elementary School(2)	K-6	236	400	1923	2007
Washington Junior High School(2)	7-8	126	250		

(1) Roosevelt Elementary School and Roosevelt Junior High School are housed in one building.
(2) Washington Elementary School and Washington Junior High School are housed in one building.
Source: The District

Enrollments

The table below includes historical enrollment utilizing the Fall Housing Count (Housed) which reflects students enrolled as of the last school day in September and the projected enrollment for the next five years. The projected enrollment figures are based on an estimate of this year’s current enrollment total and the planned increase of enrollment per school building for the 2026-2027 school year.

School Year	Enrollment	School Year	Projected Enrollment
2021-2022	1,980	2026-2027	2,012
2022-2023	1,984	2027-2028	2,012
2023-2024	2,058	2028-2029	2,012
2024-2025	2,077	2029-2030	2,012
2025-2026	2,012	2030-2031	2,012

Source: The District

Information Related to Potential Community Reinvestment Act Credit

The National School Lunch Program (the "NSLP") provides free or reduced-price school meals to eligible students who participate in certain federal assistance programs (including the Supplemental Nutrition Assistance Program), or whose median household incomes fall below certain federal poverty thresholds. The table below includes the participation of District students in the NSLP. The District makes no representation as to the status of any investment in the Bonds under the Community Reinvestment Act.

Facility	Eligibility Percent (1)
Early Childhood Center................................	100%
Franklin Elementary School.........................	100%
Lincoln Elementary School..........................	100%
Lincoln Junior High School..........................	100%
Park Elementary School...............................	100%
Riverdale School..	100%
Roosevelt Elementary School.......................	100%
Roosevelt Junior High School......................	100%
Washington Elementary School...................	100%
Washington Junior High School...................	100%

(1) Program Year 2026 Eligibility Data.
Source: ISBE

Board of Education

The District is governed by the Board, whose members are elected for staggered terms of office. The Board is a policy making body whose primary functions are to establish policies for the District, provide for the general operation and personnel of the District, and oversee the property and facilities of the District. The Board elects a President, Vice President and Secretary from its membership. The present members are as follows:

Title	Name	Current Term Expires
President...........................	Dr. Shalonda Randle	April 2029
Vice President..................	Andrea M. Johnson	April 2029
Secretary..........................	Sherrie Bush	April 2029
Member............................	Charles Givines	April 2029
Member............................	Faith E. Gunter	April 2027
Member............................	Aritha Harvey	April 2027
Member............................	Larry Lawrence	April 2027
School Treasurer..............	Dr. Nicole Terrell-Smith	Appointed

Administration

The District's Interim Superintendents are Dr. Sheila Harrison-Williams and Dr. Mabel Alfred, who have been with the District for 8 months and 6 months respectively. Dr. Williams previously served as the Superintendent of Hazel Crest School District Number 152 ½ and was named as the National Alliance of Black School Educators Superintendent of the year in 2011 and the American Association of School Administrators Award in 2012. Dr. Alfred has over 35 years of experience in educational leadership including six years as Superintendent of Elementary School District Number 159. Dr. Alfred has been named as one of three Directors of Academic Empowerment by the Illinois Association of School Administrators.

Employees

The District has approximately 268 employees of whom 202 are certified employees and 66 are non-certified. Of the total number, the District 148 Education Association (DEA) represents 186 members and the District 148 Support Association (DSA) represents 56 members. The contracts expire on August 25, 2026. Negotiations have started with both unions, and the unions are aware of the District's financial situation. The District expects a reasonable settlement and that negotiations will end in the near future. The District considers its relationship with its employees to be good.

Controversy and Litigation Concerning Former Superintendent

Dr. Kevin Nohelty, the former superintendent of the District, abruptly retired in August 2025, primarily citing a hostile work environment and intense public pressure following investigations into his compensation and professional conduct. Dr. Nohelty was facing a "whistleblower" lawsuit from his deputy superintendent and had recently pleaded guilty to a misdemeanor DUI.

Deputy Superintendent Dr. Sonya Whitaker filed the federal whistleblower lawsuit against Dr. Nohelty and the District in September 2024. She alleges she was retaliated against and placed on unpaid leave after raising concerns about the improper allocation and mismanagement of $13 million in ESSER III funds. See "STATE AID—Federal COVID-19 Funds Distributed to the District" herein. Dr. Whitaker is seeking reinstatement to her position, a trial by jury and monetary relief for lost income (which her attorneys estimate exceeds $250,000) and emotional distress. The case, *Whitaker v. Nohelty et al.*, remains active in the Illinois Northern District Court.

Dr. Nohelty filed a federal civil rights and employment action lawsuit against the District in October 2025. In his complaint, Dr. Nohelty alleges that he was subjected to a hostile work environment characterized by a "smear campaign," harassment and bullying from certain school board members. He claims these members used baseless investigations and public scrutiny of his compensation package to force him out of his role. Dr. Kevin Nohelty is seeking unspecified compensatory damages for emotional distress, reputational damage and financial losses resulting from his forced retirement. The case, *Nohelty v. Dolton Riverdale School District 148 et al*, remains active in the Illinois Northern District Court.

The District, along with its insurance provider, is actively involved in both lawsuits, but makes no prediction as to the outcomes of the lawsuits.

SOCIO-ECONOMIC CHARACTERISTICS

Population Trend

Below are the population statistics for the District, the Villages, the County and the State.

	2000	2010	2020	% Change 2010-2020
The District..............	N/A	21,911	19,109	-12.79
Village of Dolton......	25,614	23,153	21,426	-7.46
Village of Riverdale..	15,055	13,549	10,663	-21.30
The County	5,376,741	5,194,675	5,275,541	+1.56
The State	12,419,293	12,830,632	12,812,508	-0.14

Source: U.S. Census Bureau, 2000 Census, 2010 Census and 2020 Census

Income and Housing

The following table sets forth the comparative income and home value levels for the District, the County, the State and the United States.

	The District	The County	The State	United States
Median Home Value.............	$131,200	$324,500	$263,300	$332,700
Median Household Income....	51,546	83,498	83,390	80,734
Median Family Income..........	58,005	104,836	106,018	99,999
Per Capita Income.................	24,719	49,329	46,406	44,673

Source: 2020-2024 American Community Survey 5-year Estimates, U.S. Census Bureau as released by the U.S. Census Bureau on January 29, 2026

Retail Sales

The following table demonstrates the estimated sales reported by retailers in the Villages for the last five calendar years.

Calendar Year	Village of Dolton	Village of Riverdale
2021	$ 189,232,796	$ 53,436,151
2022	183,361,329	51,120,345
2023	188,332,222	53,945,819
2024	192,180,022	48,689,148
2025	232,269,117	68,349,421

Source: The Department

Corporate Personal Property Replacement Taxes

Corporate Personal Property Replacement Taxes ("CPPRT") are revenues received from a tax imposed on corporations, partnerships, trusts, S corporations and public utilities in the State. The purpose of the CPPRT is to replace revenues lost by units of local government (including the District) as a result of the abolishment of the corporate personal property tax (the "Personal Property Tax") with the adoption of the Illinois Constitution of 1970. The State Revenue Sharing Act (the "Sharing Act") was passed in 1979, implementing the CPPRT to replace the lost Personal Property Tax revenues and providing the mechanism for distributing collections of CPPRT to taxing districts (including the District) entitled to receive such tax revenues under the Sharing Act. The following table sets forth the amount of CPPRT received by the District during fiscal year ended June 30, 2021, through the most recently completed fiscal year of June 30, 2025, and the estimated amount of CPPRT to be received in fiscal year ending June 30, 2026:

Fiscal Year Ended June 30	CPPRT Receipts
2021	$ 544,021
2022	1,185,823
2023	1,340,249
2024	882,777
2025	585,361
2026 (1)	597,422

(1) Estimated.
Source: The District's Annual Financial Report for the fiscal years ended June 30, 2021-2024 and the Department for fiscal years 2025 and 2026.

Largest Area Employers

The following table reflects the major employers in the area surrounding the District by the products manufactured or services performed and approximate number of employees.

Company Name	Product or Service	Location	Approximate employees at location
Ingalls Memorial Hospital	General hospital	Harvey	2,000
Carl Buddig & Co.	Processed luncheon meats	South Holland	1,100
Allied Tube & Conduit Corp.	Corporate headquarters & galvanized steel tubing, pipe & electrical conduit	Harvey	900
Ed Miniat, LLC	Company headquarters & sous-vide-cooked beef, pork & poultry	South Holland	750
South Suburban Community College	Community College	South Holland	750 (1)
TForce Freight, Inc.	Local & long-distance trucking	South Holland	500
FUCHS Lubricants Co.	Company headquarters & metalworking & automotive lubricants	Harvey	200
LB Steel, LLC	Company headquarters & steel plates, counterweights & precision machining.	Harvey	200
The Sherwin-Williams Co.	Color pigment & dispersions	South Holland	200
Dayspring Professional Janitorial Services, Inc.	Commercial janitorial cleaning services	South Holland	150

(1) Includes full and part time employees.
Source: 2026 Manufacturers' News, Inc. Illinois Manufacturers and Illinois Services.

Historical Unemployment Statistics

Unemployment statistics are not compiled specifically for the District. The following table shows the trend in annual average unemployment rates as well as the monthly unemployment rates for February 2025 and February 2026 for the Villages compared with the County and the State.

	Village of Dolton	Village of Riverdale	The County	The State
Average, 2021 (1)	14.8%	18.2%	7.0%	6.1%
Average, 2022	9.1	11.4	5.0	4.6
Average, 2023	7.9	9.2	4.5	4.5
Average, 2024	9.1	10.5	5.4	5.0
Average, 2025	8.1	9.6	4.8	4.6
February, 2025	8.4	N/A (2)	5.3	5.0
February, 2026	8.4	N/A (2)	5.5	5.5

(1) The District attributes the higher unemployment rates to the COVID-19 pandemic.
(2) There is no monthly data available for the Village of Riverdale since it is a community with a population of less than 25,000.
Source: Illinois Department of Employment Security

FINANCIAL INFORMATION

Trend of EAV
(Estimated 33-1/3% of Fair Market Value)

The following table reflects the EAV trend of the District by property type, growth rate and new property.

Property Type	2020	2021	2022	2023	2024
Residential	$ 122,406,123	$ 108,977,765	$ 104,325,945	$ 166,021,010	$ 159,516,312
Commercial	22,850,065	25,485,967	24,281,289	18,974,888	18,630,492
Industrial	28,293,531	24,245,110	23,599,873	28,880,287	24,982,565
Railroad	12,403,938	12,377,302	14,477,228	14,883,897	16,399,680
Air Pollution....................	-	-	-	-	58,421
Total..(1)........................	$ 185,953,657	$ 171,086,144	$ 166,684,335	$ 228,760,082	$ 219,587,470
Percent of Change...........	+23.49% (2)(3)	-8.00%	-2.57%	+37.24% (3)	-4.01%
New Property Amounts...	$50,675	$1,326,846	$59,491	$784,969	$132,966

(1) Excludes tax increment financing ("TIF") incremental EAV. See "Tax Increment Financing District Located within the District" herein.
(2) Based on the District's 2019 EAV of $150,587,233.
(3) Triennial reassessment year.
Source: County Clerk's Office

Tax Increment Financing District Located within the District

A portion of the District's EAV is contained in a TIF district, as detailed below. When a TIF district is created within the boundaries of a taxing body, such as the District, the EAV of the portion of real property designated as a TIF district is frozen at the level of the tax year in which it was designated (the "Base EAV"). Any incremental increases in property tax revenue produced by the increase in EAV derived from the redevelopment project area during the life of the TIF district are not provided to the District until the TIF district expires. The TIF district is not expected to expire in the near future, and the District is not aware of any new TIF districts planned in the immediate future.

Location	Year Established	Adjusted Base EAV	2024 EAV	Incremental EAV
Village of Dolton - TIF 3...	2006	$ 2,807,507	$ 4,828,785	$ 2,021,278
Total..		$ 2,807,507	$ 4,828,785	$ 2,021,278

Source: County Clerk's Office

Tax Rates
(Per $100 EAV)

	2020	2021	2022	2023	2024	Statutory [1] Maximum Rate
IMRF	$ 0.080	$ 0.098	$ 0.114	$ 0.094	$ 0.095	N/A
Social Security	0.370	0.452	0.526	0.435	0.437	N/A
Liability Insurance	0.579	0.704	0.819	0.677	0.681	N/A
Transportation	0.739	0.899	1.047	0.866	0.870	N/A
Education	3.859	4.190	4.155	3.058	3.573	N/A[2]
O&M	0.446	0.550	0.550	0.403	0.405	$0.550
Bond & Interest (Building Bonds)	2.144	2.322	2.240	1.606	1.664	N/A
Working Cash Funds	0.041	0.049	0.050	0.037	0.037	0.050
Life Safety	0.081	0.099	0.100	0.073	0.074	0.100
Rental	0.000	0.000	0.000	0.000	0.000	N/A
Special Education	0.324	0.394	0.000	0.000	0.000	N/A
Life Safety Bond	0.000	0.000	0.000	0.000	0.000	N/A
Leasing Educational Facilities	0.081	0.098	0.100	0.073	0.074	0.100
Limited Bonds	0.583	0.643	0.803	0.611	0.648	N/A
Revenue Recapture[3]	0.000	0.046	0.311	0.108	0.076	N/A
Total	$ 9.326	$ 10.544	$ 10.815	$ 8.041	$ 8.632	

(1) See "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES – Property Tax Extension Limitation Law" herein for information on the operation of such maximum rates under the Limitation Law.
(2) The District does not have a maximum tax rate for educational fund purposes. The aggregate tax rate for the various purposes subject to the Limitation Law, however, may not exceed the District's limiting rate under the Limitation Law.
(3) See "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES – Property Tax Extension Limitation Law" herein for information on the property tax refund revenue recapture provisions of the Limitation Law.
Source: County Clerk's Office

Representative Tax Rates for Property within the District
(Per $100 EAV)

The following table of representative tax rates is for a resident of the District living in the Village of Dolton.

Taxing Body	2020	2021	2022	2023	2024
The District	$ 9.326	$ 10.544	$ 10.815	$ 8.041	$ 8.632
The County	0.453	0.446	0.431	0.386	0.390
Consolidated Elections	0.000	0.019	0.000	0.032	0.000
Forest Preserve	0.058	0.058	0.081	0.075	0.069
Town Thornton	0.397	0.542	0.575	0.372	0.547
General Assistance Thornton	0.402	0.407	0.465	0.415	0.314
Road and Bridge Thornton	0.033	0.038	0.042	0.033	0.036
Village of Dolton	5.996	6.844	7.054	5.116	5.173
Thornton 205	5.854	6.693	7.071	5.401	5.923
South Suburban Community College	0.555	0.634	0.696	0.533	0.574
Dolton Park District	0.655	0.772	0.840	0.627	0.676
Dolton Public Library District	0.450	0.517	0.547	0.414	0.443
Metro Water Reclamation District	0.378	0.382	0.374	0.345	0.340
South Cook County Mosquito Abatement District.	0.017	0.019	0.021	0.017	0.017
Total	$ 24.574	$ 27.915	$ 29.012	$ 21.807	$ 23.135

Source: County Clerk's Office

Tax Extensions and Collections

Section 16 of the Debt Reform Act provides that in extending taxes for general obligation bonds, the county clerk shall add to the levy for debt service on such bonds an amount sufficient, in view of all losses and delinquencies in tax collection, to produce tax receipts adequate for the prompt payment of such debt service. The District has historically collected less than 100% of its taxes levied and has budgeted accordingly. To protect the District against losses and delinquencies in the collection of its bond and interest levies and to ensure the timely bond interest and principal payments, the County Clerk adds 25% to its bond and interest tax extensions, including bond and interest tax extensions for the Bonds, and adds 8% to all other extensions.

	2020	2021	2022	2023	2024
Extensions	$17,342,038	$18,039,323	$18,026,911	$18,394,598	$18,954,490
Collections	13,295,858	13,746,698	13,671,043	13,662,268	7,306,952 (1)
% Collected	76.67%	76.20%	75.84%	74.27%	38.55%

(1) The Cook County Treasurer's system reflects collections of $7,306,952 through September 2025. Since that time, the District has received tax collections totaling $10,931,186; however, the County Treasurer has not indicated the levy years to which the collections apply (e.g. levy year 2023, 2024 or 2025). Therefore, a tax collection rate for levy year 2024 cannot be calculated at this time.
Source: Cook County Treasurer's Office

Largest Taxpayers

The taxpayers listed below represent 9.10% of the District's 2024 EAV which is $219,587,470 (which excludes TIF incremental EAV totaling $2,021,278). Reasonable efforts have been made to determine and report the largest taxpayers and to include all taxable property of those taxpayers listed. Many of the taxpayers listed, however, may own multiple parcels, and it is possible that some parcels and their valuations may not be included.

Taxpayer	Description	2024 EAV	% of EAV
Safety Kleen	Environmental services	$ 7,793,907	3.55%
Ardagh Glass Inc.	Sustainable packing	1,816,700	0.83%
American Transloading	Logistics and warehouse	1,665,052	0.76%
South 13 Portfolio A D	Real estate	1,585,990	0.72%
Park Smart LLC	Certification system for parking structures	1,436,589	0.65%
Tri State Disposal Inc	Waste management	1,399,385	0.64%
AMS Building & Dev	Construction	1,272,589	0.58%
Weekes Forest Products	Building materials supplier and lumber distributor	1,102,929	0.50%
Caravan Ingredients	Sustainable food-ingredient solutions	970,105	0.44%
Riverdale Partners	Business consulting and services	935,757	0.43%
Total		$ 19,979,003	9.10%

Source: County Clerk's Office, other than the taxpayer descriptions, which are derived from publicly-available sources.

Summary of Outstanding Bonded Debt

Shown below is a summary of the outstanding bonded debt of the District as of the closing of the Bonds.

Issue Description	Dated Date	Original Amount of Issue	Current Amount Outstanding	Final Maturity Date
Capital Appreciation School Bonds, Series 2009D	06/30/09	$ 7,080,633	$ 637,218	12/01/26
GO Refunding School Bonds, Series 2018A	12/20/18	5,600,000	765,000	12/01/26
The 2019A Bonds	10/16/19	5,290,000	230,000	12/01/26
Taxable GO School Bonds, Series 2019B	10/16/19	4,795,000	1,010,000	12/01/26
The Bonds	06/11/26	* 9,845,000 *	9,845,000 *	12/01/37 *
Total			$ 12,487,218 *	

*Preliminary, subject to change.

Debt Repayment Schedule

Shown below is the maturity schedule for the outstanding bonded debt of the District as of the closing of the Bonds.

Fiscal Year	Principal Outstanding	The Bonds*	Total Principal*	Cumulative Amount*	Retirement Percent*
2027	$ 2,642,218	$ -	$ 2,642,218	$ 2,642,218	21.16%
2028	-	520,000	520,000	3,162,218	25.32
2029	-	805,000	805,000	3,967,218	31.77
2030	-	850,000	850,000	4,817,218	38.58
2031	-	895,000	895,000	5,712,218	45.74
2032	-	945,000	945,000	6,657,218	53.31
2033	-	995,000	995,000	7,652,218	61.28
2034	-	1,050,000	1,050,000	8,702,218	69.69
2035	-	1,110,000	1,110,000	9,812,218	78.58
2036	-	1,170,000	1,170,000	10,982,218	87.95
2037	-	1,235,000	1,235,000	12,217,218	97.84
2038	-	270,000	270,000	12,487,218	100.00
	$ 2,642,218	$ 9,845,000	$ 12,487,218		

*Preliminary, subject to change.

Overlapping General Obligation Bonded Debt

(As of March 20, 2026)

Taxing Body	Bonded Debt [1]	Allocated to the District Percent	Allocated to the District Amount
The County	$1,760,191,750	0.11%	$1,848,201
Cook County Forest Preserve District	39,410,000	0.11%	41,381
Metropolitan Water Reclamation District	1,763,710,000	0.11%	1,887,170
Village of Dolton	4,330,000	39.12%	1,693,896
City of Harvey	28,564,000	1.02%	290,496
Village of Riverdale	9,780,000	73.93%	7,230,745
Village of South Holland	16,165,000	1.17%	189,292
Harvey Public Library District	3,435,000	1.02%	34,934
Dolton Park District	629,620	38.16%	240,269
Riverdale Park District	334,450	73.41%	245,533
Thornton 205	80,190,000	13.37%	10,723,809
South Suburban Community College	20,892,942	5.15%	1,075,151
Total			$25,500,877

(1) Does not include alternate revenue bonds. Under the Debt Reform Act, alternate revenue bonds are not included in the computation of indebtedness of the overlapping taxing bodies unless the taxes levied to pay the principal of and interest on the alternate revenue bonds are extended for collection. The District provides no assurance that any of the taxes so levied have not been extended, nor can the District predict whether any of such taxes will be extended in the future.
Source: With respect to the applicable taxing bodies and the percentage of overlapping EAV, the County Clerk's Office. Information regarding the outstanding indebtedness of the overlapping taxing bodies was obtained from publicly-available sources.

Debt Statement

General Obligation Direct Bonded Debt	$2,642,218	
The Bonds	$9,845,000	*
Leases	$1,811,732	
Net Direct Debt	$14,298,950	*
Overlapping Bonded Debt	$25,500,877	
Net Direct Debt and Overlapping Bonded Debt	$39,814,827	*
EAV (2024) [1]	$219,587,470	
Statutory Debt Limit (6.9% of EAV)	$15,151,535	
Statutory Debt Margin	$852,585	*

(1) Excludes TIF incremental EAV. See "Tax Increment Financing District Located within the District" herein.
*Preliminary, subject to change.

