

PRELIMINARY OFFICIAL STATEMENT, DATED APRIL 14, 2025

NEW ISSUE
BOOK-ENTRY ONLY
BANK QUALIFIED

Rating:
MOODY'S: "Aa2"
See "BOND RATING" herein

Subject to compliance by the District with certain covenants, in the opinion of Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"), under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX EXEMPTION" herein for a more complete discussion. The Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See "QUALIFIED TAX-EXEMPT OBLIGATIONS" herein.



SCHOOL DISTRICT NUMBER 73-1/2

Cook County, Illinois

(Skokie)

\$6,975,000* General Obligation Limited Tax School Bonds, Series 2025

Dated: Date of Delivery

Due: December 1, as further described on the inside cover page

The General Obligation Limited Tax School Bonds, Series 2025 (the "Bonds"), of School District Number 73-1/2, Cook County, Illinois (the "District"), will be issued in fully registered form and will be registered initially only in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds purchased. Ownership by the beneficial owners of the Bonds will be evidenced by book-entry only. Payments of principal of and interest on the Bonds will be made by Amalgamated Bank of Chicago, Chicago, Illinois, as bond registrar and paying agent, to DTC, which in turn will remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds. As long as Cede & Co. is the registered owner as nominee of DTC, payments of principal of and interest on the Bonds will be made to such registered owner, and disbursement of such payments will be the responsibility of DTC and its participants. Individual purchases of the Bonds will be made in the principal amount of \$5,000 or any integral multiple thereof.

The Bonds will bear interest from their dated date at the rates per annum as shown on the inside cover page. Interest on the Bonds (computed on the basis of a 360-day year consisting of twelve 30-day months) will be payable semi-annually on each June 1 and December 1, commencing December 1, 2025.

Proceeds of the Bonds will be used to (a) increase the working cash fund of the District, (b) pay capitalized interest on the Bonds and (c) pay costs associated with the issuance of the Bonds. See "THE PROJECT" herein.

The Bonds due on December 1, 2034,* are subject to redemption prior to maturity at the option of the District, as a whole or in part, on any date on or after December 1, 2033,* at the redemption price of par plus accrued interest to the redemption date. See "THE BONDS—Redemption" herein.

In the opinion of Bond Counsel, the Bonds 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—Security" herein.

The Bonds are offered when, as and if issued by the District and received by Raymond James & Associates, Inc., Chicago, Illinois, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Bond Counsel, and certain other conditions. Chapman and Cutler LLP, Chicago, Illinois, will also act as Disclosure Counsel to the District. It is expected that beneficial interests in the Bonds will be available for delivery through the facilities of DTC on or about May 6, 2025.

RAYMOND JAMES®

The date of this Official Statement is April __, 2025.

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion, amendment or other change without any notice. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**School District Number 73-1/2
Cook County, Illinois
(Skokie)**

\$6,975,000* GENERAL OBLIGATION LIMITED TAX SCHOOL BONDS, SERIES 2025

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NUMBERS*

MATURITY (DECEMBER 1)	AMOUNT	INTEREST RATE	YIELD	CUSIP NUMBER** (213822)
2030	\$1,430,000	%	%	
2031	1,360,000	%	%	
2032	1,470,000	%	%	
2033	1,590,000	%	%	
2034	1,125,000	%	%	

* Preliminary, subject to change.

** CUSIP data herein is provided by the 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.

No dealer, broker, salesman or other person has been authorized by the District or Raymond James & Associates, Inc., Chicago, Illinois (the “*Underwriter*”), to give any information or to make any representations other than those contained in this Official Statement in connection with the offering described herein and if given or made, such other information or representations must not be relied upon as statements having been authorized by the District, the Underwriter or any other entity. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Bonds, nor shall there be any offer to sell or solicitation of an offer to buy the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. This Official Statement is submitted in connection with the sale of the securities described in it and may not be reproduced or used, in whole or in part, for any other purposes.

Unless otherwise indicated, the District is the source of all tables and statistical and financial information contained in this Official Statement. The information contained in this Official Statement concerning DTC has been obtained from DTC. The other information set forth herein has been furnished by the District 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.

This Official Statement should be considered in its entirety and no one factor considered more or less important than any other by reason of its position in this Official Statement. Where statutes, reports or other documents are referred to herein, reference should be made to such statutes, 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.

Any statements made in this Official Statement, including the Exhibits and 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 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.