Debt Ratios

Estimated Market Valuation (2024)	$658,762,410	
EAV (2024)[(1)]	$219,587,470	
2020-2024 American Community Survey Population Estimate	18,276	
Net Direct Debt to EAV	6.51%	*
Net Direct Debt to Estimated Market Valuation	2.17%	*
Net Direct Debt and Overlapping Bonded Debt to EAV	18.13%	*
Net Direct Debt and Overlapping Bonded Debt to Estimated Market Valuation	6.04%	*
Net Direct Debt Per Capita	$782.39	*
Net Direct Debt and Overlapping Bonded Debt Per Capita	$2,178.53	*

(1) Excludes TIF incremental EAV. See "Tax Increment Financing District Located within the District" herein.
*Preliminary, subject to change.

Short-Term Financing Record

The District issued the Warrants against its 2024 tax levy on October 9, 2025, which were paid on January 30, 2026.

Future Financing

Except for the hereinafter defined HLS Bonds, the District does not intend to issue any additional long-term debt in the next six months.

Default Record

The District has no record of default and has met its debt repayment obligations promptly.

SUMMARY OF OPERATING RESULTS

Management Discussion

The District has faced multiple years of structural deficits which has required spending of reserves. The fund balance in the Educational Fund declined in fiscal years 2021-2024, with deficit spending in 2021 ($7.7 million); in 2022 ($5.5 million); in 2023 ($6.7 million); and in 2024 ($9.3 million). The District ended fiscal year 2024 with an Educational Fund negative fund balance of $6.6 million. The fund balance in the Operations and Maintenance Fund declined in fiscal year 2023 to negative $1.5 million because of deficit spending of $1.7 million. The Operations and Maintenance Fund had surpluses in fiscal year 2021 ($3.4 million); 2022 ($717,000); and 2024 ($1.6 million). The Transportation Fund has had surpluses the last four years ($460,000 in fiscal year 2024).

The District finished fiscal year 2025 with a $5.3 million surplus in the General Fund due to $13.8 million of ESSER funds that reimbursed fiscal year 2024 expenses. The final ESSER fund payment received in fiscal year 2025 increased reserves to slightly less than $300,000, close to 0% of operating revenue. This significantly underperformed budgeted expectations, which had reserves recovering to about 27% of operating revenue.

For fiscal year 2026, the District passed an unbalanced budget and a deficit reduction plan (the "Deficit Reduction Plan") was required (see below). The fiscal year 2026 budget included a $4.9 million deficit in the Educational Fund; $875,696 surplus in the Operations and Maintenance Fund; and $64,451 surplus in the Transportation Fund. The fiscal year 2026 budget also includes a $1.2 million abatement from the Working Cash Fund to the Educational Fund and a $3 million transfer from the Transportation Fund to the Educational Fund.

A new administrative team, which has been in place since August 2025, prepared the fiscal year 2026 budget using more realistic assumptions than prior budgets and later executed more than $1 million in midyear staff reductions. Excluding $4.2 million in one-time transfers from the Transportation Fund ($3 million) and the Working Cash Fund ($1.2 million), management expects the fiscal year 2026 General Fund results could be a $2.5 million deficit rather than the budgeted $4 million deficit.

The following is a description of the Deficit Reduction Plan:

- <u>Background and Narrative of Budget Reductions:</u>
  The District has realized a structural deficit for the past several years. The problem was masked by ESSER dollars and EBF growth through the Property Tax Relief Grant program. A sense of urgency has now been created by the new administration. The District has not "right sized" its budget for its student enrollment decline and has areas in the budget where the District believes significant reductions can be made without adversely impacting student learning.

- Assumptions Used in the Deficit Reduction Plan:

  The Property Tax Relief Grant will end. The District currently has two tax abatements totaling over $2.2 million, which are reducing the tax extension. These will roll off over the next two years, increasing real estate tax revenues. All non-essential purchases will be frozen this fiscal year. The District will immediately develop an expenditure reduction plan that lowers operating expenses primarily through staff reductions. Longer-term budgetary relief will be addressed through an examination involving closing underutilized district facilities. Through these reductions, total instructional and support service expenses in the Education and Operations and Maintenance Funds will be reduced by 5% in both fiscal year 2027 and fiscal year 2028.

  - EBF and Estimated New Tier Funding:
    The District is assuming no reinstatement of the PTRG and thus EBF growth will be minimal.

  - Equal Assessed Valuation and Tax Rates:
    This is not relevant as the District is located in a tax capped county. The District is assuming no new taxable property during the projection period.

  - Employee Salaries and Benefits:
    Base employee salaries are increasing. Negotiations begin at the end of this fiscal year and the District expects similar increases. There is a large number of retirees next year and there will be a reduction in force for the 2027 school year. Employee benefits will drop as FTE decreases.

  - Short- and Long-Term Borrowing:
    The District is currently pursuing tax anticipation warrants as the County tax bills are delayed (these are the Warrants). The District will also consider issuing working cash bonds within the next twelve months as it has considerable debt service extension base capacity and will be debt free within two years (these are the Bonds). Fund balance reserves need to be increased and then sustained at over a 3-month expense reserve level.

  - Educational Impact:
    The District does not expect any adverse impact to student learning opportunities and quality as expense reduction opportunities exist due to the reduction in student enrollment over the past several years.

  - Shared services or outsourcing:
    The District currently shares treasurer's services and investment of funds with twelve other school districts and also is in a special education cooperative. It has not considered other opportunities at this moment.

The District has begun implementing items in the Deficit Reduction Plan and that accounts for some of the reason why the deficit is expected to be lower in fiscal year 2026. For fiscal year 2026, the District worked closely with its attorneys and reduced staff as much as they could.

Since the Deficit Reduction Plan was created, the District has taken additional cost saving measures, including the following:

The District is currently operating seven buildings and will be closing one in fiscal year 2027 (will be operating six buildings in fiscal year 2027). As of April 22, 2026, the District expects to operate only three buildings starting in fiscal year 2028. The District met with the architects and a significant amount of work is needed in the buildings. The District expects the minimum amount of work to be done at three of the buildings to get through next year and then will begin the significant repairs. The District estimates that \$8 million-\$12 million of repairs are needed in the buildings that will remain open. The architect believes most of the need is health life safety ("HLS") work. The District expects to issue HLS bonds (the "HLS Bonds") within the next six months to pay for a portion of the HLS work. By closing three more buildings, the District will not need three principals, which will allow for more expenditure reductions than what was in the Deficit Reduction Plan. Significant savings are expected from the closing of the three school buildings and the subsequent reduction in staff (which is not expected to affect class size). There will be some savings from retirements. The District is not expecting any capacity issues in the three buildings that will remain open.

In summation, the District has been actively working on a plan to stabilize the District's financial condition by regenerating fund balance reserves and eliminating the structural deficit. The administrative team has been working with the Board to develop a multi-million-dollar expenditure reduction plan to begin at the start of fiscal year 2027. This will involve a significant reduction in non-instructional personnel. The goal is to right size the budget to better match declining student enrollment that has occurred over the past decade. Longer term financial stabilization plans include building closures to optimize building efficiencies (see the preceding paragraph). The District is also expecting about \$500,000 in savings from retirements at the end of fiscal year 2027.

General Fund Revenue Sources
(Years Ended June 30)

Below is a summary of the General Fund revenue sources exclusive of "on-behalf" payments made by the State to TRS, as defined herein. This summary is provided since S&P combines these funds as the "General Fund" in its report.

	2021	2022	2023	2024	2025
Local Sources	20.71 %	23.04 %	20.54 %	15.72 %	15.34 %
State Sources	65.56	60.73	65.49	55.15	49.28
Federal Sources	13.74	16.23	13.97	29.13 (1)	35.38 (1)
Total	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %

(1) Increase in Federal Sources due in large part to the District's receipt of federal COVID-19 funds. See "STATE AID—Federal COVID-19 Funds Distributed to the District" herein.
Source: Compiled from the District's Annual Financial Reports filed with ISBE for fiscal years ended June 30, 2021-2025.

History of Significant Revenue Sources Supporting Operations*
(Years Ended June 30)

The following table provides information regarding the recent history of significant revenue sources supporting the operations of the District.

	2021	2022	2023	2024	2025
Evidence-Based Funding(1)	$20,768,239	$21,050,408	$22,202,417	$23,476,334	$24,632,800
Federal Revenues	4,537,332	5,988,719	5,378,928	13,823,967(3)	19,251,314(3)
Property Taxes(2)	6,138,480	7,062,611	6,405,252	6,468,752	7,511,268
Total	$31,444,051	$34,101,738	$33,986,597	$43,769,053	$51,395,382

*Includes the Educational Fund, Operations and Maintenance Fund and Working Cash Fund.
(1) See "STATE AID" herein.
(2) Consists of property taxes received by the District in the Educational Fund, the Working Cash Fund and the Operations and Maintenance Fund.
(3) These larger amounts are due in large part to the District's receipt of ESSER funds. See "STATE AID—Federal COVID-19 Funds Distributed to the District" herein.
Source: The audited financial statements of the District for the Fiscal Years 2021 through 2025, and ISBE for the Evidence-Based Funding numbers.

Summary of Operating Funds and Debt Service Fund

(Years Ended June 30)

Below is a combined summary of the operating funds of the District (consisting of the Educational Fund, Operations and Maintenance Fund, Transportation Fund, Working Cash Fund, IMRF/Social Security Fund and Tort Fund) in addition to the Debt Service Fund exclusive of "on-behalf" payments made by the State to TRS.

	Educational Fund	Operations and Maintenance Fund	General Fund	Transportation Fund	Working Cash Fund [1]	IMRF/Social Security Fund	Tort Fund	Debt Service Fund	Combined Operating Funds and Debt Service Fund
2021									
Receipts	$ 25,323,278	$ 7,710,327	$ 33,033,605	$ 1,450,633	$ 60,854	$ 648,935	$ 722,414	$ 4,787,905	$ 40,704,346
Disbursements	33,039,451	4,299,904	37,339,355	43,951	-	925,351	411,578	5,481,225	44,201,460
Net Surplus (Deficit)	(7,716,173)	3,410,423	(4,305,750) [2]	1,406,682	60,854	(276,416)	310,836	(693,320)	(3,497,114)
Other Sources (Uses)	-	-	-	(1,330,613)	-	-	-	1,330,613	-
Beginning Fund Balance	20,660,930	(3,881,836)	16,779,094	364,010	955,830	280,199	(50,322)	(971,576)	17,357,235
Ending Fund Balance	$ 12,944,757	$ (471,413)	$ 12,473,344	$ 440,079	$ 1,016,684	$ 3,783	$ 260,514	$ (334,283)	$ 13,860,121
2022									
Receipts	$ 32,229,412	$ 4,665,853	$ 36,895,265	$ 1,483,289	$ 71,005	$ 1,185,734	$ 896,818	$ 5,238,901	$ 45,771,012
Disbursements	37,701,826	3,948,570	41,650,396	1,004,573	-	1,001,596	388,621	4,285,038	48,330,224
Net Surplus (Deficit)	(5,472,414)	717,283	(4,755,131) [2]	478,716	71,005	184,138	508,197	953,863	(2,559,212)
Other Sources (Uses)	-	-	-	-	-	-	-	-	-
Beginning Fund Balance	12,944,757	(471,413)	12,473,344	440,079	1,016,684	3,783	260,514	(334,283)	13,860,121
Ending Fund Balance	$ 7,472,343	$ 245,870	$ 7,718,213	$ 918,795	$ 1,087,689	$ 187,921	$ 768,711	$ 619,580	$ 11,300,909
2023									
Receipts	$ 35,123,996	$ 3,389,765	$ 38,513,761	$ 1,888,206	$ 67,746	$ 817,294	$ 929,434	$ 3,652,473	$ 45,868,914
Disbursements	41,779,303	5,114,204	46,893,507	1,258,601	-	999,096	1,693,802	4,383,484	55,228,490
Net Surplus (Deficit)	(6,655,307)	(1,724,439)	(8,379,746) [2]	629,605	67,746	(181,802)	(764,368)	(731,011)	(9,359,576)
Other Sources (Uses)	(48,597)	-	(48,597)	-	-	-	-	2,010,158	1,961,561
Beginning Fund Balance	7,472,343	245,870	7,718,213	918,795	1,087,689	187,921	768,711	619,580	11,300,909
Ending Fund Balance	$ 768,439	$ (1,478,569)	$ (710,130)	$ 1,548,400	$ 1,155,435	$ 6,119	$ 4,343	$ 1,898,727	$ 3,902,894
2024									
Receipts	$ 41,144,138	$ 6,310,836	$ 47,454,974	$ 2,105,192	$ 96,156	$ 1,093,608	$ 1,127,308	$ 4,119,296	$ 55,996,534
Disbursements	50,461,361	4,689,105	55,150,466	1,645,123	-	1,099,182	699,589	4,278,396	62,872,756
Net Surplus (Deficit)	(9,317,223)	1,621,731	(7,695,492) [2]	460,069	96,156	(5,574)	427,719	(159,100)	(6,876,222)
Other Sources (Uses)	1,990,041 [3]	-	1,990,041	-	-	-	-	-	1,990,041
Beginning Fund Balance	768,439	(1,478,569)	(710,130)	1,548,400	1,155,435	6,119	4,343	1,898,727	3,902,894
Ending Fund Balance	$ (6,558,743)	$ 143,162	$ (6,415,581)	$ 2,008,469	$ 1,251,591	$ 545	$ 432,062	$ 1,739,627	$ (983,287)
2025									
Receipts	$ 49,856,429	$ 4,563,664	$ 54,420,093	$ 2,646,415	$ 115,227	$ 1,837,641	$ 1,330,495	$ 4,813,457	$ 65,163,328
Disbursements	44,374,029	4,706,826	49,080,855	1,687,581	-	1,159,806	1,528,154	4,396,644	57,853,040
Net Surplus (Deficit)	5,482,400	(143,162)	5,339,238	958,834	115,227	677,835	(197,659)	416,813	7,310,288
Other Sources (Uses)	-	-	-	-	-	-	-	-	-
Beginning Fund Balance	(6,558,743)	143,162	(6,415,581)	2,008,469	1,251,591	545	432,062	1,739,627	(983,287)
Ending Fund Balance	$ (1,076,343)	$ -	$ (1,076,343)	$ 2,967,303	$ 1,366,818	$ 678,380	$ 234,403	$ 2,156,440	$ 6,327,001
Fund Balance as % of Disbursements			-2.19%						10.94%

(1) See "Working Cash Fund" herein for a description of the Working Cash Fund.
(2) See "– Management Discussion" herein for a discussion of the deficits.
(3) The District invested in lease assets.
Source: Compiled from the District's Annual Financial Reports for fiscal years ended June 30, 2021-2025.

On-Behalf Payments Summary
(Years Ended June 30)

Below is a history of "on-behalf payments" made by the State to TRS with respect to the pension costs associated with the pensions of current and former District employees. At present, the State maintains the primary responsibility for funding TRS with respect to the District's employees, however, such payments by the State on-behalf of the District are treated in the District's financial statements as flowing through the District to the State. As such, the District's financial statements recognize revenues and expenditures each in an amount equal to the amount paid by the State to TRS on the District's behalf. The amount of on-behalf payments may vary significantly from year to year as a result of factors entirely outside the District's control, including, but not limited to, changes in the law governing the State's contributions to TRS, investment returns on TRS assets and changes in actuarial assumptions and methods used in calculating TRS's liability.

As noted in the paragraphs preceding the tables titled "General Fund Revenue Sources" (the "Revenue Sources Table") and "Summary of Operating Funds and Debt Service Fund" (the "Fund Summary Table" and, together with the Revenue Sources Table, the "Financial Summary Tables") above, the on-behalf payments have been excluded from the Financial Summary Tables for the purpose of isolating the revenues and expenditures derived from the District's operations. However, as a result of this practice, the revenue and expenditure amounts used to make the calculations necessary to produce the Revenue Sources Table and the revenue and expenditure amounts set forth in the Fund Summary Table are inconsistent with the amount of revenues and expenditures set forth in the District's respective audited financial statements for any fiscal year. For each fiscal year, the amount set forth in the table below constitutes the difference between the revenue and expenditure amounts in the financial statements and those used in, or used to produce, the Financial Summary Tables.

See the District's Annual Financial Report for the fiscal year ended June 30, 2025 (the "Audit"), attached hereto as Appendix B, for additional information regarding the District's on-behalf payments.

Fiscal Year	On-Behalf Payments
2021	$ 2,039,838
2022	2,211,217
2023	10,050,387
2024	9,515,409
2025	9,756,868

Source: Compiled from the District's Annual Financial Reports for fiscal years ended June 30, 2021-2025.

Working Cash Fund

The District is authorized to issue (subject to the provisions of the Limitation Law) general obligation bonds to create, re-create or increase a Working Cash Fund. Such fund can also be created, re-created or increased by the levy of an annual tax not to exceed $0.05 per hundred dollars of EAV (the "Working Cash Fund Tax"). The purpose of the fund is to enable the District to have sufficient cash to meet demands for expenditures for corporate purposes. Moneys in the Working Cash Fund may be loaned, in whole or in part, as authorized and directed by the Board, to any fund or funds of the District in anticipation of ad valorem property taxes levied by the District for such fund or funds. The Working Cash Fund is reimbursed when the anticipated taxes or other moneys are received by the District.

Any time moneys are available in the Working Cash Fund, they must be transferred to such other funds of the District and used for any and all school purposes so as to avoid, whenever possible, the issuance of tax anticipation warrants or notes. Interest earned from the investment of the Working Cash Fund may be transferred from the Working Cash Fund to other funds of the District that are most in need of the interest. Moneys in the Working Cash Fund may not be appropriated by the Board in the annual budget.

The District also has the authority to abate amounts in the Working Cash Fund to any other fund of the District if the amount on deposit in such other fund after the abatement will not constitute an excess accumulation of money in that fund and as long as the District maintains an amount to the credit of the Working Cash Fund at least equal to 0.05% of the then current value, as equalized or assessed by the Department, of the taxable property in the District.

Finally, the District may abolish the Working Cash Fund and direct the transfer of any balance thereof to the Educational Fund at the close of the then current fiscal year. After such abolishment, all outstanding Working Cash Fund Taxes levied will be paid into the Educational Fund upon collection. Outstanding loans from the Working Cash Fund to other funds of the District at the time of abolishment will be paid or become payable to the Educational Fund at the close of the then current fiscal year. The outstanding balance in the Working Cash Fund at the time of abolishment, including all outstanding loans from the Working Cash Fund to other funds of the District and all outstanding Working Cash Fund Taxes levied, may be used and applied by the District for the purpose of reducing, by the balance in the Working Cash Fund at the close of the fiscal year, the amount of taxes that the Board otherwise would be authorized or required to levy for educational purposes for the fiscal year immediately succeeding the fiscal year in which the Working Cash Fund is abolished.

Budget Summary

Below is the District's budget summary for the fiscal year ending June 30, 2026.

Fund	Fund Balances July 1, 2025 [1]	FY26 Revenue	FY26 Expenditures	FY26 Other Sources/ (Uses)	Estimated Fund Balances June 30, 2026
Educational	$ (1,076,343)	$ 37,079,000	$ 41,955,583	$ 4,200,000	$ (1,752,926)
Operations & Maintenance	-	5,739,000	4,863,304	-	875,696
Transportation	2,967,303	1,750,000	1,685,549	(3,000,000)	31,754
IMRF/Social Security	678,380	890,000	1,087,252	-	481,128
Working Cash	1,366,818	89,000	-	(1,200,000)	255,818
Total Operating Funds	$ 3,936,158	$ 45,547,000	$ 49,591,688	$ -	$ (108,530)
Debt Service	$ 2,156,440	$ 3,673,000	$ 4,402,187	$ -	$ 1,427,253
Fire Prevention & Safety	780,186	87,000	-	-	867,186
Capital Projects	54,245	1,000	-	-	55,245
Tort	234,403	1,080,000	1,243,766	-	70,637
Total All Funds	$ 7,161,432	$ 50,388,000	$ 55,237,641	$ -	$ 2,311,791

(1) The beginning fund balance was revised from the adopted budget to reflect the actual ending fund balance for the prior fiscal year. The budget is adopted before the audit for the prior fiscal year is available.
Source: The District

STATE AID

General

The State provides aid to local school districts on an annual basis as part of the State's appropriation process. Many school districts throughout the State rely on such State aid as a significant part of their budgets. For the fiscal year ended June 30, 2025, 49.28% of the District's General Fund revenue came from State funding sources. See "SUMMARY OF OPERATING RESULTS – General Fund Revenue Sources" herein for more information concerning the breakdown of the District's revenue sources.

General State Aid - Evidence-Based Funding Model

Beginning with fiscal year 2018, general State funds ("General State Aid") have, pursuant to Public Act 100-0465, been distributed to school districts under the "Evidence Based Funding Model". The Evidence-Based Funding Model sets forth a school funding formula that ties individual district funding to evidence-based best practices that certain research shows enhance student achievement in the classroom. Under the funding formula, ISBE will calculate an adequacy target (the "Adequacy Target") each year for each district based upon its unique student population, regional wage differences and best practices. Each district will be placed in one of four tiers depending on how close the sum of its local resources available to support education (based on certain State resources and its expected property tax collections, its "Local Capacity Target") and its Base Funding Minimum (as hereinafter defined) are to its Adequacy

Target; Tier One and Tier Two for those districts that are the furthest away from their Adequacy Targets and Tier Three and Tier Four for those districts that are the closest to (or above) their Adequacy Targets. For each school year, all State funds appropriated for General State Aid in excess of the amount needed to fund the Base Funding Minimum for all school districts ("New State Funds") will be distributed to districts based on tier placement. Of any New State Funds available, Tier One receives 50%, Tier Two receives 49%, Tier Three receives 0.9%, and Tier Four receives 0.1%. Tier Two includes all Tier One districts for the purpose of the allocation percentages for New State Funds.

On June 16, 2025, Governor Pritzker signed the State's $55.2 billion general funds budget (Public Act 104-0003) for the fiscal year ending June 30, 2026 (the "Fiscal Year 2026 Budget"). The Fiscal Year 2026 Budget increased funding for K-12 education by approximately $275 million. The Fiscal Year 2026 Budget appropriated General State Aid in an amount $300 million greater than the appropriation in the prior fiscal year budget. Such additional General State Aid will be distributed to districts pursuant to the Evidence-Based Funding Model.

The Evidence-Based Funding Model also provides that each school district will be allocated at least as much in General State Aid in future years as it received in the most recently completed school year (such amount being that district's "Base Funding Minimum"). The Base Funding Minimum for the District for school year 2017-2018 was $17,821,875 (the "Initial Base Funding Minimum"). Mandated Categorical State Aid (as hereinafter defined) received by the District in fiscal year 2017, other than Mandated Categorical State Aid related to transportation and extraordinary special education, was included in the Initial Base Funding Minimum. Any New State Funds received by a district in a year become part of its Base Funding Minimum in the following year.

The following table sets forth the amounts received by the District pursuant to the Evidenced-Based Funding Model in each of the last five fiscal years, and the amount expected to be received in fiscal year ending June 30, 2026.

Fiscal Year	Base Funding Minimum	Tier Number	Amount of New State Funds	Total Evidence-Based Funding
2021 (1)	$ 20,768,239	N/A (1)	N/A (1)	$ 20,768,239
2022	20,775,251	2	$ 275,158	21,050,408
2023	21,958,375	2	244,041	22,202,417
2024	23,339,168	2	137,166	23,476,334
2025	24,521,783	2	111,016	24,632,800
2026 (2)	25,666,670	2	139,333	25,806,003

(1) The State Fiscal year 2021 budget did not appropriate General State Aid in excess of the amount appropriated in the State fiscal year 2020 budget. Therefore, school districts did not receive New State Funds during State fiscal year 2021.
(2) Projected.
Source: ISBE for the fiscal years ended June 30, 2021, through June 30, 2025, for historical amounts and for the amount projected for fiscal year ending June 30, 2026. The projected amount of Evidenced-Based Funding for fiscal year ending June 30, 2026, consists of the Base Funding Minimum plus anticipated New State Funds for fiscal year ending June 30, 2026.

Property Tax Relief Pool Funds

For the purpose of encouraging high tax rate school districts to reduce property taxes, the Evidence-Based Funding Model also established a property tax relief grant program (the "Property Tax Relief Pool"). School districts must apply for the grant and indicate an amount of intended property tax relief, which relief may not be greater than 1% of EAV for a unit district, 0.69% of EAV for an elementary school district or 0.31% of EAV for a high school district, reduced, in each case, based on the Local Capacity Target of the applicant. Property Tax Relief Pool grants will be allocated to school districts based on each district's percentage of the simple average operating tax rate of all school districts of the same type (unit, elementary or high), in order of priority from highest percentage to lowest, until the Property Tax Relief Pool is exhausted. A school district which receives a Property Tax Relief Pool grant is required to abate its property tax levy by the amount of intended property tax relief for the levy year in which the grant is to be received, and the succeeding levy year. The difference between the amount of the grant and the amount of the abatement is based on a statutory calculation which takes into account relative Local Capacity Targets. Pursuant to such calculation, a school district with a low Local Capacity Target will be required to abate less than a school district with a high Local Capacity Target, assuming the amount of Property Tax Relief Pool grants received by the school districts are the same. Property Tax Relief Pool grants received by a school district are included in future calculations of that district's Base Funding Minimum, unless that district does not abate its property tax levy by the amount of intended property tax relief as described above.

For each of the last three fiscal years, $50 million of General State Aid was allocated to the Property Tax Relief Pool. In the Fiscal Year 2026 Budget, no funds were allocated to the Property Tax Relief Pool.

The District has received several Property Tax Relief Grants as described in the following chart:

Fiscal Year of Grant Award	Grant Amount	Abatement Amount	Levy Years of Abatement	Fiscal Year Grant Added to EBF
2019	$ 1,050,639	$ 1,065,348	2019	2019
2020	937,688	950,344	2019 and 2020	2020
2021		No Grants		
2022	907,967	918,404	2021 and 2022	2022
2023	1,136,751	1,149,254	2022 and 2023	2023
2024	1,045,449	1,057,014	2023 and 2024	2024
2025	1,033,870	1,042,930	2024 and 2025	2025
2026		No Grants		

Under applicable law, in subsequent years, Property Tax Relief Grants become part of the District's Base Funding Minimum. Inclusion of Property Tax Relief Grant funding in the District's Base Funding Minimum has increased such amount from approximately $24.6 million to $25.8 million in fiscal year 2025.

Mandated Categorical State Aid

Illinois school districts are entitled to reimbursement from the State for expenditures incurred in providing programs and services legally required to be available to students under State law. Such reimbursements, referred to as "Mandated Categorical State Aid," are made to the school district in the fiscal year following the expenditure, *provided* that the school district files the paperwork necessary to inform the State of such an entitlement. From time to time, Mandated Categorical State Aid payments from the State have been delayed and have been prorated as part of the appropriation process, as described below.

Prior to fiscal year 2018, the School Code provided for Mandated Categorical State Aid with respect to mandatory school programs relating to: (a) special education, (b) transportation, (c) free and reduced breakfast and lunch, and (d) orphanage tuition. Beginning with fiscal year 2018, Mandated Categorical State Aid is no longer the source of funding for mandatory school programs relating to special education, other than private facility tuition and transportation. Mandated Categorical State Aid received by a district in fiscal year 2017 for special education programming no longer available for Mandated Categorical State Aid in fiscal year 2018 is included in the Base Funding Minimum for that district.

In addition, although school districts are entitled to reimbursement for expenditures made under these programs, these reimbursements are subject to the State's appropriation process. In the event that the State does not appropriate an amount sufficient to fund fully the Mandated Categorical State Aid owed to each school district, the total Mandated Categorical State Aid is proportionally reduced such that each school district receives the same percentage of its Mandated Categorical State Aid request with respect to a specific category of such aid as every other school district.

In past years, the State has not fully funded all Mandated Categorical State Aid payments. Therefore, pursuant to the procedures discussed above, proportionate reductions in Mandated Categorical State Aid payments to school districts have occurred. However, because these programs are "mandatory" under the School Code, each school district must provide these programs regardless of whether such school district is reimbursed by the State for the related expenditures. No assurance can be given that the State will make appropriations in the future sufficient to fund fully the Mandatory Categorical State Aid requirements. As such, the District's revenues may be impacted in the future by increases or decreases in the level of funding appropriated by the State for Mandated Categorical State Aid.

Competitive Grant State Aid

The State also provides funds to school districts for expenditures incurred in providing additional programs that are allowed, but not mandated by, the School Code. In contrast to Mandated Categorical State Aid, such "Competitive Grant State Aid" is not guaranteed to a school district that provides these programs. Instead, a school district applying for Competitive Grant State Aid must compete with other school districts for the limited amount appropriated each year by the State for such program.

Competitive Grant State Aid is allocated, after appropriation by the State, among certain school districts selected by the State. The level of funding is annually determined separately for each category of aid based on the State's budget. This process does not guarantee that any funding will be available for Competitive Grant State Aid programs, even if a school district received such funding in a prior year. Therefore, school districts may incur expenditures with respect to certain Competitive Grant State Aid programs without any guarantee that the State will appropriate the money necessary to reimburse such expenditures.

Payment for Mandated Categorical State Aid and Competitive Grant State Aid

The State makes payments to school districts for Mandated Categorical State Aid and Competitive Grant State Aid (together, "Categorical State Aid") in accordance with a voucher system involving ISBE. ISBE vouchers payments to the State on a periodic basis. The time between vouchers varies depending on the type of Categorical State Aid in question. For example, with respect to the categories of Mandated Categorical State Aid related to extraordinary special education and transportation, ISBE vouchers the State for payments on a quarterly basis. With respect to Competitive Grant State Aid, a payment schedule is established as part of the application process, and ISBE vouchers the State for payment in accordance with this payment schedule.

Once ISBE has vouchered the State for payment, the State is required to make the Categorical State Aid payments to the school districts. As a general matter, the State is required to make such payments within 90 days after the end of the State's fiscal year.

See "SUMMARY OF OPERATING RESULTS – General Fund Revenue Sources" herein for a summary of the District's general fund revenue sources.

Federal COVID-19 Funds Distributed to the District

The COVID-19 pandemic, along with various governmental measures taken to protect public health in light of the pandemic, had an adverse impact on global economies, including economic conditions in the United States. In response to the pandemic, federal legislation, particularly the (i) Coronavirus Aid, Relief, and Economic Security Act (commonly known as ESSER I), (ii) Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (commonly known as ESSER II), and (iii) American Rescue Plan of 2021 (commonly known as ESSER III), was enacted to provide funds to mitigate the economic downturn and health care crisis caused by COVID-19.

The District received $1,543,879 pursuant to ESSER I, $6,057,288 pursuant to ESSER II and $13,866,465 pursuant to ESSER III. ESSSR funds were primarily spent on COVID-related items and salaries. Specifically in fiscal years 2024 and 2025, the District used ESSER funds to pay such salaries. Beginning with fiscal year 2026, there are no longer any staff positions that were previously paid from ESSER funds. All ESSER funds have been spent.

SCHOOL DISTRICT FINANCIAL PROFILE

ISBE utilizes a system for assessing a school district's financial health referred to as the "School District Financial Profile" which replaced the Financial Watch List and Financial Assurance and Accountability System (FAAS). This system identifies those school districts which are moving into financial distress.

The system uses five indicators which are individually scored, placed into a category of a four, three, two or one, with four being the best possible, and weighted in order to arrive at a composite district financial profile. The indicators and the weights assigned to those indicators are as follows: fund balance to revenue ratio (35%); expenditures to revenue ratio (35%); days cash on hand (10%); percent of short term borrowing ability remaining (10%); and percent of long-term debt margin remaining (10%).

The scores of the weighted indicators are totaled to obtain a district's overall score. The highest score is 4.0 and the lowest score is 1.0. A district is then placed in one of four categories as follows:

- Financial Recognition. A school district with a score of 3.54-4.00 is assigned to this category, which is the best category of financial strength. These districts require minimal or no active monitoring by ISBE unless requested by the district.

- Financial Review. A school district with a score of 3.08-3.53 is assigned to this category, the next highest financial strength category. These districts receive a limited review by ISBE, but are monitored for potential downward trends. ISBE staff also review the next year's school budget for further negative trends.

- Financial Early Warning. A school district with a score of 2.62-3.07 is placed in this category. ISBE monitors these districts closely and offers proactive technical assistance, such as financial projections and cash flow analysis. These districts also are reviewed to determine whether they meet the criteria set forth in Article 1A-8 of the School Code to be certified in financial difficulty and possibly qualify for a Financial Oversight Panel.

- Financial Watch. A school district with a score of 1.00-2.61 is in this category, the highest risk category. ISBE monitors these districts very closely and offers technical assistance with, but not limited to, financial projections, cash flow analysis, budgeting, personnel inventories and enrollment projections. These districts are also assessed to determine if they qualify for a Financial Oversight Panel.

For each school district, ISBE calculates an original financial profile score (the "Original Score") and an adjusted financial profile score (the "Adjusted Score"). The Original Score is calculated based solely on such school district's audited financial statements as of the close of the most recent fiscal year. The Adjusted Score is calculated based initially on a school district's audited financial statements for the most recent fiscal year, with adjustments made to reflect the impact on the Original Score of timing differences between such school district's actual and expected receipt of State payments, as required by Section 1A-8 of the School Code. ISBE has implemented this statutory requirement by adding in payments expected to be received during the calculation year but not actually received until the following fiscal year, as well as by subtracting certain State payments received during the current fiscal year but attributable to a prior fiscal year. Such adjustments may have a varying effect on a school district's Adjusted Score based on the amount of time by which such State payments are delayed and the accounting basis adopted by such school district. Due to the manner in which such requirement has been implemented by ISBE, a school district's Adjusted Score may be different than it otherwise would have been in certain years based on the scheduled receipt of State payments.

The following table sets forth the District's Original Scores and Adjusted Scores, as well as the designation assigned to each score, for each of the last five fiscal years (as released by ISBE in the calendar year following the conclusion of each fiscal year):

Fiscal Year (June 30)	Original Score	Designation Based on Original Score	Adjusted Score	Designation Based on Adjusted Score
2020	3.25	Financial Review	3.25	Financial Review
2021	3.25	Financial Review	3.25	Financial Review
2022	2.80	Financial Warning	2.45	Financial Watch
2023	1.65	Financial Watch	1.65	Financial Watch
2024	1.75	Financial Watch	1.75	Financial Watch
2025 (1)	3.00	Financial Warning	N/A	N/A

(1) A preliminary score reported in the District's fiscal year 2025 Annual Financial Report.
Source: ISBE, except for the preliminary fiscal year 2025 score.

RETIREMENT PLANS

The District participates in two defined benefit pension plans: (i) the Teachers' Retirement System of the State of Illinois ("TRS"), which provides retirement benefits to the District's teaching employees, and (ii) the Illinois Municipal Retirement Fund (the "IMRF" and, together with TRS, the "Pension Plans"), which provides retirement benefits to the District's non-teaching employees. The District makes certain contributions to the Pension Plans on behalf of its employees, as further described in this section. The operations of the Pension Plans, including the contributions to be made to the Pension Plans, the benefits provided by the Pension Plans, and the actuarial assumptions and methods employed in generating the liabilities and contributions of the Pension Plans, are governed by the Illinois Pension Code, as amended (the "Pension Code").

The following summarizes certain provisions of the Pension Plans and the funded status of the Pension Plans, as more completely described in Note 9 to the Audit, attached hereto as Appendix B.

Background Regarding Pension Plans

The Actuarial Valuation

The disclosures in the Audit related to the Pension Plans are based in part on the actuarial valuations of the Pension Plans. In the actuarial valuations, the actuary for each of the Pension Plans measures the financial position of the Pension Plan, determines the amount to be contributed to a Pension Plan pursuant to statutory requirements, and produces information mandated by the financial reporting standards (the "GASB Standards") issued by the Governmental Accounting Standards Board ("GASB"), as described below.

In producing an actuarial valuation, the actuary for a Pension Plan uses demographic data (including employee age, salary and service credits), economic assumptions (including estimated future salary and interest rates), and decrement assumptions (including employee turnover, mortality and retirement rates) and employs various actuarial methods to generate the information required to be included in such valuation.

GASB Standards

The GASB Standards provide standards for financial reporting and accounting related to pension plans.

The GASB Standards require calculation and disclosure of a "Net Pension Liability" or "Net Pension Asset", which is the difference between the actuarial present value of projected benefit payments that is attributed to past periods of employee service calculated pursuant to the methods and assumptions set forth in the GASB Standards (referred to in such statements as the "Total Pension Liability") and the fair market value of the pension plan's assets (referred to as the "Fiduciary Net Position").

Furthermore, the GASB Standards employ a rate, referred to in such statements as the "Discount Rate," which is used to discount projected benefit payments to their actuarial present values. The Discount Rate is a blended rate comprised of (1) a long-term expected rate of return on a pension plan's investments (to the extent that such assets are projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate meeting certain specifications set forth in the GASB Standards.

Finally, the GASB Standards require that the Net Pension Liability be disclosed in the notes to the financial statements of the pension system and that a proportionate share of the Net Pension Liability be recognized on the balance sheet of the employer, and that an expense be recognized on the income statement of the employer.

Pension Plans Remain Governed by the Pension Code

As described above, the GASB Standards establish requirements for financial reporting purposes. However, the Pension Plans are ultimately governed by the provisions of the Pension

Code in all respects, including, but not limited to, the amounts to be contributed by the District to the Pension Plans in each year.

Teachers' Retirement System of the State of Illinois

The District participates in TRS, which is a cost-sharing multiple-employer defined benefit pension plan that was created by the General Assembly for the benefit of Illinois public school teachers outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer, which includes all school districts located outside of the City of Chicago, to provide services for which teacher licensure is required.

The Pension Code sets the benefit provisions of TRS, which can only be amended by the General Assembly. The State maintains primary responsibility for the funding of the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the System's administration.

For information relating to the actuarial assumptions and methods used by TRS, including the Discount Rate and the sensitivity of the Net Pension Liability to changes in the Discount Rate, see Note 9 to the Audit.

Employer Funding of Teachers' Retirement System

Under the Pension Code, active members contribute 9.0% of creditable earnings to TRS. The State makes the balance of employer contributions to the State on behalf of the District, except for a small portion contributed by the teacher's employer, such as the District. For the fiscal years ended June 30, 2021 through June 30, 2025, all amounts contributed by the District to TRS were as follows:

Fiscal Year Ended June 30	TRS Contribution
2021	$ 305,376
2022	172,245
2023	182,619
2024	262,494
2025	239,017

Source: The District's audited financial statements for the fiscal years ended June 30, 2021-2025.

For information regarding additional contributions the District may be required to make to TRS with respect to certain salary increases and other programs, see Note 9 to the Audit.

Illinois Municipal Retirement Fund

The District also participates in the IMRF, which is a defined-benefit, agent multiple employer pension plan that acts as a common investment and administrative agent for units of local government and school districts in the State. The IMRF is established and administered under statutes adopted by the General Assembly. The Pension Code sets the benefit provisions of the IMRF, which can only be amended by the General Assembly.

Each employer participating in the IMRF, including the District has an employer reserve account with the IMRF separate and distinct from all other participating employers (the "IMRF Account") along with a unique employer contribution rate determined by the IMRF Board of Trustees (the "IMRF Board"), as described below. The employees of a participating employer receive benefits solely from such employer's IMRF Account. Participating employers are not responsible for funding the deficits of other participating employers.

The IMRF issues a publicly available financial report that includes financial statements and required supplementary information which may be viewed at the IMRF's website.

See Note 10 to the Audit for additional information on the IMRF's actuarial methods and assumptions, including information regarding the Discount Rate and the sensitivity of the Net Pension Liability to changes in the Discount Rate.

Contributions

Both employers and employees contribute to the IMRF. At present, employees contribute 4.50% of their salary to the IMRF, as established by statute. Employers are required to make all additional contributions necessary to fund the benefits provided by the IMRF to its employees. The annual rate at which an employer must contribute to the IMRF is established by the IMRF Board. The District's contribution rate for calendar year 2024 was 6.44% of covered payroll.

For the calendar years ended December 31, 2020 through December 31, 2024, the District contributed the following amounts to IMRF:

Calendar Year Ended December 31	IMRF Contribution
2020	$ 312,767
2021	383,368
2022	339,094
2023	365,684
2024	387,693

Source: Actuarial GASB Disclosures Statement 68 prepared by Gabriel, Roeder, Smith & Company (GRS) as of December 31, 2020-2024.

Measures of Financial Position

The following table presents the measures of the IMRF Account's financial position as of December 31, 2020 through December 31, 2024, which are presented pursuant to the GASB Standards.

Calendar Year Ended December 31	Total Pension Liability	Fiduciary Net Position	Net Pension Liability/(Asset)	Fiduciary Net Position as a % of Total Pension Liability	Discount Rate
2020	$ 13,125,823	$ 13,447,910	$ (322,087)	102.45%	7.25%
2021	14,653,827	15,664,158	(1,010,331)	106.89%	7.25%
2022	15,405,146	13,272,199	2,132,947	86.15%	7.25%
2023	16,211,688	14,819,111	1,392,577	91.41%	7.25%
2024	16,817,033	15,768,523	1,048,510	93.77%	7.25%

Source: Actuarial GASB Disclosures Statement 68 prepared by Gabriel, Roeder, Smith & Company (GRS) as of December 31, 2020-2024.

See Note 10 to the Audit, and the related required supplementary information disclosures, for a description of the IMRF, the IMRF Account, the District's funding policy, information on the assumptions and methods used by the actuary, and the financial reporting information required by the GASB Standards.

OPEB Summary

The District's Health Insurance Plan for Retired Employees provides limited health care coverage for its eligible retired employees. The District sponsors medical and prescription drug insurance coverage through its group PPO plan to eligible retirees. The District also reimburses certain retirees for the cost of coverage obtained individually by the retiree. The District has not established a trust fund to finance the cost of the retiree insurance program. The post-retirement benefit plans for the District are funded on a pay-as you-go basis. The District provides post-employment benefits ("OPEB") other than pensions currently to 337 individuals. The agreements terminate when the individuals reach age 65 except for grandfathered participants who may receive benefits for life. The total OPEB liability was $13,066,668 as of June 30, 2025.

Post-Employment Benefit Trust

The District participates in the Teacher Health Insurance Security ("THIS") Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the General Assembly for the benefit of the State's retired public school teachers employed outside the City of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the TRS. Annuitants may participate in the State administered participating provider option plan or choose from several managed care options.

The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.67% during the year ended June 30, 2025, 0.67% during the year ended June 30, 2024 and 0.67% during the year ended June 30, 2023. For the year ended June 30, 2025, the District paid $137,478 to the THIS fund. For the years ended June 30, 2024 and June 30, 2023, the District paid $122,802 and $136,414, respectively, to the THIS Fund, which was 100% of the required contribution.

TAX MATTERS

Interest on the Bonds is includible in gross income of the owners thereof for federal income tax purposes. Ownership of the Bonds may result in other federal income tax consequences to certain taxpayers. Holders of the Bonds should consult their tax advisors with respect to the inclusion of interest on the Bonds in gross income for federal income tax purposes and any collateral tax consequences.

Interest on the Bonds is not exempt from present State income taxes. Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

LITIGATION

There is no controversy or litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds or in any way contesting or affecting the validity of the Bonds or any proceedings of the District taken with respect to the issuance or sale thereof.

BOND RATINGS

S&P is expected to assign its municipal bond rating of "AA" (Stable Outlook) to the Bonds with the understanding that upon delivery of the Bonds the Policy will be issued by BAM. See "BOND INSURANCE" above. S&P has assigned its municipal underlying rating of "A-" (Stable Outlook) to the Bonds.