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

IN CONNECTION WITH THE OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SECURITIES OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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Exhibit A	—	Combined Statement of Revenues, Expenditures and Changes in Fund Balance, Fiscal Years Ended June 30, 2020-2024
Exhibit B	—	Budget, Fiscal Year Ending June 30, 2025
Exhibit C	—	General Fund Revenue Sources, Fiscal Years Ended June 30, 2020-2024

APPENDICES

Appendix A	—	Audited Financial Statements of the District for the Fiscal Year Ended June 30, 2024
Appendix B	—	Proposed Form of Opinion of Bond Counsel
Appendix C	—	Proposed Form of Continuing Disclosure Undertaking

**SCHOOL DISTRICT NUMBER 73-1/2
COOK COUNTY, ILLINOIS
(SKOKIE)**

8000 East Prairie Road
Skokie, Illinois 60076

Board of Education

Dr. Emily Twarog Miller
President

Maureen Jacob

Bushra Amiwala
Secretary

Dr. LaTasha Nelson

Louis Mercer

Kelli Nelson
Vice President

Victoria Wolfinger

Administration

Dr. Kaine Osburn
Co-Interim Superintendent

Dr. Keely Roberts
Co-Interim Superintendent

Karen Hayes
*Interim Chief School Business Official/
Operational Services Coordinator*

Professional Services

Underwriter
Raymond James & Associates, Inc.
Chicago, Illinois

Bond Counsel and Disclosure Counsel
Chapman and Cutler LLP
Chicago, Illinois

Bond Registrar and Paying Agent
Amalgamated Bank of Chicago, Chicago
Chicago, Illinois

Auditor
Wipfli LLP
Aurora, Illinois

OFFICIAL STATEMENT

School District Number 73-1/2

Cook County, Illinois

(Skokie)

\$6,975,000* General Obligation Limited Tax School Bonds, Series 2025

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning School District Number 73-1/2, Cook County, Illinois (the “*District*”), in connection with the offering and sale of its General Obligation Limited Tax School Bonds, Series 2025 (the “*Bonds*”).

This Official Statement contains “forward-looking statements” that are based upon the District’s current expectations and its projections about future events. When used in this Official Statement, the words “project,” “estimate,” “intend,” “expect,” “scheduled,” “pro-forma” and similar words identify forward-looking statements. Forward-looking statements are subject to known and unknown risks, uncertainties and factors that are outside of the control of the District. Actual results could differ materially from those contemplated by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Neither the District nor any other party plans to issue any updates or revisions to these forward-looking statements based on future events.

THE BONDS

AUTHORITY AND PURPOSE

The Bonds are being 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 of the District (the “*Board*”) on the 8th day of April, 2025, as supplemented by a notification of sale (together, the “*Bond Resolution*”).

Proceeds of the Bonds will be used to (a) increase the working cash fund of the District, (b) pay capitalized interest on the Bonds through June 1, 2026, and (c) pay costs associated with the issuance of the Bonds. See “THE PROJECT” herein.

GENERAL DESCRIPTION

The Bonds will be dated the date of issuance thereof, will be in fully registered form, without coupons, and will be in denominations of \$5,000 or any integral multiple thereof under a book-entry only system operated by The Depository Trust Company, New York, New York

* Preliminary, subject to change.

(“DTC”). Principal of and interest on the Bonds will be payable by Amalgamated Bank of Chicago, Chicago, Illinois (the “Registrar”).

The Bonds will mature as shown on the inside cover page hereof. Interest on the Bonds will be payable each June 1 and December 1, beginning December 1, 2025.

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. 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”).

REGISTRATION AND TRANSFER

The Registrar will maintain books (the “Register”) for the registration of ownership and transfer of the Bonds. Subject to the provisions of the Bonds as they relate to book-entry form, any Bond may be transferred upon the surrender thereof at the principal corporate trust office of the Registrar, together with an assignment duly executed by the registered owner or his or her attorney in such form as will be satisfactory to the Registrar. No service charge shall be made for any transfer or exchange of Bonds, but 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.

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.

REDEMPTION

Optional Redemption. The Bonds due on December 1, 2034,* 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 (less than all of the Bonds to be selected by the Registrar), on December 1, 2033,* and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

Mandatory Sinking Fund Redemption. The Bonds due on December 1 of the years 20__ and 20__ are subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Registrar, at a redemption price of par plus accrued interest to the redemption date, on December 1 of the years and in the principal amounts as follows:

* Preliminary, subject to change.

FOR THE BONDS DUE DECEMBER 1, 20__

YEAR	PRINCIPAL AMOUNT
20__	\$
20__	(stated maturity)

FOR THE BONDS DUE DECEMBER 1, 20__

YEAR	PRINCIPAL AMOUNT
20__	\$
20__	(stated maturity)

The principal amounts of Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the District may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Registrar may, and if directed by the District shall, purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

General. 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 shall provide for the selection for 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 30 days and not more than 60 days prior to the date fixed for redemption to each 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.