The ratings reflect only the views of S&P and any explanation of the significance of such ratings may only be obtained from S&P. Certain information concerning the Bonds and the District not included in this Official Statement was furnished to S&P and BAM by the District. There is no assurance that the ratings will be maintained for any given period of time or that such ratings may not be changed by S&P, if, in the rating agency's judgment, circumstances so warrant. Any downward change in or withdrawal of the ratings may have an adverse effect on the market price of the Bonds. Except as may be required by the Undertaking described below under the heading "CONTINUING DISCLOSURE," neither the District nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such ratings or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

The District will enter into a Continuing Disclosure Undertaking (the "Undertaking") for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the "MSRB") pursuant to the requirements of the Rule. No person, other than the District, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a statement of other terms of the Undertaking, including termination, amendment and remedies, are set forth in "Appendix C – Form of Continuing Disclosure Undertaking."

The District expects to implement the March, 2019 update (Issue 100) of the Illinois Association of School Boards' Policy Reference Education Subscription Service (PRESS) that includes disclosure policies and procedures as Section 4.40–AP, Preparing and Updating Disclosures. The policies specifically include additional procedures to be followed by the District in relation to the two new reportable events required by the Rule for undertakings entered into on and after February 27, 2019.

The District failed to file its audited financial statements in a timely manner for fiscal year ended June 30, 2022. The draft audited financial statements were filed on January 26, 2023 on EMMA. The District failed to file its final audited financial statements in a timely manner for fiscal years ended June 30, 2022-2025. The District did timely file its annual financial information as required by the Undertaking for fiscal years ended June 30, 2022-2025. The District has established procedures to ensure timely filings in the future. A failure by the District to comply with the Undertaking will not constitute a default under the Bond Resolution and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. The District must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois ("Chapman and Cutler"), Bond Counsel, who has been retained by, and acts as, Bond Counsel to the District. Chapman and Cutler has also been retained by the District to serve as Disclosure Counsel to the District with respect to the Bonds. Although as Disclosure Counsel to the District, Chapman and Cutler has assisted the District with certain disclosure matters, Chapman and Cutler has not undertaken to independently verify the accuracy, completeness or fairness of any of the statements contained in this Official Statement or other offering material related to the Bonds and does not guarantee the accuracy, completeness or fairness of such information. Chapman and Cutler's engagement as Disclosure Counsel was undertaken solely at the request and for the benefit of the District, to assist it in discharging its responsibility with respect to this Official Statement, and not for the benefit of any other person (including any person purchasing Bonds from the Underwriter), and did not include any obligation to establish or confirm factual matters, forecasts, projections, estimates or any other financial or economic information in connection therewith. Further, Chapman and Cutler makes no representation as to the suitability of the Bonds for investment by any investor.

UNDERWRITING

Raymond James & Associates, Inc., Chicago, Illinois (the "Underwriter"), has agreed, subject to the terms of a purchase contract (the "Purchase Contract") to purchase the Bonds from the District at a price of $________. The Purchase Contract provides, in part, that the obligation of the Underwriter is subject to certain conditions precedent and that the Underwriter will be obligated to purchase all of the Bonds if any of the Bonds are purchased. The Underwriter has further agreed to offer the Bonds to the public at the approximate initial offering yields as set forth on the inside cover hereto. The Underwriter may offer and sell the Bonds to certain dealers and others at yields different than the offering yields stated on the inside cover hereto. The offering yields may be changed from time to time by the Underwriter. The aggregate underwriting fee for the Bonds equals ____ percent of the par amount of the Bonds.

MUNICIPAL ADVISOR

PMA Securities, LLC, Naperville, Illinois, has been retained as municipal advisor (the "Municipal Advisor" or "PMA") in connection with the issuance of the Bonds. In preparing this Official Statement, the Municipal Advisor has relied upon the District, and other sources, having access to relevant data to provide accurate information for this Official Statement. To the best of the Municipal Advisor's knowledge, the information contained in this Official Statement is true and accurate. However, the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information.

PMA is a broker-dealer and municipal advisor registered with the Commission and the MSRB and is a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In these roles, PMA generally provides fixed income brokerage services and public finance services to municipal entity clients, including municipal advisory services and advice with respect to the investment of proceeds of municipal securities. PMA is affiliated with PMA Financial Network, LLC, a financial services provider, and PMA Asset Management, LLC, and Public Trust Advisors, LLC, both investment advisers registered with the Commission. These entities operate under common ownership with PMA and are collectively referred to in this disclosure as the "Affiliates." Each of these Affiliates also provides services to municipal entity clients and PMA and Affiliates market the services of the other Affiliates. Unless otherwise stated, separate fees are charged for each of these products and services and referrals to its Affiliates result in an increase in revenue to the overall Affiliated companies.

The Municipal Advisor's duties, responsibilities, and fees in connection with this issuance arise solely from the services for which it is engaged to perform as municipal advisor on the Bonds. PMA's compensation for serving as municipal advisor on the Bonds is conditional on the final amount and successful closing of the Bonds. PMA receives additional fees for the services used by the District, if any, described in the paragraph above. The fees for these services arise from separate agreements with the District and with institutions of which the District may be a member.

THE OFFICIAL STATEMENT

This Official Statement includes the cover page, reverse thereof and the Appendices hereto.

All references to material not purporting to be quoted in full are only summaries of certain provisions thereof and do not purport to summarize or describe all the provisions thereof. Reference is hereby made to such instruments, documents and other materials for the complete provisions thereof, copies of which will be furnished upon request to the District.

Accuracy and Completeness of the Official Statement

This Official Statement has been approved by the District for distribution to the Underwriter.

The District's officials will provide to the Underwriter at the time of delivery of the Bonds, a certificate confirming to the Underwriter that, to the best of their knowledge and belief, this Official Statement as of the date hereof and at the time of the sale and delivery of the Bonds, was true and correct in all material respects and did not at any time contain any untrue statement of a material fact or omit to state a material fact required to be stated where necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

/s/ ______________________________

Interim Superintendent of Schools
School District Number 148
Cook County, Illinois

May __, 2026

Appendix A

Form of Legal Opinion of Bond Counsel

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

School District Number 148,
Cook County, Illinois

We hereby certify that we have examined certified copy of the proceedings (the *"Proceedings"*) of the Board of Education of School District Number 148, Cook County, Illinois (the *"District"*), passed preliminary to the issue by the District of its fully registered Taxable General Obligation Limited Tax School Bonds, Series 2026 (the *"Bonds"*), to the amount of $__________, dated ____________, 2026, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2027	$	%
2028		%
2029		%
2030		%
2031		%
2032		%
2033		%
2034		%
2035		%
2036		%
2037		%

the Bonds due on or after December 1, 20__, being subject to redemption prior to maturity at the option of the District as a whole or in part in any order of their maturity as determined by the District (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on December 1, 20__, or on any date thereafter, at the redemption price of par plus accrued interest to the redemption date, as provided in the Proceedings, and we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the District, is payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The amount of said taxes that may be extended to pay the Bonds is limited as provided by the Property Tax Extension Limitation Law of the State of Illinois, as amended (the *"Law"*). The Law provides that the annual amount of said taxes to be extended to pay the Bonds and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) heretofore and hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District, as more fully described in the Proceedings.

It is our opinion that under present law, interest on the Bonds is includible in gross income of the owners thereof for federal income tax purposes. Ownership of the Bonds may result in other federal income tax consequences to certain taxpayers. Bondholders should consult their own tax advisors concerning tax consequences of ownership of the Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the District with respect to certain material facts within the District's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Appendix B

Annual Financial Report for Fiscal Year Ended June 30, 2025

The Annual Financial Report of the District contained in this Appendix B (the "Audit"), including the independent auditor's report accompanying the Audit, has been prepared by John Kasperek Co., Calumet City, Illinois (the "Auditor"), and approved by formal action of the Board of Education of the District. The District has not requested the Auditor to update information contained in the Audit; nor has the District requested that the Auditor consent to the use of the Audit in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Audit has not been updated since the date of the Audit. The inclusion of the Audit in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the District since the date of the Audit.

The District has many finding in its audits. The District is dealing with them and does not believe any individual finding has a material impact on the District's financial health and operations. The fiscal year 2024 audit, however, did note that the District had to return $800,000 in Early Childhood and ESSER funds (which amount was accounted for in the fiscal year 2026 budget) because the prior superintendent did not adequately track the grants. The District does not anticipate this happening again under new management and has hired a financial consultant to assist with grant tracking.

The District's fiscal years 2022-2024 audits were issued with qualified opinions as a result of the auditor's inability to reconcile the District's cash position with the Thornton Township School Treasurer's Office (the "Township Treasurer"), which manages the District's cash and had experienced significant staff turnover. Management reports that the cash amounts are now reconciled monthly. While the fiscal year 2025 audit was again issued with a qualified opinion, the District's auditor, which also audits the Township Treasurer's office, indicated that this was due to an unresolved discrepancy that subsequent to the publication of the District's audit was found to be about $30,000 across the ten districts that hold funds at the Township Treasurer. Going forward, the District expects to have an unqualified opinion from the auditor.

DOLTON WEST SCHOOL DISTRICT #148

COOK COUNTY, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
JUNE 30, 2025

John Kasperek Co.
CERTIFIED PUBLIC ACCOUNTANTS

DOLTON WEST SCHOOL DISTRICT #148

TABLE OF CONTENTS

John Kasperek Co.
CERTIFIED PUBLIC ACCOUNTANTS

East Office: 1471 Ring Road • Calumet City, IL 60409
West Office: 9980 W. 190th St., Unit A • Mokena, IL 60448

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Dolton West School District #148
Riverdale, Illinois

Report on the Audit of Financial Statements

Qualified Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of Dolton West School District #148 (District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of the District, as of June 30, 2025, and the respective changes in the modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Qualified Opinions

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

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

Emphasis of Matter - Basis of Accounting

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Supplementary Information

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

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 3, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

John Kasperek Co., Inc.

Calumet City, Illinois
April 3, 2026

Overview of the Financial Statements

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

District-Wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

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

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

The District considers all governmental funds to be major funds.

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

Notes to the Financial Statements

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

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

Other Information

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

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

Figure A-1. Organization of Dolton West School District #148's

Annual Financial Report

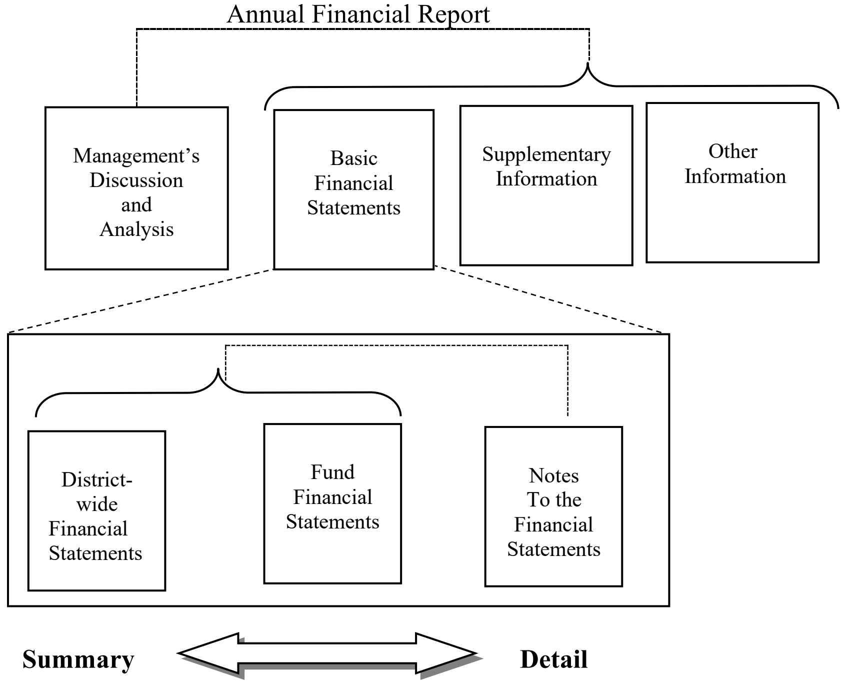


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this section of management's discussion and analysis highlights the structure and contents of each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

FIGURE A-2
Major Features of the District-wide and Fund Financial Statements

	District-wide Statements	Fund Financial Statements
		Governmental Funds
Scope	Entire District	The activities of the District that are not proprietary, such as Educational and Operations and Maintenance.
Required financial statements	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenues, expenditures, and changes in fund balance.
Accounting basis and measurement focus.	Modified cash basis of accounting and economic resources focus.	Modified cash basis of accounting and current financial resources focus.
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included.
Type of inflow/outflow Information	All revenues received and expenses paid during year, modified to include capital assets, net of accumulated depreciation & long term debt.	Revenues for which amounts are received and recorded; expenditures when goods or services have been paid.

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

Financial Highlights

On the District Fund Financial Statements

- The District State and Federal revenue (outside of Evidence-based funding) received in FY25 increased by $5,847,681 in comparison to FY24 revenue received.
- The District Evidence-based funding received in FY25 increased by $1,144,450 in comparison to FY24 revenue received.
- The District Property and Replacement tax revenue received in FY25 increased by $1,962,223 in comparison to FY24 revenue received.
- The District expenditures disbursed in FY25 decreased by $1,921,250 in instruction in comparison to FY24 expenditures disbursed. This was due in large part to expenditures in FY24 for the Flying Classroom program.
- The District expenditures disbursed in FY25 decreased by $3,739,923 in capital outlay in comparison to FY24 expenditures disbursed. This was due in large part to the FY24 copier lease issuance and purchase of the Flying Classroom.

Financial Analysis of the District's Funds

As the District completed the year, its governmental funds reported a combined fund balance of $7,161,432. Revenues from the District's statement of revenues, expenditures and changes in fund balances were $75,093,742. Expenditures from the District's statement of revenues, expenditures and changes in fund balances were $67,609,908.

Governmental Budgetary Highlights

The original budget as passed by the Board of Education was amended during the year. The District's final budget for governmental funds (General, Debt Service, Transportation, Municipal Retirement/Social Security, and Fire Prevention and Safety), anticipated that revenues would exceed expenditures by approximately $13,575,341; however, the actual reports for the year show revenues exceeding expenditures by $8,157,651. See more budget information under notes to supplementary information.

Table 1
Budgetary highlights
Anticipated revenues over (under) expenditures

	Revenue	Expenditures	Anticipated
General	$ 61,042,766	$ 44,610,350	$ 16,432,416
Transportation	1,793,500	1,230,500	563,000
Municipal Retirement/Social Security	1,370,300	1,104,400	265,900
Debt Service	4,021,000	3,991,700	29,300
Capital Projects	-	-	-
Fire Prevention and Safety	122,500	-	122,500
Total	$ 68,350,066	$ 50,936,950	$ 17,413,116

District-Wide Financial Analyis

Statement of Net Position:

The District's net position is $11,714,201.

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

- Current assets consist of cash and investments of $7,057,214 which is in a shared pool of investments managed by the Township's Treasurer and $104,218 of cash maintained at the District.
- Net capital assets at June 30, 2025 totaled $11,749,494.
- Current liabilities include the portion of the outstanding bonds due within one year of $3,005,822 and leases due within one year of $395,474.
- Long-term liabilities include the portion of the outstanding bonds due after one year of $2,642,218, a bond premium of $128,493, and leases due after one year of $1,024,718.

Table 2
Statement of Net Position - Modified Cash Basis

	2025	2024
Current and other assets	$ 7,161,432	$ 399,938
Capital assets, net	11,749,494	13,951,153
Total assets	18,910,926	14,351,091
Current liabilities	3,401,296	4,660,976
Long-term liabilities	3,795,429	7,332,836
Total liabilities	7,196,725	11,993,812
Net position:		
Net investment in capital assets	4,552,769	2,855,567
Restricted	3,790,838	2,849,596
Unrestricted (deficit)	3,370,594	(3,347,884)
Total net position	$ 11,714,201	$ 2,357,279

Statement of Activities:

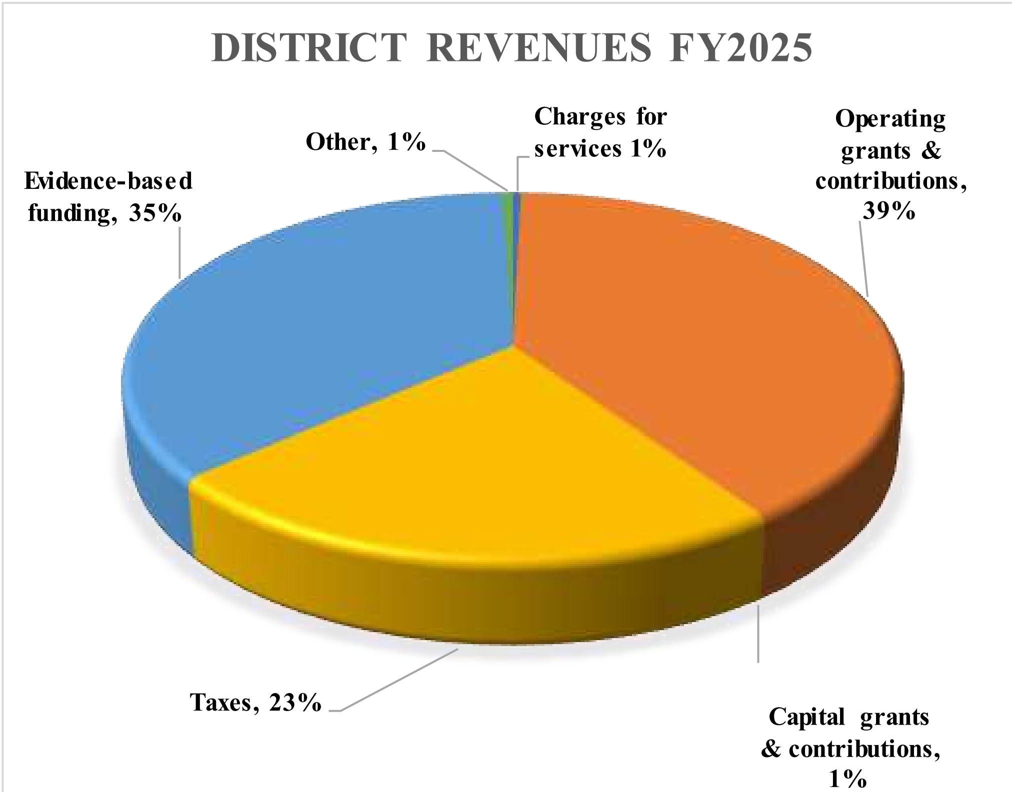
The District's total general revenues were $42,688,845, of which taxes represent $16,588,661, and Evidence-based funding of $25,743,199.

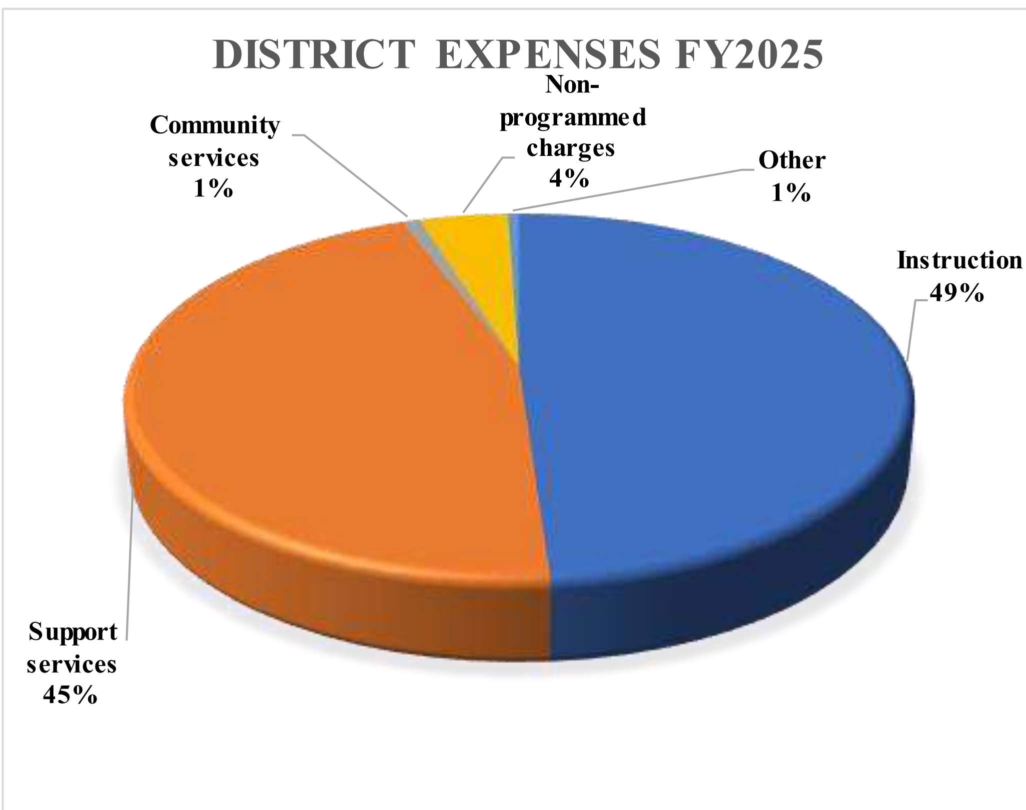
District charges for services along with State and Federal aid for specific programs brought in $28,918,287 in revenues (includes on-behalf contributions from the State of Illinois of $6,270,258).

The total cost of all programs and services was $62,250,210. The District's expenses are predominantly related to instruction and support services. Other major expenses were incurred to cover the cost of outside special education services, building operations and transportation (includes on-behalf contributions from the State of Illinois of $6,270,258).

Table 3
Statement of Activities - Modified Cash Basis

	2025	2024	Increase (Decrease) $
Revenues:			
Program revenues:			
Charges for services	$ 299,370	$ 206,124	$ 93,246
Operating grants & contributions	28,604,047	21,265,029	7,339,018
Capital grants & contributions	14,870	3,813,750	(3,798,880)
	28,918,287	25,284,903	3,633,384
General revenues:			
Taxes	16,588,661	14,626,438	1,962,223
Evidence-based funding	25,743,199	24,598,749	1,144,450
Other	356,985	113,572	243,413
	42,688,845	39,338,759	3,350,086
Total revenue	71,607,132	64,623,662	6,983,470
Expenses:			
Instruction	30,450,746	34,268,914	(3,818,168)
Support services	28,276,716	27,253,153	1,023,563
Community services	537,871	631,781	(93,910)
Non-programmed charges	2,662,980	2,278,682	384,298
Other	321,897	231,416	90,481
Total expenses	62,250,210	64,663,946	(2,413,736)
Change in net position	9,356,922	(40,284)	9,397,206
Net Position – Beginning	2,357,279	2,397,563	
Net Position – Ending	$ 11,714,201	$ 2,357,279	


DISTRICT REVENUES FY2025
Other, 1%
Charges for services 1%
Operating grants & contributions, 39%
Evidence-based funding, 35%
Taxes, 23%
Capital grants & contributions, 1%


DISTRICT EXPENSES FY2025
Community services 1%
Non-programmed charges 4%
Other 1%
Instruction 49%
Support services 45%

Capital Assets

As of June 30, 2025, the District has invested $11,749,494 (net of depreciation and amortization) in a broad range of capital assets, including land, construction in progress, buildings, improvements, equipment (i.e. computer, audio-visual, transportation and maintenance equipment and furniture) and lease assets.

Table 4
Capital Assets (net of depreciation or amortization)

	2025	2024
Land	$ 234,520	$ 234,520
Buildings	50,370,850	50,370,850
Improvements (other than buildings)	3,426,912	3,426,912
Equipment	10,525,860	10,081,004
Lease assets	1,990,041	1,990,041
Total	66,548,183	66,103,327
Total accumulated depreciation and amortization	54,798,689	52,152,174
Net Capital Assets	$ 11,749,494	$ 13,951,153

Long-Term Debt

As of June 30, 2025, the District had $5,648,040 in general obligation bonds outstanding as well as a bond premium of $128,493 and leases of $1,420,192.

Table 5
Outstanding Long-Term Debt

	2025	2024
General obligation bonds	$ 5,648,040	$ 9,195,136
Bond premium	128,493	264,604
Lease liability	1,420,192	1,811,732
Total	$ 7,196,725	$ 11,271,472

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

Factors Bearing on the District's Future

The District's new administrative team, which has been in place since August 2025, has been actively working on a plan to stabilize the District's financial condition by regenerating fund balance reserves and eliminating the District's structural deficit. The new team has over eighty years of combined administrative experience and specific experience in implementing fiscal stabilization plans within Illinois school districts.

The administrative team has been working closely with the Board of Education to develop a multi-million-dollar expenditure reduction plan to begin at the start of the 2026-27 fiscal year with the goal of achieving a balanced budget without negatively impacting student learning in the District. This will involve a significant reduction in non-instructional personnel. The goal is to right size the budget to better match declining student enrollment which has occurred over the past decade. Longer-term fiscal stabilization plans include an examination of building closures in future years to optimize building efficiencies.

It is also anticipated that the District will issue $10 million in bonds to be used to increase operating fund balances in June of 2026. This will help address cash flow needs throughout the fiscal year.

Request for Information

This financial report is designed to provide a general overview of the District's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the District Administration Office, 114 West 144th Street, Riverdale, Illinois 60827.

BASIC FINANCIAL STATEMENTS

DOLTON WEST SCHOOL DISTRICT #148
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2025

	Governmental Activities
ASSETS	
Cash and investments - pooled accounts	$ 7,057,214
Cash at district	104,218
Capital assets not being depreciated or amortized	234,520
Capital assets, net of accumulated depreciation and amortization	11,514,974
Total Assets	$ 18,910,926
LIABILITIES	
Due within one year	
General obligation bonds	$ 3,005,822
Lease liability	395,474
Due in more than one year	
General obligation bonds and bond premium	2,770,711
Lease liability	1,024,718
Total Liabilities	7,196,725
NET POSITION	
Net investment in capital assets	4,552,769
Restricted	
Tort immunity	234,403
Transportation	2,767,303
Debt service	8,946
Fire prevention and safety	780,186
Unrestricted	3,370,594
Total Net Position	11,714,201
Total Liabilities and Net Position	$ 18,910,926

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

DOLTON WEST SCHOOL DISTRICT #148
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental Activities					
Instructional services					
Regular programs	$ 20,086,322	$ 144,486	$ 17,748,434	$ 14,870	$ (2,178,532)
Special programs	5,736,934	-	1,263,300	-	(4,473,634)
Other instructional programs	534,354	-	97,432	-	(436,922)
Student activities	142,873	154,884	-	-	12,011
State retirement contributions	3,950,263	-	3,950,263	-	-
Support services					
Pupils	2,250,151	-	-	-	(2,250,151)
Instructional staff	2,913,916	-	289,977	-	(2,623,939)
General administration	2,267,333	-	-	-	(2,267,333)
School administration	2,534,398	-	-	-	(2,534,398)
Business	4,494,141	-	2,021,737	-	(2,472,404)
Operation and maintenance of facilities	6,770,404	-	-	-	(6,770,404)
Transportation	2,083,070	-	912,909	-	(1,170,161)
Central	1,462,507	-	-	-	(1,462,507)
Other	1,180,801	-	-	-	(1,180,801)
State retirement contributions	2,319,995	-	2,319,995	-	-
Community services	537,871	-	-	-	(537,871)
Non-programmed charges	2,662,980	-	-	-	(2,662,980)
Interest and on long-term liabilities and fiscal charges	321,897	-	-	-	(321,897)
Total governmental activities	$ 62,250,210	$ 299,370	$ 28,604,047	$ 14,870	(33,331,923)
General revenues					
Property taxes levied for					
Current operating purposes					11,635,078
Debt service					4,368,222
Personal property replacement taxes					585,361
Evidence-based funding					25,743,199
Earnings on investments					271,819
Miscellaneous					85,166
Total general revenues					42,688,845
Change in net position					9,356,922
Net position, beginning of year					2,357,279
Net position, end of year					$ 11,714,201

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

DOLTON WEST SCHOOL DISTRICT #148
BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General	Transportation	Municipal Retirement/ Social Security	Debt Service
ASSETS				
Cash and investments - pooled accounts	$ 420,660	$ 2,967,303	$ 678,380	$ 2,156,440
Cash at district	104,218	-	-	-
Total Assets	$ 524,878	$ 2,967,303	$ 678,380	$ 2,156,440
LIABILITIES	$ -	$ -	$ -	$ -
FUND BALANCES				
Restricted				
Tort immunity	234,403	-	-	-
Transportation	-	2,767,303	-	-
Debt service	-	-	-	8,946
Fire prevention and safety	-	-	-	-
Assigned				
Student activities	99,218	-	-	-
Transportation	-	200,000	-	-
Municipal retirement/social security	-	-	678,380	-
Capital projects	-	-	-	-
Debt service	-	-	-	2,147,494
Unassigned	191,257	-	-	-
Total Fund Balances	524,878	2,967,303	678,380	2,156,440
Total Liabilities and Fund Balances	$ 524,878	$ 2,967,303	$ 678,380	$ 2,156,440

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

DOLTON WEST SCHOOL DISTRICT #148
BALANCE SHEET - MODIFIED CASH BASIS (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2025

	Capital Projects	Fire Prevention and Safety	Total
ASSETS			
Cash and investments - pooled accounts	$ 54,245	$ 780,186	$ 7,057,214
Cash at district	-	-	104,218
Total Assets	$ 54,245	$ 780,186	$ 7,161,432
LIABILITIES	$ -	$ -	$ -
FUND BALANCES			
Restricted			
Tort immunity	-	-	234,403
Transportation	-	-	2,767,303
Debt service	-	-	8,946
Fire prevention and safety	-	780,186	780,186
Assigned			
Student activities	-	-	99,218
Transportation	-	-	200,000
Municipal retirement/social security	-	-	678,380
Capital projects	54,245	-	54,245
Debt service	-	-	2,147,494
Unassigned	-	-	191,257
Total Fund Balances	54,245	780,186	7,161,432
Total Liabilities and Fund Balances	$ 54,245	$ 780,186	$ 7,161,432

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

DOLTON WEST SCHOOL DISTRICT #148
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2025

Total fund balances - governmental funds	$ 7,161,432
Amounts reported for governmental activities in the statement of net position - modified cash basis are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	11,749,494
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds:	
General obligation bonds and bond premium	(5,776,533)
Lease liability	(1,420,192)
Net position of governmental activities	$ 11,714,201

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

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DOLTON WEST SCHOOL DISTRICT #148
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	General	Transportation	Municipal Retirement/ Social Security	Debt Service
REVENUES RECEIVED				
Local sources				
Property taxes	$ 8,813,092	$ 1,663,350	$ 1,016,781	$ 4,368,222
Personal property replacement taxes	451,860	-	133,501	-
Earnings on investments	145,245	70,156	(12,641)	37,368
Student activities	154,884	-	-	-
Refund of prior year expenditures	16,602	-	-	-
Other	213,050	-	-	-
Evidence-based funding	24,635,332	-	700,000	407,867
Restricted state aid	2,184,436	912,909	-	-
Restricted federal aid	19,251,314	-	-	-
State retirement contributions	9,756,868	-	-	-
Total Revenues Received	65,622,683	2,646,415	1,837,641	4,813,457
EXPENDITURES DISBURSED				
Current				
Instruction	32,457,859	-	508,626	-
Support services	24,275,889	1,687,581	640,356	-
Community services	527,047	-	10,824	-
Non-programmed charges	2,662,980	-	-	-
Capital outlay	442,102	-	-	-
Debt service				
Principal	-	-	-	3,938,636
Interest and fiscal charges	-	-	-	458,008
Total Expenditures Disbursed	60,365,877	1,687,581	1,159,806	4,396,644
Net change in fund balances	5,256,806	958,834	677,835	416,813
Fund balances (deficits) at beginning of year	(4,731,928)	2,008,469	545	1,739,627
Fund balances at end of year	$ 524,878	$ 2,967,303	$ 678,380	$ 2,156,440

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

DOLTON WEST SCHOOL DISTRICT #148
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Capital Projects	Fire Prevention and Safety	Total
REVENUES RECEIVED			
Local sources			
Property taxes	$ -	$ 141,855	$ 16,003,300
Personal property replacement taxes	-	-	585,361
Earnings on investments	2,425	29,266	271,819
Student activities	-	-	154,884
Refund of prior year expenditures	-	-	16,602
Other	-	-	213,050
Evidence-based funding	-	-	25,743,199
Restricted state aid	-	-	3,097,345
Restricted federal aid	-	-	19,251,314
State retirement contributions	-	-	9,756,868
Total Revenues Received	2,425	171,121	75,093,742
EXPENDITURES DISBURSED			
Current			
Instruction	-	-	32,966,485
Support services	-	-	26,603,826
Community services	-	-	537,871
Non-programmed charges	-	-	2,662,980
Capital outlay	-	-	442,102
Debt service			
Principal	-	-	3,938,636
Interest and fiscal charges	-	-	458,008
Total Expenditures Disbursed	-	-	67,609,908
Net change in fund balances	2,425	171,121	7,483,834
Fund balances (deficits) at beginning of year	51,820	609,065	(322,402)
Fund balances at end of year	$ 54,245	$ 780,186	$ 7,161,432

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

DOLTON WEST SCHOOL DISTRICT #148
RECONCILIATION OF THE STATEMENT OF REVENUES RECEIVED,
EXPENDITURES DISBURSED, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2025

Net change in fund balances - total governmental funds	$ 7,483,834
Amounts reported for governmental activities in the statement of activities - modified cash basis are different because:	
Governmental funds report capital outlay as expenditures. However, in the statement of activities - modified cash basis, the cost of these assets are allocated over their estimated useful lives and reported as depreciation and amortization expense.	
Capital outlay reported in governmental funds	444,856
Amortization expense reported in the statement of activities	(398,004)
Depreciation expense reported in the statement of activities	(2,248,511)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of the governmental funds:	
Repayment of bond principal	3,547,096
Repayment of lease liability	391,540
Amortization of bond premium	136,111
Change in net position of governmental activities	$ 9,356,922

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Dolton West School District #148 (the District) is located in Riverdale and Dolton, Illinois and is governed by an elected Board of Education. The Board of Education maintains fiscal responsibility for all personnel, budgetary, taxing and debt matters. The District is organized under The School Code of State of Illinois, as amended.

The accompanying financial statements of the District have been prepared in conformity with the modified cash basis of accounting, which is a special purpose framework other than generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Although these financial statements are not prepared in accordance with generally accepted accounting principles, they follow the presentation format and include similar disclosures required by GAAP.

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

B. BASIS OF PRESENTATION

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. BASIS OF PRESENTATION (CONTINUED)

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

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

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

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

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

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

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements

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

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Governmental Fund Financial Statements

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

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

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

D. CASH AND INVESTMENTS

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

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. CAPITAL ASSETS

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

Asset Class	Estimated Useful Life
Buildings	50
Improvements (other than buildings)	20
Equipment	5-10
Lease assets - equipment	Term of agreement

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

F. LEASES

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

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

G. PERSONAL PROPERTY REPLACEMENT TAXES

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

H. ELIMINATIONS AND RECLASSIFICATIONS

In the process of aggregating data for the Government-Wide Financial Statements, some amounts reported as interfund activity and balances were eliminated or reclassified.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. NET POSITION AND FUND BALANCE

Equity is classified as net position in the Government-Wide Financial Statements and displayed in three components:

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

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

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

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. NET POSITION AND FUND BALANCE (CONTINUED)

Minimum Fund Balance Policy

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

NOTE 2. DEPOSITS AND INVESTMENTS

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

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

Credit Risk – Investments: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As of June 30, 2025, the Treasurer's Office external investment pool was unrated.

Interest Rate Risk – Investments: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As of June 30, 2024, most current information, the weighted average maturity of the Treasurer's Office external investment pool was 1.60 years.

Custodial Credit Risk – Cash: Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2025, none of the District's bank balances of $112,355 were exposed to custodial credit risk.

NOTE 3. CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2025 are below:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets not being depreciated or amortized				
Land	$ 234,520	$ -	$ -	$ 234,520
Total capital assets not being depreciated or amortized	234,520	-	-	234,520
Capital assets being depreciated or amortized				
Buildings	50,370,850	-	-	50,370,850
Improvements (other than buildings)	3,426,912	-	-	3,426,912
Equipment	10,081,004	444,856	-	10,525,860
Lease assets - equipment	1,990,041	-	-	1,990,041
Total capital assets being depreciated or amortized	65,868,807	444,856	-	66,313,663
Less accumulated depreciation and amortization for				
Buildings	47,387,639	60,964	-	47,448,603
Improvements (other than buildings)	499,007	171,345	-	670,352
Equipment	4,087,219	2,016,202	-	6,103,421
Lease assets - equipment	178,309	398,004	-	576,313
Total accumulated depreciation and amortization	52,152,174	2,646,515	-	54,798,689
Total capital assets being depreciated or amortized, net	13,716,633	(2,201,659)	-	11,514,974
Governmental activities capital assets, net	$ 13,951,153	$ (2,201,659)	$ -	$ 11,749,494

Depreciation and amortization expense is reported on the Statement of Activities - Modified Cash Basis as $2,248,511 of depreciation expense allocated to operations and maintenance and $398,004 of amortization expense allocated to instructional staff.

NOTE 4. LONG-TERM LIABILITIES

Changes in long-term liabilities are summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
General obligation bonds	$ 9,195,136	$ -	$ (3,547,096)	$ 5,648,040	$ 3,005,822
Bond premium	264,604	-	(136,111)	128,493	-
Lease liability	1,811,732	-	(391,540)	1,420,192	395,474
Total	$ 11,271,472	$ -	$ (4,074,747)	$ 7,196,725	$ 3,401,296

NOTE 4. LONG-TERM LIABILITIES (CONTINUED)

A. GENERAL OBLIGATION BONDS

General obligation bonds payable at June 30, 2025 consists of the following individual issues:

$7,080,633 Series 2009D Capital Appreciation School Bonds due in annual installments on December 1 of $177,096 to $1,220,310 with interest from 1.80% to 5.50% due June 1 and December 1. The bonds mature December 1, 2028.	$ 1,313,040
$5,600,000 Series 2018A General Obligation Refunding School Bonds due in annual installments on December 1 of $555,000 to $765,000 with interest from 5.00% to 5.25% due June 1 and December 1. The bonds mature December 1, 2026.	1,320,000
$5,290,000 Series 2019A General Obligation Refunding School Bonds due in annual installments on December 1 of $230,000 to $1,085,000 with interest at 4% due June 1 and December 1. The bonds mature December 1, 2026.	1,315,000
$4,795,000 Series 2019B Taxable General Obligation Refunding School Bonds due in annual installments on December 1 of $495,000 to $1,010,000 with interest from 1.93% to 2.37% due June 1 and December 1. The bonds mature December 1, 2026.	1,700,000
Total	$ 5,648,040

At June 30, 2025, the annual cash flow requirements of bond principal and interest were as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 3,005,822	$ 1,011,618	$ 4,017,440
2027	2,642,218	984,447	3,626,665
	$ 5,648,040	$ 1,996,065	$ 7,644,105

The proceeds from the Series 2019B bonds are used to pay the Series 2009D bonds principal and interest payments from December 1, 2024 through December 1, 2028. These proceeds are held in an escrow subaccount held by Amalgamated Bank of Chicago.

NOTE 4. LONG-TERM LIABILITIES (CONTINUED)

B. LEASES

The District has entered into a lease agreement for copier equipment and recognizes a lease liability and related lease asset. The agreement has a five-year term ending in October 2028, and has fixed monthly payments of $33,989. The annual debt service requirements to maturity for leases are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 395,474	$ 12,393	$ 407,867
2027	399,447	8,420	407,867
2028	403,463	4,404	407,867
2029	221,808	709	222,517
	$ 1,420,192	$ 25,926	$ 1,446,118

C. LEGAL DEBT MARGIN

The *Illinois School Code* permits school districts to issue certain types of bonds, such as the Series 2018A, 2019A, and 2019B, in excess of statutory debt limitations. As of June 30, 2025, the District's legal debt margin is $12,418,303 based on a debt limitation of $15,151,535 equal to 6.9 percent of the 2024 equalized assessed valuation of $219,587,470 and outstanding debt applicable to the debt limit of $2,733,232.

NOTE 5. PROPERTY TAXES

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. Property is appraised by the County Assessor at various percentages of fair market value and then subjected to equalization by the Illinois Department of Revenue to bring the aggregate County level toward the statutory standard of 33-1/3 of fair market value.

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

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

NOTE 5. PROPERTY TAXES (CONTINUED)

The Board passed the current levy on November 26, 2024. The following are the tax rate limits permitted by the School Code and by local referendum and the actual rates levied per $100.00 of equalized assessed valuation.

	Limit	Actual 2024 Levy	Actual 2023 Levy
Educational	As needed	3.572806	3.057900
Leasing educational facilities	0.100000	0.073579	0.073200
Operations and maintenance	0.550000	0.404681	0.402600
Debt service	As needed	2.312034	2.217000
Transportation	As needed	0.869850	0.865500
Municipal retirement	As needed	0.094577	0.094100
Social security	As needed	0.437077	0.434900
Working cash	0.050000	0.036790	0.036600
Tort immunity	As needed	0.680752	0.677300
Fire prevention and safety	0.100000	0.073579	0.073200
Levy adjustment PA 102-0519	As needed	0.076138	0.108100
		8.631863	8.040400
Equalized assessed valuation (EAV)		$ 219,587,470	$ 228,760,082

NOTE 6. JOINT AGREEMENT

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

The joint agreement is governed by a Board of Directors composed of Superintendents (or an alternative person appointed by the Superintendent) from each member district. Complete financial statements of the joint agreement may be obtained from its administrative office at 300 West 154th Street, South Holland, Illinois 60473. The District paid $2,085,972 to ECHO for tuition and services during the year ended June 30, 2025.

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

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

NOTE 7. CONTINGENCIES

The District has received funding from State and Federal grants in the current and prior years which are subject to audits by the granting agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant.

NOTE 8. RISK MANAGEMENT

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

NOTE 9. TEACHERS' RETIREMENT SYSTEM

Plan Description

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

TRS issues a publicly available financial report that can be obtained at https://www.trsil.org/financial/acfrs/fy2024; by writing to TRS at 2815 W. Washington Street, Post Office Box 19253, Springfield, Illinois 62794; or by calling (888) 678-3675, option 2.

Benefits Provided

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

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

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

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

NOTE 9. TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Contributions

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

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

On-behalf Contributions to TRS

The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2025, State of Illinois contributions recognized by the District were based on the state's proportionate share of the pension expense associated with the District, and the District recognized revenue and expenditures of $8,585,011 in governmental activities based on the economic resources measurement basis and revenues and expenditures of $9,572,196 in the General Fund based on the current financial resources measurement basis in pension contributions from the State of Illinois.

2.2 Formula Contributions to TRS

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions due for the year ended June 30, 2025 were $119,011.

Federal and Special Trust Fund Contributions

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

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

For the year ended June 30, 2025, the District's pension contribution was 10.34 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2025, salaries totaling $553,054 were paid from federal and special trust funds that required employer contributions of $57,186.

District Retirement Cost Contributions

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

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2025, the District paid $62,820 to TRS for employer contributions due on salary increases in excess of 6 percent and $0 for sick leave days granted in excess of the normal annual allotment.

NOTE 9. TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Net Pension Liabilities and Pension Expense

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

District's proportionate share of the net pension liability	$ 1,286,225
State's proportionate share of the net pension liability associated with the District	107,243,540
Total	$ 108,529,765

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2024, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2024, the District's proportion was 0.0014979491 percent, which was a decrease of 0.0003236951 from its proportion measured as of June 30, 2023.

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

For the year ended June 30, 2025, the District recognized pension expense of $483,569.

Actuarial Assumptions

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

Inflation	2.50 percent
Salary Increases	Varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

In the June 30, 2024 actuarial valuation, mortality rates were based on the PubT-2010 Table with appropriate adjustments for TRS experience. The rates are based on a fully generational basis using projection table 2024 Adjusted Scale MP-2021.