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 has been 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 portions of Bonds shall 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.

SECURITY

The Bonds, in the opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel (*"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, reorganization, moratorium 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"*).

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 of 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 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.

The Bonds constitute one of three 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 School Bonds, Series 2016A, dated June 29, 2016 (the *"Series 2016A Bonds"*), and General Obligation Limited Tax School Bonds, Series 2020, dated August 5, 2020 (the *"Series 2020 Bonds"* and together with the Series 2016A Bonds, the *"Outstanding Limited 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 levy years 2024 and 2025 have been determined to be \$1,883,797.09, and \$1,938,427.20, respectively, which are calculated from an original Base of \$1,331,714.00 as increased annually by CPI as described above.

The following chart shows the Base of the District, the debt service payable on the Outstanding Limited Bonds and the Bonds, and the available Base after the issuance of the Bonds.

DEBT SERVICE EXTENSION BASE AVAILABILITY AFTER ISSUANCE OF THE BONDS

LEVY YEAR	DEBT SERVICE ON OUTSTANDING LIMITED BONDS	PLUS: DEBT SERVICE ON THE BONDS ⁽¹⁾	TOTAL DEBT SERVICE ON LIMITED BONDS ⁽¹⁾	DEBT SERVICE EXTENSION BASE ⁽²⁾	UNUSED DEBT SERVICE EXTENSION BASE ⁽¹⁾⁽²⁾
2024	\$1,627,412.50	\$ 0.00 ⁽³⁾	\$1,627,412.50	\$1,883,797.09	\$256,384.59
2025	1,629,012.50	309,414.70 ⁽³⁾	1,938,427.20	1,938,427.20	0.00
2026	1,628,412.50	348,750.00	1,977,162.50	1,977,195.74	33.24
2027	1,629,200.00	348,750.00	1,977,950.00	2,016,739.66	38,789.66
2028	1,629,400.00	348,750.00	1,978,150.00	2,057,074.45	78,924.45
2029	317,200.00	1,778,750.00	2,095,950.00	2,098,215.94	2,265.94
2030		1,637,250.00	1,637,250.00	2,140,180.26	502,930.26
2031		1,679,250.00	1,679,250.00	2,182,983.87	503,733.87
2032		1,725,750.00	1,725,750.00	2,226,643.54	500,893.54
2033		1,181,250.00	1,181,250.00	2,271,176.41	1,089,926.41

(1) Preliminary, subject to change.

(2) The CPI increase affecting levy year 2025 and thereafter is estimated to be 2.0% per year. In order to access the growth of the Base, if any, the Board will need to adopt a supplemental tax levy resolution each year and file the same with the County Clerk (as hereinafter defined). If actual CPI increases are less than expected or if the Base does not otherwise increase, the District will pay debt service on the Bonds in excess of the Base from funds on hand and lawfully available for that purpose.

(3) Does not include debt service to be paid from proceeds of the Bonds.

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 determined for levy year 2025 for all years thereafter, less taxes previously levied to pay the Outstanding Limited Bonds and not including interest expected to be paid from proceeds of the Bonds. A portion of the interest due on the Bonds on and before December 1, 2026, is expected to be paid from proceeds of the Bonds. The District expects to pay debt service on the Bonds in excess of the Base from funds of the District on hand and lawfully available for such purpose. The Bond Resolution will be filed with the County Clerk of Cook County, 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.

Reference is made to APPENDIX B for the proposed form of opinion of Bond Counsel.

THE PROJECT

A portion of the proceeds of the Bonds will be used to increase the District’s Working Cash Fund. After proper abatement and transfer from the Working Cash Fund, such proceeds will be used to pay costs of certain capital projects pursuant to the District’s Master Facility Plan, including but not limited to roof replacement, HVAC and mechanical equipment replacement and

paving replacement (the “*Project*”). The District expects to complete the Project within three years.

SOURCES AND USES

The sources and uses of funds resulting from the Bonds are shown below:

SOURCES:

Principal Amount	\$
[Net]Original Issue Premium	_____
Total Sources	\$

USES:

Deposit to Working Cash Fund	\$
To Pay Capitalized Interest on the Bonds	
Costs of Issuance*	_____
Total Uses	\$

* Includes underwriter's discount and other issuance costs.

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 and exhibits 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.

CONSTRUCTION RISKS

There are potential risks that could affect the ability of the District to timely complete the Project. While preliminary costs have been projected by the District's consulting architects, not all of the construction contracts have been let by the District. No assurance can be given that the cost of completing the Project will not exceed available funds.