NOTE 9. TEACHERS' RETIREMENT SYSTEM (CONTINUED)

Long-Term Expected Real Rate of Return

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

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

Discount Rate

At June 30, 2024, the discount rate used to measure the total pension liability was 7.0 percent, which was the same as the June 30, 2023 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions and state contributions will be made at the current statutorily-required rates.

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

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percent lower or 1 percent higher.

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the net pension liability	$ 1,588,524	$ 1,286,225	$ 1,035,632

TRS Fiduciary Net Position

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

NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND

Plan Description

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

Benefits Provided

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

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

Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

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

Employees Covered by Benefit Terms

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

Retirees and Beneficiaries currently receiving benefits	245
Inactive Plan Members entitled to but not yet receiving benefits	240
Active Plan Members	135
Total	620

Contributions

As set by ILCS, the District's Regular Plan Members are required to contribute 4.5 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's actuarially determined contribution rate for the calendar year 2024 was 7.55 percent. The District's actual contributions for the year ended June 30, 2025 were $410,489, 7.48 percent of covered payroll. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by ILCS.

NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

Net Pension Liability

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

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

Actuarial Assumptions

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

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

NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

Long-term Expected Rate of Return

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

		Projected returns/risk	
Asset class	Target allocation	One year arithmetic	Ten year geometric
Equities	33.5%	5.70%	4.35%
International equities	18.0%	7.10%	5.40%
Fixed income	24.5%	5.30%	5.20%
Real estate	10.5%	7.30%	6.40%
Alternatives	12.5%		
Private equity		10.00%	6.25%
Hedge funds		N/A	N/A
Commodities		6.05%	4.85%
Cash equivalents	1.0%	3.60%	3.60%
Total	100.00%		

Discount Rate

A discount rate of 7.25 percent was used to measure the total pension liability as of December 31, 2024. The projection of cash flow used to determine this discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rate reflects:

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

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

NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

Changes in the Net Pension Liability

	Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balance at beginning of year	$ 16,211,688	$ 14,819,111	$ 1,392,577
Changes for the year:			
Service cost	454,024	-	454,024
Interest	1,160,381	-	1,160,381
Differences between expected and actual experience	(142,168)	-	(142,168)
Contributions - employer	-	387,693	(387,693)
Contributions - employee	-	230,798	(230,798)
Net investment income	-	1,466,045	(1,466,045)
Benefit payments and refunds	(866,892)	(866,892)	-
Other (net transfer)	-	(268,232)	268,232
Net Changes	605,345	949,412	(344,067)
Balance at end of year	$ 16,817,033	$ 15,768,523	$ 1,048,510

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

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

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net pension liability (asset)	$ 2,999,939	$ 1,048,510	$ (546,596)

Pension Expense

For the year ended June 30, 2025, the District recognized pension expense of $567,182.

NOTE 11. TEACHER HEALTH INSURANCE SECURITY

Plan Description

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

NOTE 11. TEACHER HEALTH INSURANCE SECURITY (CONTINUED)

Plan Description (continued)

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

Benefits Provided

The State Employees Group Insurance Act of 1971 (5 ILCS 375/6.5) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS.

Contributions

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

The District's THIS Fund contribution was 0.67 percent of covered-employee payroll during the year ended June 30, 2025. Contributions due for the year ended June 30, 2025 were $137,478.

On Behalf Contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.90 percent of pay during the year ended June 30, 2025. State of Illinois contributions of $184,672 were recognized as revenues and expenditures by the District during the year in the General Fund based on the current financial resources measurement basis. On the economic resources measurement basis, the District recognized revenues and expenses of ($2,314,753) in governmental activities equal to the proportion of the State of Illinois' other postemployment benefit (OPEB) expense associated with the employer.

THIS Fund Fiduciary Net Position

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

Net OPEB Liability

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

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

District's proportionate share of the net OPEB liability	$	5,157,789
State's proportionate share of the net OPEB liability associated with the District		7,004,506
Total	$	12,162,295

The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2023. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2024, relative to the projected contributions for all participating THIS employers and the state during that period. At June 30, 2024 and 2023, the District's proportion was 0.065201percent and 0.068281 percent, respectively.

NOTE 11. TEACHER HEALTH INSURANCE SECURITY (CONTINUED)

Actuarial Assumptions

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

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

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

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

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

Discount Rate

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

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

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

	1% Decrease 2.97%	Current Discount Rate 3.97%	1% Increase 4.97%
District's proportionate share of the net OPEB liability	$ 5,756,096	$ 5,157,789	$ 4,630,365

NOTE 11. TEACHER HEALTH INSURANCE SECURITY (CONTINUED)

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

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

	1% Decrease (b)	Current Healthcare Cost Trend Rates	1% Increase (c)
District's proportionate share of the net OPEB liability	$ 4,440,856	$ 5,157,789	$ 6,010,913

a) Current healthcare trend rates – Pre-Medicare per capita costs: 6.00 percent in 2025, 8.00 percent in 2026, decreasing by 0.25 percent per year to an ultimate rate of 4.25 percent in 2041. Post-Medicare per capita costs: based on actual increases in 2025, 15.00 percent in 2026 to 2030, and 7.00 percent in 2031, decreasing ratably to an ultimate rate of 4.25 percent in 2041.

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

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

OPEB Expense

The District's OPEB income, as part of the June 30, 2024 measurement date was $1,721,518.

NOTE 12. HEALTH INSURANCE PLAN FOR RETIRED EMPLOYEES

Plan Description

The District's Health Insurance Plan for Retired Employees provides limited health care coverage for its eligible retired employees.

Funding Policy

The District has not established a trust fund the finance the cost of the retiree insurance program. The post retirement benefit plans for the District are funded on a pay-as-you-go basis.

Eligibility Provisions

Employees must retire under the Teachers' Retirement System of the State of Illinois and attain 10 or more years of service and immediately commence benefits to be eligible for medical and prescription drug insurance through the District's group PPO plan.

Tier I Employees (hired before January 1, 2011):

- Age 55 with at least 20 years of service (reduced pension)
- Age 60 with at least 10 years of service (full pension)
- Age 62 with at least 5 years of service (full pension)

Tier II Employees (hired on or after January 1, 2011):

- Age 62 with at least 10 years of service (reduced pension)
- Age 67 with at least 10 years of service (full pension)

NOTE 12. HEALTH INSURANCE PLAN FOR RETIRED EMPLOYEES (CONTINUED)

Benefits

The group insurance program of the District is delivered through the Educational Benefit Cooperative ("EBC"). The EBC is an entity created under Illinois state law that allows school districts to join together for the purpose of purchasing insurance. Benefits renew each year starting July 1. Retirees not grandfathered may elect coverage through the group PPO plan to age 65. Coverage to dependents of retirees is not available. The District reimburses grandfathered retirees for the cost of medical and prescription drug insurance obtained outside of the group plan. The amount of reimbursement may not exceed the single rate for the PPO plan. All coverage and benefits end at age 65 except for grandfathered participants who may receive benefits for life. Retirees may only elect coverage through the PPO plan.

Membership in the plan consisted of the following as of June 30, 2025:

	Participants
Active employees	305
Inactive employees receiving benefit payments	32
Inactive employees not yet receiving benefit payments	-
Total	337

Contributions

During the year ended June 30, 2025, the District contributed $254,136 to the plan.

Total OPEB Liability

The District's total OPEB liability was measured as of June 30, 2025. The total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of that date. Since the total OPEB liability, deferred outflows of resources, and deferred inflows of resources related to other postretirement benefits are not the result of cash transactions, the modified cash basis of accounting does not allow for these to be recorded on the Government-Wide Financial Statements.

Actuarial Assumptions

The assumptions detailed below are based on the baseline calculations for the fiscal year ended June 30, 2025, except for the assumed end of year discount rate.

Discount rate:	4.80 percent
Healthcare cost trend rate:	7.50 percent-4.50 percent
Salary scale:	4.00 percent per year
Inflation rate:	2.50 percent per year
Mortality rates:	Society of Actuaries Pub-2010 Public Retirement Plans Headcount-weighted Teachers Mortality Tables using Scale MP-2021 Full Generational Improvement.
Retirement age:	Retirement rates project the annual probability of retiring for eligible employees. Assumed retirement rates are based on those used for the TRS pension valuation (adopted by TRS for the June 30, 2025 valuation). This is deemed the most appropriate and credible source for projecting Retirement.

The discount rate was based on the S&P Municipal Bond 20-year High Grade and the Fidelity GO AA-20 Year indexes.

NOTE 12. HEALTH INSURANCE PLAN FOR RETIRED EMPLOYEES (CONTINUED)

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

The following presents the total OPEB liability, calculated using the current discount rate of 4.80% as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percent lower or 1 percent higher.

	1% Decrease	Current Discount Rate 4.80%	1% Increase
Total OPEB liability	$ 14,101,597	$ 13,066,668	$ 12,112,260

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

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

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$ 11,828,418	$ 13,066,668	$ 14,483,107

Changes in Total OPEB Liability

	Total OPEB Liability
Balance at beginning of year	$ 13,951,947
Changes for the year:	
Service cost	714,174
Interest cost	596,101
Difference between expected and actual experience	(1,894,271)
Changes in assumptions or inputs	(47,147)
Benefit payments	(254,136)
Net Change	(885,279)
Balance at end of year	$ 13,066,668

OPEB Expense

The District's OPEB expense as part of the June 30, 2025 valuation was $1,063,056.

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

DOLTON WEST SCHOOL DISTRICT #148
COMBINING BALANCE SHEET - MODIFIED CASH BASIS
GENERAL FUND
JUNE 30, 2025

	Educational Account	Operations and Maintenance Account	Working Cash Account	Tort Immunity Account	Eliminations	Total
ASSETS						
Cash and investments - pooled accounts	$ -	$ -	$ 1,366,818	$ 234,403	$ (1,180,561)	$ 420,660
Cash at district	104,218	-	-	-	-	104,218
Total Assets	$ 104,218	$ -	$ 1,366,818	$ 234,403	$ (1,180,561)	$ 524,878
LIABILITIES						
Other current liabilities - deficit cash	$ 1,180,561	$ -	$ -	$ -	$ (1,180,561)	$ -
Total Liabilities	1,180,561	-	-	-	(1,180,561)	-
FUND BALANCES						
Restricted						
Tort immunity	-	-	-	234,403	-	234,403
Assigned						
Student activities	99,218	-	-	-	-	99,218
Unassigned	(1,175,561)	-	1,366,818	-	-	191,257
Total Fund Balances (Deficits)	(1,076,343)	-	1,366,818	234,403	-	524,878
Total Liabilities and Fund Balances	$ 104,218	$ -	$ 1,366,818	$ 234,403	$ (1,180,561)	$ 524,878

DOLTON WEST SCHOOL DISTRICT #148
COMBINING STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Educational Account	Operations and Maintenance Account	Working Cash Account	Tort Immunity Account	Total
REVENUES RECEIVED					
Local sources					
Property taxes	$ 6,515,765	$ 923,842	$ 71,661	$ 1,301,824	$ 8,813,092
Personal property replacement taxes	451,860	-	-	-	451,860
Earnings on investments	343,596	(270,588)	43,566	28,671	145,245
Student activities	154,884	-	-	-	154,884
Refund of prior year expenditures	16,602	-	-	-	16,602
Other	68,564	144,486	-	-	213,050
Evidence-based funding	20,869,408	3,765,924	-	-	24,635,332
Restricted state aid	2,184,436	-	-	-	2,184,436
Restricted federal aid	19,251,314	-	-	-	19,251,314
State retirement contributions	9,756,868	-	-	-	9,756,868
Total Revenues Received	59,613,297	4,563,664	115,227	1,330,495	65,622,683
EXPENDITURES DISBURSED					
Current					
Instruction	32,457,859	-	-	-	32,457,859
Support services	18,452,015	4,295,720	-	1,528,154	24,275,889
Community services	527,047	-	-	-	527,047
Non-programmed charges	2,662,980	-	-	-	2,662,980
Capital outlay	30,996	411,106	-	-	442,102
Total Expenditures Disbursed	54,130,897	4,706,826	-	1,528,154	60,365,877
Net change in fund balances	5,482,400	(143,162)	115,227	(197,659)	5,256,806
Fund balances (deficits) at beginning of year	(6,558,743)	143,162	1,251,591	432,062	(4,731,928)
Fund balances (deficits) at end of year	$ (1,076,343)	$ -	$ 1,366,818	$ 234,403	$ 524,878

See independent auditor's report.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
EDUCATIONAL ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
REVENUES RECEIVED					
Local sources					
General levy	$ 7,035,000	$ 7,245,400	$ 6,515,765	$ (729,635)	$ 5,567,650
Special education levy	161,000	1,000	-	(1,000)	16,076
Personal property replacement taxes	1,000,000	460,000	451,860	(8,140)	765,036
Earnings on investments	100,500	270,500	343,596	73,096	123,886
Student activities	-	-	154,884	154,884	206,124
Refund of prior year expenditures	-	400,000	16,602	(383,398)	29,132
Other	35,000	135,000	68,564	(66,436)	66,765
Total local sources	8,331,500	8,511,900	7,551,271	(960,629)	6,774,669
State aid					
Unrestricted					
Evidence-based funding	24,600,000	20,260,800	20,869,408	608,608	18,548,122
Restricted					
Special education					
Private facility tuition	6,000	6,000	1,847	(4,153)	6,365
Orphanage - individual	125,000	275,000	273,934	(1,066)	119,139
State free lunch and breakfast	35,000	35,000	21,725	(13,275)	36,008
Education block grant	1,400,000	1,450,000	1,789,498	339,498	1,791,068
Technology for success	1,000	1,000	-	(1,000)	-
State charter schools	-	-	-	-	1,588
Other restricted revenue from state sources	20,000	50,000	97,432	47,432	43,212
State retirement contributions	-	-	9,756,868	9,756,868	9,515,409
Total state aid	26,187,000	22,077,800	32,810,712	10,732,912	30,060,911
Federal aid					
Restricted					
School lunch programs	1,400,000	1,400,000	1,103,322	(296,678)	1,401,388
Special breakfast program	700,000	500,000	544,882	44,882	681,021
Summer food service program	27,000	27,000	25,126	(1,874)	26,362
Child and adult care food program	300,000	300,000	326,682	26,682	364,904
Title I - low income	2,400,000	2,400,000	1,803,103	(596,897)	2,373,577
Title I - low income - neglected, private	75,000	75,000	-	(75,000)	-
Title I - school improvement & accountability	-	-	115,784	115,784	81,554
Title IV - student support & academic enrichment	195,000	195,000	221,894	26,894	195,057
Federal - special education					
Pre-school	50,000	50,000	36,038	(13,962)	48,220
I.D.E.A - flow through	1,100,000	1,100,000	282,345	(817,655)	1,080,300
Title II - teacher quality	100,000	205,000	289,977	84,977	103,781
Medicaid matching/administrative outreach	-	-	123,122	123,122	215,010
Medicaid matching/fee-for-service	600,000	400,000	546,014	146,014	385,086
Other restricted grants received from federal sources	13,848,716	13,848,716	13,833,025	(15,691)	6,867,707
Total federal aid	20,795,716	20,500,716	19,251,314	(1,249,402)	13,823,967
Total Revenues Received	55,314,216	51,090,416	59,613,297	8,522,881	50,659,547

See independent auditor's report.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
EDUCATIONAL ACCOUNT (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
EXPENDITURES DISBURSED					
Instruction					
Regular programs					
Salaries	$ 14,130,000	$ 15,646,891	$ 15,476,353	$ (170,538)	$ 15,033,245
Employee benefits	3,062,000	3,072,914	3,174,438	101,524	3,297,341
Purchased services	348,000	308,804	444,298	135,494	2,516,113
Supplies and materials	964,000	631,180	566,161	(65,019)	1,158,256
Capital outlay	-	-	7,270	7,270	1,335,628
Total regular programs	18,504,000	19,659,789	19,668,520	8,731	23,340,583
Special education programs					
Salaries	1,811,000	1,378,109	1,659,157	281,048	1,668,026
Employee benefits	202,000	24,000	107,811	83,811	108,907
Purchased services	1,235,000	2,603,000	3,125,280	522,280	1,982,669
Supplies and materials	32,000	50,000	58,193	8,193	33,499
Capital outlay	5,000	-	-	-	4,753
Total special education programs	3,285,000	4,055,109	4,950,441	895,332	3,797,854
Special education programs pre-k					
Purchased services	-	-	-	-	19,529
Total special education programs pre-k	-	-	-	-	19,529
Remedial and supplemental programs k-12					
Salaries	128,000	220,000	194,192	(25,808)	111,434
Employee benefits	-	-	-	-	588
Purchased services	125,000	125,000	157,110	32,110	111,000
Supplies and materials	560,000	319,606	354,205	34,599	512,943
Capital outlay	10,000	-	-	-	8,098
Total remedial and supplemental programs k-12	823,000	664,606	705,507	40,901	744,063
Interscholastic programs					
Salaries	34,000	9,000	2,000	(7,000)	27,371
Employee benefits	-	-	25	25	276
Purchased services	40,000	120,000	141,491	21,491	118,462
Supplies and materials	25,000	85,000	79,923	(5,077)	20,058
Capital outlay	5,000	21,000	20,108	(892)	-
Total interscholastic programs	104,000	235,000	243,547	8,547	166,167
Bilingual programs					
Salaries	195,000	150,000	175,166	25,166	184,812
Employee benefits	32,000	32,000	18,699	(13,301)	16,403
Purchased services	-	-	6,170	6,170	-
Total bilingual programs	227,000	182,000	200,035	18,035	201,215

See independent auditor's report.

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
EXPENDITURES DISBURSED (CONTINUED)					
Instruction (continued)					
Regular k-12 programs - private tuition					
Other objects	$ 1,100,000	$ 100,000	$ 108,312	$ 8,312	$ 1,036,245
Total regular k-12 programs - private tuition	1,100,000	100,000	108,312	8,312	1,036,245
Other programs					
Student activities	-	-	142,873	142,873	194,618
State retirement contributions	-	-	6,466,002	6,466,002	6,280,170
Total other programs	-	-	6,608,875	6,608,875	6,474,788
Total instruction	24,043,000	24,896,504	32,485,237	7,588,733	35,780,444
Support services					
Pupils					
Attendance and social work services					
Salaries	797,000	637,000	774,949	137,949	763,695
Employee benefits	98,000	98,000	50,315	(47,685)	47,543
Purchased services	-	2,000	762	(1,238)	-
Supplies and materials	3,000	-	9,805	9,805	2,698
Total attendance and social work services	898,000	737,000	835,831	98,831	813,936
Guidance services					
Purchased services	280,000	-	225	225	-
Supplies and materials	53,000	23,983	5,544	(18,439)	46,526
Total guidance services	333,000	23,983	5,769	(18,214)	46,526
Health services					
Salaries	375,000	350,000	411,547	61,547	321,919
Employee benefits	40,000	40,894	19,065	(21,829)	15,857
Purchased services	12,000	31,492	24,131	(7,361)	3,251
Total health services	427,000	422,386	454,743	32,357	341,027
Psychological services					
Salaries	401,000	352,000	454,105	102,105	371,556
Employee benefits	122,500	122,500	100,158	(22,342)	81,111
Supplies and materials	22,000	15,000	17,916	2,916	20,451
Total psychological services	545,500	489,500	572,179	82,679	473,118

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
EDUCATIONAL ACCOUNT (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
EXPENDITURES DISBURSED (CONTINUED)					
Support services (continued)					
Pupils (continued)					
Speech pathology and audiology services					
Salaries	$ 265,000	$ 240,000	$ 276,614	$ 36,614	$ 249,804
Employee benefits	50,000	47,000	38,036	(8,964)	33,300
Purchased services	-	7,000	8,243	1,243	225
Supplies and materials	12,000	10,000	2,613	(7,387)	10,038
Total speech pathology and audiology services	327,000	304,000	325,506	21,506	293,367
Total pupils	2,530,500	1,976,869	2,194,028	217,159	1,967,974
Instructional staff					
Improvement of instruction services					
Salaries	623,000	369,000	445,022	76,022	618,776
Employee benefits	108,500	70,681	39,711	(30,970)	106,105
Purchased services	538,000	788,941	1,199,384	410,443	894,024
Supplies and materials	37,500	10,000	10,987	987	10,216
Capital outlay	-	-	-	-	3,750
Other objects	12,000	-	-	-	3,795
Total improvement of instruction services	1,319,000	1,238,622	1,695,104	456,482	1,636,666
Educational media services					
Salaries	572,500	432,500	565,590	133,090	545,036
Employee benefits	97,000	97,000	63,650	(33,350)	37,067
Purchased services	607,500	410,000	142,269	(267,731)	293,220
Supplies and materials	25,000	-	-	-	24,206
Capital outlay	-	-	-	-	1,990,041
Total educational media services	1,302,000	939,500	771,509	(167,991)	2,889,570
Assessment and testing					
Purchased services	4,000	-	-	-	-
Total assessment and testing	4,000	-	-	-	-
Total instructional staff	2,625,000	2,178,122	2,466,613	288,491	4,526,236
General administration					
Board of Education services					
Employee benefits	300,000	350,000	255,115	(94,885)	224,771
Purchased services	226,000	432,000	684,800	252,800	400,108
Supplies and materials	1,000	1,000	380	(620)	219
Other objects	51,000	51,000	56,848	5,848	49,613
Total Board of Education services	578,000	834,000	997,143	163,143	674,711

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
EDUCATIONAL ACCOUNT (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
EXPENDITURES DISBURSED (CONTINUED)					
Support services (continued)					
General administration (continued)					
Executive administration services					
Salaries	$ 465,000	$ 465,000	$ 386,650	$ (78,350)	$ 435,222
Employee benefits	95,000	95,000	59,008	(35,992)	55,966
Purchased services	160,000	126,500	131,862	5,362	126,068
Supplies and materials	80,000	80,000	61,052	(18,948)	34,491
Capital outlay	-	-	3,618	3,618	-
Other objects	25,000	25,000	61,078	36,078	8,876
Total executive administration services	825,000	791,500	703,268	(88,232)	660,623
Special area administration services					
Salaries	246,500	152,500	162,808	10,308	240,386
Employee benefits	72,500	17,500	27,907	10,407	47,645
Total special area administration services	319,000	170,000	190,715	20,715	288,031
Total general administration	1,722,000	1,795,500	1,891,126	95,626	1,623,365
School administration					
Office of the principal services					
Salaries	1,990,000	1,900,000	2,059,706	159,706	1,963,861
Employee benefits	525,000	525,000	362,762	(162,238)	313,739
Purchased services	-	-	254	254	1,431
Other objects	-	-	6,659	6,659	4,155
Total office of the principal services	2,515,000	2,425,000	2,429,381	4,381	2,283,186
Other support services - school administration					
Other objects	-	-	1,098	1,098	1,404
Total other support services - school administration	-	-	1,098	1,098	1,404
Total school administration	2,515,000	2,425,000	2,430,479	5,479	2,284,590
Business					
Direction of business support services					
Salaries	100,000	100,000	98,691	(1,309)	95,057
Employee benefits	85,000	50,000	10,504	(39,496)	89,642
Purchased services	5,000	5,000	4,500	(500)	-
Total direction of business support services	190,000	155,000	113,695	(41,305)	184,699

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
EDUCATIONAL ACCOUNT (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
EXPENDITURES DISBURSED (CONTINUED)					
Support services (continued)					
Business (continued)					
Fiscal services					
Salaries	$ 220,500	$ 220,500	$ 345,283	$ 124,783	$ 205,277
Employee benefits	52,500	52,500	41,798	(10,702)	35,468
Purchased services	2,000	2,000	-	(2,000)	1,764
Other objects	-	-	2,230,554	2,230,554	-
Total fiscal services	275,000	275,000	2,617,635	2,342,635	242,509
Operation and maintenance of plant services					
Purchased services	-	-	-	-	478,384
Total operation and maintenance of plant services	-	-	-	-	478,384
Pupil transportation services					
Salaries	-	-	1,709	1,709	-
Purchased services	292,000	271,355	393,661	122,306	293,229
Total pupil transportation services	292,000	271,355	395,370	124,015	293,229
Food services					
Salaries	165,000	265,000	88,448	(176,552)	154,059
Purchased services	2,200,000	1,100,000	1,629,598	529,598	2,033,714
Supplies and materials	3,000	10,500	6,308	(4,192)	2,422
Total food services	2,368,000	1,375,500	1,724,354	348,854	2,190,195
Internal services					
Purchased services	11,000	11,000	1	(10,999)	7,908
Total internal services	11,000	11,000	1	(10,999)	7,908
Total business	3,136,000	2,087,855	4,851,055	2,763,200	3,396,924
Central					
Information services					
Purchased services	-	-	-	-	174,694
Total information services	-	-	-	-	174,694
Staff services					
Purchased services	-	10,000	55,878	45,878	600
Supplies and materials	40,000	3,000	-	(3,000)	36,989
Total staff services	40,000	13,000	55,878	42,878	37,589

See independent auditor's report.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
EDUCATIONAL ACCOUNT (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
EXPENDITURES DISBURSED (CONTINUED)					
Support services (continued)					
Central (continued)					
Data processing services					
Salaries	$ 920,000	$ 920,000	$ 937,766	$ 17,766	$ 895,008
Employee benefits	100,000	1,000	151	(849)	84,196
Purchased services	-	-	-	-	1,688,047
Supplies and materials	400,000	256,000	327,816	71,816	740,333
Total data processing services	1,420,000	1,177,000	1,265,733	88,733	3,407,584
Total central	1,460,000	1,190,000	1,321,611	131,611	3,619,867
Other support services					
Purchased services	-	-	-	-	644,705
Supplies and materials	2,500	-	9,855	9,855	2,133
Total other support services	2,500	-	9,855	9,855	646,838
State retirement contributions	-	-	3,290,866	3,290,866	3,235,239
Total support services	13,991,000	11,653,346	18,455,633	6,802,287	21,301,033
Community services					
Salaries	66,500	241,810	145,375	(96,435)	170,415
Employee benefits	-	1,868	710	(1,158)	738
Purchased services	85,000	355,040	323,808	(31,232)	428,134
Supplies and materials	17,000	34,478	57,154	22,676	17,324
Total community services	168,500	633,196	527,047	(106,149)	616,611
Non-programmed charges					
Payments for special education programs	1,725,000	2,275,000	2,382,952	107,952	1,806,995
Other payments to in-state government units	-	-	280,028	280,028	471,687
Total non-programmed charges	1,725,000	2,275,000	2,662,980	387,980	2,278,682
Total Expenditures Disbursed	39,927,500	39,458,046	54,130,897	14,672,851	59,976,770
Excess (deficiency) of revenues received over (under) expenditures disbursed	15,386,716	11,632,370	5,482,400	(6,149,970)	(9,317,223)
OTHER FINANCING SOURCES					
Issuance of lease	-	-	-	-	1,990,041
Total Other Financing Sources	-	-	-	-	1,990,041
Net change in fund balance	$ 15,386,716	$ 11,632,370	5,482,400	$ (6,149,970)	(7,327,182)
Fund balance (deficit) at beginning of year			(6,558,743)		768,439
Fund balance (deficits) at end of year			$ (1,076,343)		$ (6,558,743)

See independent auditor's report.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
OPERATIONS AND MAINTENANCE ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
REVENUES RECEIVED					
Local sources					
Operations and maintenance levy	$ 1,078,500	$ 1,255,500	$ 781,987	$ (473,513)	$ 695,812
Leasing purposes levy	-	-	141,855	141,855	125,943
Earnings on investments	28,000	28,000	(270,588)	(298,588)	(138,201)
Other	-	-	144,486	144,486	1,282
Total local sources	1,106,500	1,283,500	797,740	(485,760)	684,836
State aid					
Unrestricted					
Evidence-based funding	3,672,000	3,672,000	3,765,924	93,924	5,626,000
Total state aid	3,672,000	3,672,000	3,765,924	93,924	5,626,000
Total Revenues Received	4,778,500	4,955,500	4,563,664	(391,836)	6,310,836
EXPENDITURES DISBURSED					
Support services					
Business					
Facilities acquisition and construction services					
Purchased services	25,000	25,000	3,238	(21,762)	396
Capital outlay	10,000	10,000	-	(10,000)	-
Total facilities acquisition and construction services	35,000	35,000	3,238	(31,762)	396
Operation and maintenance of plant services					
Salaries	1,638,750	1,636,250	1,755,841	119,591	1,635,190
Employee benefits	215,400	215,400	112,931	(102,469)	(1,791)
Purchased services	1,291,500	1,314,500	1,328,481	13,981	1,226,017
Supplies and materials	766,000	1,027,000	1,095,229	68,229	989,538
Capital outlay	25,000	360,000	411,106	51,106	839,755
Total operation and maintenance of plant services	3,936,650	4,553,150	4,703,588	150,438	4,688,709
Total Expenditures Disbursed	3,971,650	4,588,150	4,706,826	118,676	4,689,105
Net change in fund balance	$ 806,850	$ 367,350	(143,162)	$ (510,512)	1,621,731
Fund balance (deficit) at beginning of year			143,162		(1,478,569)
Fund balance at end of year			$ -		$ 143,162

See independent auditor's report.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
WORKING CASH ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
REVENUES RECEIVED					
Local sources					
Working cash levy	$ 60,250	$ 66,250	$ 71,661	$ 5,411	$ 63,271
Earnings on investments	4,000	33,000	43,566	10,566	32,885
Total Revenues Received	64,250	99,250	115,227	15,977	96,156
Net change in fund balance	$ 64,250	$ 99,250	115,227	$ 15,977	96,156
Fund balance at beginning of year			1,251,591		1,155,435
Fund balance at end of year			$ 1,366,818		$ 1,251,591

See independent auditor's report.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
TORT IMMUNITY ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
REVENUES RECEIVED					
Local sources					
Tort immunity levy	$ 847,800	$ 1,204,800	$ 1,301,824	$ 97,024	$ 1,083,399
Earnings on investments	38,000	38,000	28,671	(9,329)	43,909
Total local sources	885,800	1,242,800	1,330,495	87,695	1,127,308
Total Revenues Received	885,800	1,242,800	1,330,495	87,695	1,127,308
EXPENDITURES DISBURSED					
Support services					
General administration					
Board of Education services					
Purchased services	17,000	17,000	20,076	3,076	15,500
Total board of education services	17,000	17,000	20,076	3,076	15,500
Tort immunity services payments services					
Purchased services	450,000	255,983	334,378	78,395	399,834
Total tort immunity services	450,000	255,983	334,378	78,395	399,834
Total general administration	467,000	272,983	354,454	81,471	415,334
Central support services					
Direction of central support services					
Purchased services	244,200	-	-	-	-
Total central support services	244,200	-	-	-	-
Other support services					
Purchased services	-	868,200	1,170,946	302,746	284,255
Capital outlay	-	100,000	2,754	(97,246)	-
Total other support services	-	968,200	1,173,700	205,500	284,255
Total support services	711,200	1,241,183	1,528,154	286,971	699,589
Total Expenditures Disbursed	711,200	1,241,183	1,528,154	286,971	699,589
Net change in fund balance	$ 174,600	$ 1,617	(197,659)	$ (199,276)	427,719
Fund balance at beginning of year			432,062		4,343
Fund balance at end of year			$ 234,403		$ 432,062

See independent auditor's report.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
REVENUES RECEIVED					
Local sources					
Transportation levy	$ 1,078,500	$ 1,474,530	$ 1,663,350	$ 188,820	$ 1,383,947
Earnings on investments	35,000	50,000	70,156	20,156	41,614
Total local sources	1,113,500	1,524,530	1,733,506	208,976	1,425,561
State aid					
Restricted					
Transportation	680,000	686,000	912,909	226,909	679,631
Total state aid	680,000	686,000	912,909	226,909	679,631
Total Revenues Received	1,793,500	2,210,530	2,646,415	435,885	2,105,192
EXPENDITURES DISBURSED					
Support services					
Business					
Pupil transportation services					
Purchased services	1,222,000	1,502,000	1,678,154	176,154	1,636,960
Supplies and materials	8,500	8,500	9,427	927	8,163
Total business	1,230,500	1,510,500	1,687,581	177,081	1,645,123
Total Expenditures Disbursed	1,230,500	1,510,500	1,687,581	177,081	1,645,123
Net change in fund balance	$ 563,000	$ 700,030	958,834	$ 258,804	460,069
Fund balance at beginning of year			2,008,469		1,548,400
Fund balance at end of year			$ 2,967,303		$ 2,008,469

See independent auditor's report.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
REVENUES RECEIVED					
Local sources					
Municipal retirement/social security levy	$ 657,200	$ 899,200	$ 1,016,781	$ 117,581	$ 845,598
Personal property replacement taxes	-	-	133,501	133,501	117,741
Earnings on investments	13,100	19,000	(12,641)	(31,641)	(5,731)
Total local sources	670,300	918,200	1,137,641	219,441	957,608
State aid					
Unrestricted					
Evidence-based funding	700,000	700,000	700,000	-	136,000
Total state aid	700,000	700,000	700,000	-	136,000
Total Revenues Received	1,370,300	1,618,200	1,837,641	219,441	1,093,608
EXPENDITURES DISBURSED					
Instruction					
Regular programs	372,150	442,872	425,072	(17,800)	373,333
Special education programs	70,100	58,530	78,170	19,640	69,518
Remedial and supplemental programs k-12	13,000	-	2,816	2,816	9,122
Interscholastic programs	1,300	1,300	25	(1,275)	1,091
Bilingual programs	2,700	2,700	2,543	(157)	2,706
Total instruction	459,250	505,402	508,626	3,224	455,770
Support services					
Pupils					
Attendance and social work services	11,400	11,400	11,151	(249)	11,104
Health services	28,900	29,026	33,367	4,341	29,158
Psychological services	7,200	7,200	7,389	189	6,965
Speech pathology and audiology services	4,000	4,000	4,216	216	3,835
Total pupils	51,500	51,626	56,123	4,497	51,062
Instructional staff					
Improvement of instruction services	26,650	26,671	40,776	14,105	26,577
Educational media services	8,400	8,400	8,523	123	8,229
Total instructional staff	35,050	35,071	49,299	14,228	34,806
General administration					
Executive administration services	34,600	34,600	22,311	(12,289)	33,958
Special area administration services	15,500	17,480	3,060	(14,420)	15,147
Total general administration	50,100	52,080	25,371	(26,709)	49,105
School administration					
Office of the principal services	100,000	100,000	103,919	3,919	105,641
Total school administration	100,000	100,000	103,919	3,919	105,641

See independent auditor's report.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
EXPENDITURES DISBURSED (CONTINUED)					
Support services (continued)					
Business					
Director of business support services	$ 1,850	$ 1,850	$ 1,704	$ (146)	$ 1,751
Fiscal services	14,500	14,500	26,053	11,553	14,725
Operation and maintenance of plant services	226,000	226,000	229,411	3,411	224,103
Pupil transportation	-	-	119	119	-
Food services	13,800	13,800	7,461	(6,339)	13,264
Total business	256,150	256,150	264,748	8,598	253,843
Central					
Data processing services	136,000	136,000	140,896	4,896	133,785
Total central	136,000	136,000	140,896	4,896	133,785
Total support services	628,800	630,927	640,356	9,429	628,242
Community services	16,350	33,198	10,824	(22,374)	15,170
Total Expenditures Disbursed	1,104,400	1,169,527	1,159,806	(9,721)	1,099,182
Net change in fund balance	$ 265,900	$ 448,673	677,835	$ 229,162	(5,574)
Fund balance at beginning of year			545		6,119
Fund balance at end of year			$ 678,380		$ 545

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
REVENUES RECEIVED					
Local sources					
Bond and interest levy	$ 4,014,000	$ 4,082,651	$ 4,368,222	$ 285,571	$ 3,836,022
Earnings on investments	7,000	25,000	37,368	12,368	(5,353)
Total local sources	4,021,000	4,107,651	4,405,590	297,939	3,830,669
State aid					
Unrestricted					
Evidence-based funding	-	-	407,867	407,867	288,627
Total state aid	-	-	407,867	407,867	288,627
Total Revenues Received	4,021,000	4,107,651	4,813,457	705,806	4,119,296
EXPENDITURES DISBURSED					
Debt Service					
Principal	3,590,000	3,755,000	3,938,636	183,636	3,887,604
Interest and fiscal charges	401,700	188,100	458,008	269,908	390,792
Total Expenditures Disbursed	3,991,700	3,943,100	4,396,644	453,544	4,278,396
Net change in fund balance	$ 29,300	$ 164,551	416,813	$ 252,262	(159,100)
Fund balance at beginning of year			1,739,627		1,898,727
Fund balance at end of year			$ 2,156,440		$ 1,739,627

See independent auditor's report.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
REVENUES RECEIVED					
Local sources					
Earnings on investments	$ -	$ -	$ 2,425	$ 2,425	$ 2,936
Total local sources	-	-	2,425	2,425	2,936
Total Revenues Received	-	-	2,425	2,425	2,936
EXPENDITURES DISBURSED	-	-	-	-	-
Net change in fund balance	$ -	$ -	2,425	$ 2,425	2,936
Fund balance at beginning of year			51,820		48,884
Fund balance at end of year			$ 54,245		$ 51,820

See independent auditor's report.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS
FIRE PREVENTION AND SAFETY FUND
FOR THE YEAR ENDED JUNE 30, 2025
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2024

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)	Actual
REVENUES RECEIVED					
Local sources					
Fire prevention and safety levy	$ 119,500	$ 138,500	$ 141,855	$ 3,355	$ 125,943
Earnings on investments	3,000	23,000	29,266	6,266	28,985
Total local sources	122,500	161,500	171,121	9,621	154,928
Total Revenues Received	122,500	161,500	171,121	9,621	154,928
EXPENDITURES DISBURSED	-	-	-	-	-
Net change in fund balance	$ 122,500	$ 161,500	171,121	$ 9,621	154,928
Fund balance at beginning of year			609,065		454,137
Fund balance at end of year			$ 780,186		$ 609,065

See independent auditor's report.

NOTE 1. BUDGET AND BUDGETARY ACCOUNTING

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

The budget, which was amended, was originally passed on August 27, 2024 and the amended budget was passed on June 24, 2025. For each fund, total fund expenditures disbursed may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

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

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

<u>Over-Expenditure of Budget</u>

Expenditures disbursed exceeded the budget in the following individual funds:

Fund	Budget	Actual	Over-expended Amount	
General Fund - Educational Account	$ 39,458,046	$ 54,130,897	$ 14,672,851	*
General Fund - Operations and Maintenance Account	4,588,150	4,706,826	118,676	
General Fund - Tort Immunity Account	1,241,183	1,528,154	286,971	
Transportation	1,510,500	1,687,581	177,081	
Debt Service	3,943,100	4,396,644	453,544	

*includes on-behalf payments of $9,756,868

DOLTON WEST SCHOOL DISTRICT #148
ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR-END FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2025

CSFA #	Program Name	State	Federal	Total
478-00-0251	Medical assistance program	$ -	$ 143,773	$ 143,773
586-18-0406	School breakfast program	-	612,168	612,168
586-18-0407	National school lunch program	-	1,237,745	1,237,745
586-18-0407	ARP - NSLP - Nutrition supply chain assistance	-	3,203	3,203
586-18-0410	Summer food service program	-	3,046	3,046
586-18-0409	Child and adult care food program	-	366,576	366,576
586-18-0868	Early childhood block grant: preschool for all 3-5	665,650	-	665,650
586-18-2330	DOD commodities	-	48,978	48,978
586-18-2330	Commodities	-	39,535	39,535
586-44-2222	Early childhood block grant: preschool for all expansion	956,445	-	956,445
586-84-1531	After school programs	30,069	-	30,069
586-57-0420	Special education preschool grants	-	42,748	42,748
586-64-0417	Special education grants to states	-	836,886	836,886
586-62-0414	Title I grants to local educational agencies	-	2,559,856	2,559,856
586-62-0430	Title II, Part A - Preparing, training, and recruiting high-quality teachers, principals, and other school leaders	-	318,214	318,214
586-18-0428	Title III - Language instruction programs	-	10,170	10,170
586-62-1588	Title IVA - Student support and academic enrichment	-	242,290	242,290
586-62-2578	ARP - LEA and COOP American rescue plan (ESSER III)	-	86,252	86,252
586-73-1082	Title I - School improvement and accountability	-	217,326	217,326
	Total expenditures	$ 1,652,164	$ 6,768,766	$ 8,420,930

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OTHER INFORMATION

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF CHANGES IN THE NET PENSION
LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST TEN MEASUREMENT PERIODS

	Measurement Period Ended December 31,				
	2024	2023	2022	2021	2020
TOTAL PENSION LIABILITY					
Service cost	$ 454,024	$ 424,987	$ 409,168	$ 353,130	$ 314,877
Interest	1,160,381	1,101,156	1,048,920	940,708	883,280
Differences between expected and actual experience	(142,168)	168,838	74,338	888,364	319,076
Changes in assumptions	-	(29,871)	-	-	(119,050)
Benefit payments and refunds	(866,892)	(858,568)	(781,107)	(654,198)	(596,177)
Net change in total pension liability	605,345	806,542	751,319	1,528,004	802,006
Total pension liability - beginning	16,211,688	15,405,146	14,653,827	13,125,823	12,323,817
Total pension liability - ending (A)	$ 16,817,033	$ 16,211,688	$ 15,405,146	$ 14,653,827	$ 13,125,823
PLAN FIDUCIARY NET POSITION					
Contributions - employer	$ 387,693	$ 365,684	$ 339,094	$ 383,368	$ 312,767
Contributions - employee	230,798	217,717	195,456	189,684	160,686
Net investment income	1,466,045	1,470,723	(1,998,082)	2,266,256	1,724,208
Benefit payments and refunds	(866,892)	(858,568)	(781,107)	(654,198)	(596,177)
Other	(268,232)	351,356	(147,320)	31,138	(129,562)
Net change in plan fiduciary net position	949,412	1,546,912	(2,391,959)	2,216,248	1,471,922
Plan fiduciary net position - beginning	14,819,111	13,272,199	15,664,158	13,447,910	11,975,988
Plan fiduciary net position - ending (B)	$ 15,768,523	$ 14,819,111	$ 13,272,199	$ 15,664,158	$ 13,447,910
NET PENSION LIABILITY (ASSET) - ENDING (A) - (B)	$ 1,048,510	$ 1,392,577	$ 2,132,947	$ (1,010,331)	$ (322,087)
Plan fiduciary net position as a percentage of the total pension liability	93.77%	91.41%	86.15%	106.89%	102.45%
Covered payroll	$ 5,135,005	$ 4,830,698	$ 4,330,967	$ 4,189,329	$ 3,562,265
Net pension liability as a percentage of covered payroll	20.42%	28.83%	49.25%	-24.12%	-9.04%

Changes in assumptions:

For 2015, changes are primarily from a change in the calculated single discount rate from 7.49% in 2014 to 7.47% in 2015.

For 2016, changes are primarily from a change in the calculated single discount rate from 7.47% in 2015 to 7.50% in 2016.

For 2017, changes are primarily from adopting an IMRF specific mortality tables with fully generational projection scale MP-2017 (base year 2015) developed from the RP-2014 mortality tables.

For 2018, the assumed investment rate of return was lowered from 7.50% to 7.25%.

For 2020, changes are primarily from adopting the Pub-2010, amount weighted, general mortality tables for retirees and active members.