Completion of the Project involves many risks common to construction projects such as shortages or delays in the availability of materials and labor, work stoppages, labor disputes, contractual disputes with contractors or suppliers, weather interferences, construction accidents, delays in obtaining legal approvals, unforeseen engineering, archeological or environmental problems and unanticipated cost increases, any of which could give rise to significant delays or cost overruns.

FINANCES OF THE STATE OF ILLINOIS

State funding sources constituted 10.46% of the District's General Fund revenue sources for the fiscal year ended June 30, 2024. While the finances of the State of Illinois (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.

LOCAL ECONOMY

The financial health of the District is in part dependent on the strength of the local economy. Many factors affect 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.

BOND RATING

The Bonds have received a credit rating from Moody's Investors Service, New York, New York ("*Moody's*"). The rating 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.

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 Securities and Exchange Commission (the "*Commission*") under the Securities Exchange

Act of 1934, as amended (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. Furthermore, the tax-exempt feature of the Bonds is currently more valuable to high tax bracket investors than to investors that are in low tax brackets. 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.

FACTORS RELATING TO TAX EXEMPTION

As discussed under “TAX EXEMPTION” herein, interest on the Bonds could become includible in gross income for purposes of federal income taxation, retroactive to the date the Bonds were issued, as a result of future acts or omissions of the District in violation of its covenants in the Bond Resolution. Should such an event of taxability occur, the Bonds are not subject to any special redemption.

There are or may be pending in the Congress of the United States (“*Congress*”) legislative proposals relating to the federal tax treatment of interest on the Bonds, including some that carry retroactive effective dates, that, if enacted, could affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Finally, reduction or elimination of the tax-exempt status of obligations such as the Bonds could have an adverse effect on the District’s ability to access the capital markets to finance future capital or operational needs by reducing market demand for such obligations or materially increasing borrowing costs of the District.

The tax-exempt bond office of the Internal Revenue Service (the “*Service*”) is conducting audits of tax-exempt bonds, both compliance checks and full audits, with increasing frequency to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted

whether the Service will commence any such audit. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the Bondholders may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of the District could adversely affect the market value and liquidity of the Bonds, regardless of the ultimate outcome.

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 virus, 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.

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 Village of Skokie (the "*Village*") in the County, approximately 16 miles north of Chicago's Loop. The District serves approximately 9,798 residents and covers 1.5 square miles. The District serves students in grades pre-K through 8 and operates three buildings: Elizabeth Meyer School (pre-K and Kindergarten), John Middleton Elementary School (grades 1-5) and Oliver McCracken Middle School (grades 6-8).

The District serves an extremely diverse community. More than 50% of District students come from homes in which a language other than English is spoken - over 60 languages are represented. Approximately 70% of District students have attended classes together since pre-K or kindergarten.

The Edens Expressway (I-94) runs through the western edge of the Village. Drive time to Chicago's Loop is approximately 30 minutes. The CTA Skokie Swift station offers commuters an approximately 30-minute ride into the Loop. Metra trains from the Park Ridge station reach the Loop in approximately 25 minutes by express and 30 minutes by local. O'Hare Airport is an approximately 20-minute drive, and Midway Airport is an approximately 45-minute drive.

The District is governed by an elected seven-member Board and a full-time administrative staff.

DISTRICT ADMINISTRATION

The day-to-day affairs of the District are conducted by a full-time staff including the following central administrative positions.

OFFICIAL	TITLE	YEAR STARTED IN POSITION
Dr. Kaine Osburn	Co-Interim Superintendent	2025
Dr. Keely Roberts	Co-Interim Superintendent	2025
Karen Hayes	Interim Chief School Business Official/ Operational Services Coordinator	2024

The Board appoints the administration. The staff is chosen by the administration with the approval of the Board. In general, policy decisions are made by the Board while specific program decisions are made by the administration.

BOARD OF EDUCATION

OFFICIAL	POSITION	TERM EXPIRES
Dr. Emily Twarog Miller	President	April 2025
Kelli Nelson	Vice President	April 2027
Bushra Amiwala	Secretary	April 2027
Maureen Jacob	Member	April 2025
Louis Mercer	Member	April 2025
Dr. LaTasha Nelson	Member	April 2027
Victoria Wolfinger	Member	April 2025

ENROLLMENT

HISTORICAL		PROJECTED	
2020/2021	1,071	2025/2026	1,092
2021/2022	1,074	2026/2027	1,087
2022/2023	1,096	2027/2028	1,097
2023/2024	1,088	2028/2029	1,088
2024/2025	1,084	2029/2030	1,088

Source: The District.