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

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF CHANGES IN THE NET PENSION
LIABILITY AND RELATED RATIOS (CONTINUED)
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST TEN MEASUREMENT PERIODS

	Measurement Period Ended December 31,				
	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY					
Service cost	$ 280,284	$ 287,866	$ 294,613	$ 273,283	$ 238,036
Interest	827,432	800,596	783,355	719,469	680,586
Differences between expected and actual experience	221,450	(107,034)	3,360	324,419	41,018
Changes in assumptions	-	310,768	(339,070)	(12,309)	11,250
Benefit payments and refunds	(556,120)	(544,202)	(473,818)	(479,213)	(435,318)
Net change in total pension liability	773,046	747,994	268,440	825,649	535,572
Total pension liability - beginning	11,550,771	10,802,777	10,534,337	9,708,688	9,173,116
Total pension liability - ending (A)	$ 12,323,817	$ 11,550,771	$ 10,802,777	$ 10,534,337	$ 9,708,688
PLAN FIDUCIARY NET POSITION					
Contributions - employer	$ 208,573	$ 262,911	$ 248,428	$ 261,996	$ 222,726
Contributions - employee	131,198	124,628	123,017	122,210	101,670
Net investment income	1,920,222	(603,023)	1,688,512	601,303	44,915
Benefit payments and refunds	(556,120)	(544,202)	(473,818)	(479,213)	(435,318)
Other	13,220	189,820	(175,277)	45,040	(105,928)
Net change in plan fiduciary net position	1,717,093	(569,866)	1,410,862	551,336	(171,935)
Plan fiduciary net position - beginning	10,258,895	10,828,761	9,417,899	8,866,563	9,038,498
Plan fiduciary net position - ending (B)	$ 11,975,988	$ 10,258,895	$ 10,828,761	$ 9,417,899	$ 8,866,563
NET PENSION LIABILITY (ASSET) - ENDING (A) - (B)	$ 347,829	$ 1,291,876	$ (25,984)	$ 1,116,438	$ 842,125
Plan fiduciary net position as a percentage of the total pension liability	97.18%	88.82%	100.24%	89.40%	91.33%
Covered payroll	$ 2,755,261	$ 2,741,523	$ 2,697,363	$ 2,638,047	$ 2,210,669
Net pension liability as a percentage of covered payroll	12.62%	47.12%	-0.96%	42.32%	38.09%

DOLTON WEST SCHOOL DISTRICT #148

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

TEACHERS' RETIREMENT SYSTEM

LAST TEN MEASUREMENT PERIODS

Measurement period ended June 30,	District's proportion of the net pension liability	District's proportionate share of the net pension liability	State's proportionate share of the net pension liability associated with the District	Total	District's covered payroll	District's proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.0014979491%	$ 1,286,225	$ 107,243,540	$ 108,529,765	$ 19,962,491	6.44%	45.40%
2023	0.0018216442%	1,548,044	133,596,968	135,145,012	20,360,277	7.60%	43.90%
2022	0.0019553075%	1,639,336	142,201,569	143,840,905	20,113,520	8.15%	42.80%
2021	0.0021046370%	1,641,855	137,604,864	139,246,719	18,929,472	8.67%	45.10%
2020	0.0021043458%	1,814,267	142,102,828	143,917,095	17,798,465	10.19%	37.80%
2019	0.0022124537%	1,794,481	127,711,000	129,505,481	17,193,567	10.44%	39.60%
2018	-0.0005584400%	(435,275)	(29,818,000)	(30,253,275)	15,801,466	-2.75%	40.00%
2017	0.0068812000%	5,257,106	264,300,000	269,557,106	15,249,048	34.47%	39.30%
2016	0.0051034800%	4,028,487	116,561,000	120,589,487	15,330,450	26.28%	36.40%
2015	0.0048678400%	3,188,926	102,217,000	105,405,926	15,347,000	20.78%	41.50%

Changes of assumptions:

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

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

For the 2015 measurement year, the assumed investment rate of return was 7.50%, including an inflation rate of 3.00% and real return of 4.50%. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS' HEALTH INSURANCE SECURITY FUND
LAST NINE MEASUREMENT PERIODS

Measurement period ended June 30,	District's proportion of the net OPEB liability	District's proportionate share of the net OPEB liability	State's proportionate share of the net OPEB liability associated with the District	Total	District's covered payroll	District's proportionate share of the net OPEB liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2024	0.065201%	$ 5,157,789	$ 7,004,510	$ 12,162,299	$ 19,962,491	25.84%	7.43%
2023	0.068281%	4,866,607	6,581,203	11,447,810	20,360,277	23.90%	6.21%
2022	0.072812%	4,983,770	6,779,929	11,763,699	20,113,520	24.78%	5.24%
2021	0.072718%	16,038,176	21,745,426	37,783,602	18,929,472	84.73%	1.40%
2020	0.069933%	18,697,107	25,329,488	44,026,595	17,798,465	105.05%	0.70%
2019	0.070264%	19,447,183	26,332,438	45,779,621	17,193,567	113.11%	0.25%
2018	0.066258%	17,456,307	23,440,056	40,896,363	15,801,466	110.47%	-0.07%
2017	0.066802%	17,334,758	22,764,845	40,099,603	15,249,048	113.68%	-0.17%
2016	0.065803%	17,987,808	24,941,965	42,929,773	15,330,450	117.33%	-0.22%

Notes to schedule:

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

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFITS PLAN
LAST FIVE MEASUREMENT PERIODS

	Measurement Period Ended June 30,				
	2025	2024	2023	2022	2021
TOTAL OPEB LIABILITY					
Service cost	$ 714,174	$ 672,536	$ 539,179	$ 665,576	$ 595,673
Interest	596,101	521,201	468,710	264,883	321,913
Differences between expected and actual experience	(1,894,271)	(252,138)	(1,928,584)	(1,513,205)	(164,905)
Changes in assumptions	(47,147)	899,274	2,170,196	(160,283)	536,668
Benefit payments	(254,136)	(492,816)	(249,256)	(463,838)	(528,856)
Net change in total opeb liability	(885,279)	1,348,057	1,000,245	(1,206,867)	760,493
Total OPEB liability - beginning	13,951,947	12,603,890	11,603,645	12,810,512	12,050,019
Total OPEB liability - ending	$ 13,066,668	$ 13,951,947	$ 12,603,890	$ 11,603,645	$ 12,810,512
Covered-employee payroll	$ 21,437,081	$ 23,862,210	$ 23,862,210	$ 18,125,514	$ 18,125,514
Total OPEB liability as a percentage of covered-employee payroll	60.95%	58.47%	52.82%	64.02%	70.68%

Notes to schedule:

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

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST TEN FISCAL YEARS

Fiscal year ended June, 30	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2025	$ 412,066	$ 410,489	$ 1,577	$ 5,489,281	7.48%
2024	387,198	387,579	(381)	5,121,874	7.57%
2023	339,620	342,235	(2,615)	4,462,328	7.67%
2022	360,407	371,377	(10,970)	4,378,712	8.48%
2021	355,548	355,548	-	4,033,271	8.82%
2020	249,715	249,715	-	3,048,293	8.19%
2019	225,666	225,666	-	2,637,619	8.56%
2018	248,427	248,428	(1)	2,697,363	9.21%
2017	253,516	261,996	(8,480)	2,638,047	9.93%
2016	215,319	222,726	(7,407)	2,210,669	10.08%

Methods and assumptions used to determine 2024 contribution rates:

Actuarial cost method:	Aggregate entry age normal
Amortization method:	Level percentage of payroll, closed
Remaining amortization period:	Taxing bodies: 19-year closed period Early Retirement Incentive Plan liabilities; a period up to 10 years selected by the employer upon adoption of ERI
Asset valuation method:	5-year smoothed market; 20% corridor
Wage growth:	2.75%
Price inflation:	2.25%
Salary increases:	2.75% to 13.75%, including inflation
Investment rate of return:	7.25%
Retirement age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality:	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other information:

Notes	There were no benefit changes during the year.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

Fiscal year ended June, 30	Statutorily-required contribution	Contributions in relation to the statutorily-required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2025	$ 176,197	$ 177,307	$ (1,110)	$ 20,519,122	0.86%
2024	148,507	144,478	4,029	19,962,491	0.72%
2023	157,885	157,861	24	20,360,277	0.78%
2022	160,167	190,031	(29,864)	20,113,520	0.94%
2021	275,236	331,447	(56,211)	18,929,472	1.75%
2020	196,267	196,374	(107)	17,798,465	1.10%
2019	127,349	129,756	(2,407)	17,193,567	0.75%
2018	117,010	130,607	(13,597)	15,801,466	0.83%
2017	180,750	185,655	(4,905)	15,249,048	1.22%
2016	185,678	201,958	(16,280)	15,330,450	1.32%

Methods and assumptions used to determine 2024 contribution rates:

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

Other information:

Notes There were no benefit changes during the year.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEACHERS' HEALTH INSURANCE SECURITY FUND
LAST NINE FISCAL YEARS

Fiscal year ended June, 30	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentages of covered-employee payroll
2025	$ 137,478	$ 137,478	$ -	$ 20,519,121	0.67%
2024	133,749	122,802	10,947	19,962,491	0.62%
2023	136,414	136,414	-	20,360,277	0.67%
2022	134,761	134,761	-	20,113,520	0.67%
2021	174,151	174,151	-	18,929,472	0.92%
2020	163,749	163,749	-	17,798,465	0.92%
2019	158,181	158,181	-	17,193,567	0.92%
2018	139,053	139,053	-	15,801,466	0.88%
2017	128,092	128,092	-	15,249,048	0.84%

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

Methods and assumptions used to determine 2024 contribution rates:

Valuation date:	June 30, 2023
Measurement date:	June 30, 2024
Actuarial cost method:	Entry age normal
Contribution policy:	Benefits are financed on a pay-as-you go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2024, contributions rates were 0.90% of pay for active members, 0.67% of pay for school districts and 0.90% of pay for the State of Illinois. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset valuation method:	Market value
Investment rate of return:	2.75% net of OPEB plan investment expense, including inflation.
Inflation:	2.25%
Salary increases:	3.50% - 8.50%
Retirement age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2021 valuation.
Mortality:	Retirement and Beneficiary Annuitants: PubT-2010 Retiree Mortality Table, adjusted for TRS experience. Disabled Annuitants: PubNS-2010 Non-Safety Disabled Retiree Table. PreRetirement: PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.
Healthcare cost trend rates:	Trend rates for plan year 2025 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2026 and decrease gradually to an ultimate rate of 4.25% in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15.00% in 2026 to 2030 and 7.00% in 2031, declining gradually to an ultimate rate of 4.25% in 2041.
Aging factors:	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"
Expenses:	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

Other information:

Notes There were no benefit changes during the year.

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF ASSESSED VALUATIONS, TAX LEVIES EXTENDED AND COLLECTIONS
JUNE 30, 2025

	2024 Levy	2023 Levy	2022 Levy
Equalized assessed valuation	$ 219,587,470	$ 228,760,082	$ 166,684,335
Tax rates (per $100 of assessed valuation)			
Educational	3.572806	3.057900	4.155200
Leasing educational facilities	0.073579	0.073200	0.100000
Operations and maintenance	0.404681	0.402600	0.550000
Debt service	2.312034	2.217000	3.043100
Transportation	0.869850	0.865500	1.046800
Municipal retirement	0.094577	0.094100	0.113800
Social security	0.437077	0.434900	0.526000
Working cash	0.036790	0.036600	0.050000
Tort immunity	0.680752	0.677300	0.819200
Fire prevention and safety	0.073579	0.073200	0.100000
Levy adjustment PA 102-0519	0.076138	0.108100	0.310800
	8.631863	8.040400	10.814900
Extended tax levy			
Educational	$ 7,845,434	$ 6,996,627	$ 6,926,176
Leasing educational facilities	161,570	167,469	166,684
Operations and maintenance	888,629	921,081	916,764
Debt service	5,076,937	5,071,628	5,072,358
Transportation	1,910,082	1,979,838	1,744,862
Municipal retirement	207,679	215,265	189,716
Social security	959,766	994,818	876,749
Working cash	80,786	83,735	83,342
Tort immunity	1,494,846	1,549,438	1,365,544
Fire prevention and safety	161,570	167,469	166,684
Levy adjustment PA 102-0519	167,190	247,230	518,032
	$ 18,954,489	$ 18,394,598	$ 18,026,911
Taxes collected year ended:			
June 30, 2024	$ 6,512,068	$ 8,165,090	$ 1,326,142
June 30, 2023	-	5,498,681	7,738,451
Prior year tax collections	-	-	5,431,097
Total collected	$ 6,512,068	$ 13,663,771	$ 14,495,690
Percent collected	34.36%	74.28%	80.41%

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DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF BONDED DEBT SERVICE REQUIREMENTS
JUNE 30, 2025

Year Ending June 30,	Series 2009D Dated 6/30/09		Series 2018A Dated 12/20/18		Series 2019A Dated 10/16/19	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 675,822	$ 894,178	$ 555,000	$ 54,731	$ 1,085,000	$ 30,900
2027	637,218	947,782	765,000	20,082	230,000	4,600
	$ 1,313,040	$ 1,841,960	$ 1,320,000	$ 74,813	$ 1,315,000	$ 35,500

Year Ending June 30,	Series 2019B Dated 10/16/19 Principal	Series 2019B Dated 10/16/19 Interest	Total Debt Service Requirements
2026	$ 690,000	$ 31,809	$ 4,017,440
2027	1,010,000	11,983	3,626,665
	$ 1,700,000	$ 43,792	$ 7,644,105

DOLTON WEST SCHOOL DISTRICT #148
DEBT SERVICE SCHEDULE BY LEVY YEAR
JUNE 30, 2025

Year Ending June 30,	Levy Year	Series 2009D Dated 6/30/09	Series 2018A Dated 12/20/18	Series 2019A Dated 10/16/19	Series 2019B Dated 10/16/19	Total
2026	2024	$ 1,570,000	$ 609,731	$ 1,115,900	$ 721,809	$ 4,017,440
2027	2025	1,585,000	785,082	234,600	1,021,983	3,626,665
		$ 3,155,000	$ 1,394,813	$ 1,350,500	$ 1,743,792	$ 7,644,105

DOLTON WEST SCHOOL DISTRICT #148
SCHEDULE OF LEGAL DEBT MARGIN
JUNE 30, 2025

Equalized assessed valuation	$	219,587,470
Limiting rate		6.9%
General obligation debt limit		15,151,535
Less outstanding debt applicable to the limit:		
General obligation bonds - Series 2009D		1,313,040 *
Lease liability		1,420,192
Remaining debt margin	$	12,418,303

* The *Illinois School Code* permits school districts to issue certain types of bonds, such as the Series 2018A, 2019A, and 2019B, in excess of statutory debt limitations.

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West Office: 9980 190th St., Unit A, Mokena, IL 60448
East Office: 1471 Ring Road, Calumet City, IL 60409

Appendix C

Form of Continuing Disclosure Undertaking

PROPOSED FORM OF
CONTINUING DISCLOSURE UNDERTAKING
FOR THE PURPOSE OF PROVIDING
CONTINUING DISCLOSURE INFORMATION
UNDER SECTION (b)(5) OF RULE 15c2-12

This Continuing Disclosure Undertaking (this *"Agreement"*) is executed and delivered by School District Number 148, Cook County, Illinois (the *"District"*), in connection with the issuance of $__________ Taxable General Obligation Limited Tax School Bonds, Series 2026, (the *"Bonds"*). The Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on the 24th day of March, 2026, as supplemented by a notification of sale (together, the *"Resolution"*).

In consideration of the issuance of the Bonds by the District and the purchase of such Bonds by the beneficial owners thereof, the District covenants and agrees as follows:

1. PURPOSE OF THIS AGREEMENT. This Agreement is executed and delivered by the District as of the date set forth below, for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with the requirements of the Rule (as defined below). The District represents that it will be the only obligated person with respect to the Bonds at the time the Bonds are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Bonds.

2. DEFINITIONS. The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

Annual Financial Information means information of the type contained under the following headings and subheadings of, and in the following appendices and exhibits to, the Official Statement:

THE BONDS — Limited Bonds (Base calculation and chart only)
FINANCIAL INFORMATION
- Trend of EAV
- Tax Rates
- Tax Extensions and Collections
- Summary of Outstanding Bonded Debt
- Debt Repayment Schedule
- Debt Statement (with respect to the District's debt only)
- Debt Ratios (with respect to the District's debt only)

SUMMARY OF OPERATING RESULTS
- General Fund Revenue Sources
- Summary of Operating Funds and Debt Service Fund
- On-Behalf Payments Summary (table only)
- Budget Summary

SCHOOL DISTRICT FINANCIAL PROFILE (LAST PARAGRAPH ONLY)

Annual Financial Information Disclosure means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

Audited Financial Statements means the audited financial statements of the District prepared pursuant to the principles and as described in *Exhibit I*.

Commission means the Securities and Exchange Commission.

Dissemination Agent means any agent designated as such in writing by the District and which has filed with the District a written acceptance of such designation, and such agent's successors and assigns.

EMMA means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

Exchange Act means the Securities Exchange Act of 1934, as amended.

Financial Obligation of the District means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

MSRB means the Municipal Securities Rulemaking Board.

Official Statement means the Final Official Statement, dated ____________, 2026, and relating to the Bonds.

Participating Underwriter means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Bonds.

Reportable Event means the occurrence of any of the Events with respect to the Bonds set forth in *Exhibit II*.

Reportable Events Disclosure means dissemination of a notice of a Reportable Event as set forth in Section 5.

Rule means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

State means the State of Illinois.

Undertaking means the obligations of the District pursuant to Sections 4 and 5.

3. CUSIP NUMBER. The CUSIP Number of the Bonds is set forth in *Exhibit III.* All filings required under this Agreement will be filed on EMMA under this CUSIP Number. If the Bonds are refunded after the date hereof, the District will also make all filings required under this Agreement under any new CUSIP Number assigned to the Bonds as a result of such refunding, to the extent the District remains legally liable for the payment of such Bonds; *provided, however,* that the District will not be required to make such filings under a new CUSIP Number unless the District has been notified in writing by the Participating Underwriter or the District's financial advisor that a new CUSIP Number has been assigned to the Bonds. The District will not make any filings pursuant to this Agreement under a new CUSIP Number assigned to any of the Bonds after the date hereof for any reason other than a refunding, as described in the previous sentence, including, but not limited to, a new CUSIP Number assigned to the Bonds as a result of a holder of the Bonds obtaining a bond insurance policy or other credit enhancement with respect to some or all of the outstanding Bonds in the secondary market. The District will include the CUSIP Number in all disclosure described in Sections 4 and 5 of this Agreement.

4. ANNUAL FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I*) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the District will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment or waiver is made (or in any notice or supplement provided to EMMA) shall contain a narrative description of the reasons for such amendment or waiver and its impact on the type of information being provided.

5. REPORTABLE EVENTS DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. References to "material" in *Exhibit II* refer to materiality as it is interpreted under the Exchange Act. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds or defeasance of any Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Resolution.

6. CONSEQUENCES OF FAILURE OF THE DISTRICT TO PROVIDE INFORMATION. The District shall give notice in a timely manner to EMMA of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the District to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the District to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default under the Resolution, and the sole remedy under this Agreement in the event of any failure of the District to comply with this Agreement shall be an action to compel performance.

7. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement, the District by resolution authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) (i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including without limitation, pursuant to a "no-action" letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the District, or type of business conducted; or

(ii) This Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined by parties unaffiliated with the District (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the District shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

8. TERMINATION OF UNDERTAKING. The Undertaking of the District shall be terminated hereunder if the District shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Resolution.

9. FUTURE CHANGES TO THE RULE. As set forth in Section 1 of this Agreement, the District has executed and delivered this Agreement solely and only to assist the Participating Underwriters in complying with the requirements of the Rule. Therefore, notwithstanding anything in this Agreement to the contrary, in the event the Commission, the MSRB or other regulatory authority shall approve or require changes to the requirements of the Rule, the District shall be permitted, but shall not be required, to unilaterally modify the covenants in this Agreement, without complying with the requirements of Section 7 of this Agreement, in order to

comply with, or conform to, such changes. In the event of any such modification of this Agreement, the District shall file a copy of this Agreement, as revised, on EMMA in a timely manner.

10. DISSEMINATION AGENT. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

11. ADDITIONAL INFORMATION. Nothing in this Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the District chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Agreement, the District shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

12. BENEFICIARIES. This Agreement has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the District, the Dissemination Agent, if any, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

13. RECORDKEEPING. The District shall maintain records of all Annual Financial Information Disclosure and Reportable Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

14. ASSIGNMENT. The District shall not transfer its obligations under the Resolution unless the transferee agrees to assume all obligations of the District under this Agreement or to execute an Undertaking under the Rule.

15. GOVERNING LAW. This Agreement shall be governed by the laws of the State.

SCHOOL DISTRICT NUMBER 148,
COOK COUNTY, ILLINOIS

By ______________________________________
President, Board of Education

Date: ________________, 2026

EXHIBIT I
ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available on EMMA; the Final Official Statement need not be available from the Commission. The District shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be submitted to EMMA by 270 days after the last day of the District's fiscal year (currently June 30), beginning with the fiscal year ending June 30, 2026. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, Audited Financial Statements will be submitted to EMMA within 30 days after availability to the District.

Audited Financial Statements will be prepared in accordance with accounting principles mandated by the Illinois State Board of Education.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the District will disseminate a notice of such change as required by Section 4.

EXHIBIT II
EVENTS WITH RESPECT TO THE BONDS FOR WHICH REPORTABLE EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the District*
13. The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material
15. Incurrence of a Financial Obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect security holders, if material
16. A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties

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* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

EXHIBIT III
CUSIP NUMBER

YEAR OF MATURITY	CUSIP NUMBER (215075)

Appendix D

Specimen Municipal Bond Insurance Policy

BAM

MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: $__________ in aggregate principal amount of [NAME OF TRANSACTION] [and maturing on]

Effective Date: _________

Risk Premium: $__________
Member Surplus Contribution: $ _________
Total Insurance Payment: $_________

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: ____________________________________

Authorized Officer

Notices (Unless Otherwise Specified by BAM)

Email:
claims@buildamerica.com
Address:
28 Liberty Street, 59th Floor
New York, New York 10005
Telecopy:
212-962-1524 (attention: Claims)