EMPLOYEE UNION MEMBERSHIP AND RELATIONS

At the start of the 2024-2025 school year, the District had 202 full-time employees and 14 part-time employees. Of the total number of employees, approximately 169 are represented by a union. Employee-union relations are considered to be good. District personnel are organized as follows:

EMPLOYEE GROUP	CONTRACT EXPIRES	UNION AFFILIATION	NUMBER OF MEMBERS
Teachers	June 2026	MMMEA	119
Support Staff	June 2025	IFT-AFT/AFL-CIO	50

POPULATION DATA

The estimated populations of the Village, the County and the State at the times of the last three U.S. Census surveys were as follows:

NAME OF ENTITY	2000	2010	2020	% CHANGE 2010/2020
The Village	63,348	64,784	67,824	+4.69%
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, Decennial Census for 2000, 2010 and 2020, respectively.

EDUCATIONAL CHARACTERISTICS OF PERSONS 25 YEARS AND OLDER

NAME OF ENTITY	HIGH SCHOOL GRADUATES	4 OR MORE YEARS OF COLLEGE
The Village	91.6%	50.8%
The County	88.3%	41.9%
The State	90.3%	37.2%

Source: U.S. Census Bureau (2019-2023 American Community Survey).

FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT

DIRECT GENERAL OBLIGATION BONDS (PRINCIPAL ONLY)

CALENDAR YEAR	SERIES 2016A BONDS (DECEMBER 1)	SERIES 2020 BONDS (DECEMBER 1)	PLUS: THE BONDS ⁽¹⁾ (DECEMBER 1)	TOTAL OUTSTANDING BONDS ⁽¹⁾
2025	\$1,230,000	\$ 105,000		\$ 1,335,000
2026	1,280,000	110,000		1,390,000
2027	1,145,000	300,000		1,445,000
2028		1,495,000		1,495,000
2029		1,555,000		1,555,000
2030		305,000	\$1,430,000	1,735,000
2031			1,360,000	1,360,000
2032			1,470,000	1,470,000
2033			1,590,000	1,590,000
2034			1,125,000	1,125,000
TOTAL	\$3,655,000	\$3,870,000	\$6,975,000	\$14,500,000

(1) Preliminary, subject to change.

DIRECT GENERAL OBLIGATION BONDS (PRINCIPAL AND INTEREST)

LEVY YEAR	DEBT SERVICE ON THE SERIES 2016A BONDS	DEBT SERVICE ON THE SERIES 2020 BONDS	PLUS: DEBT SERVICE ON THE BONDS ⁽¹⁾	TOTAL DEBT SERVICE ON OUTSTANDING BONDS ⁽¹⁾
2024	\$1,367,612.50	\$ 259,800.00	\$ 0.00 ⁽²⁾	\$ 1,627,412.50
2025	1,368,412.50	260,600.00	309,414.70 ⁽²⁾	1,938,427.20
2026	1,182,212.50	446,200.00	348,750.00	1,977,162.50
2027		1,629,200.00	348,750.00	1,977,950.00
2028		1,629,400.00	348,750.00	1,978,150.00
2029		317,200.00	1,778,750.00	2,095,950.00
2030			1,637,250.00	1,637,250.00
2031			1,679,250.00	1,679,250.00
2032			1,725,750.00	1,725,750.00
2033			1,181,250.00	1,181,250.00
TOTAL	\$3,918,237.50	\$4,542,400.00	\$9,357,914.70	\$17,818,552.20

(1) Preliminary, subject to change.

(2) Does not include debt service to be paid from proceeds of the Bonds.

OVERLAPPING GENERAL OBLIGATION BONDS
(As of February 10, 2025)

TAXING BODY	OUTSTANDING BONDS ⁽¹⁾	APPLICABLE TO DISTRICT	
		PERCENT	AMOUNT
The County	\$1,930,661,750	0.216%	\$ 4,177,558
Cook County Forest Preserve District	41,835,000	0.216%	90,522
Metropolitan Water Reclamation District	1,820,725,000	0.220%	4,009,568
The Village	187,250,000	13.370%	25,036,040
Skokie Park District	4,830,800	13.583%	656,179
Community College District No. 535	53,185,000	1.426%	<u>758,250</u>
TOTAL OVERLAPPING GENERAL OBLIGATION BONDS			\$34,728,118

Source: With respect to the applicable taxing bodies and the information used to calculate the percentage of overlapping equalized assessed valuation ("EAV"), the Cook County Clerk's Office. Information regarding the outstanding bonds of the overlapping taxing bodies was obtained from publicly available sources.

- (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.

SELECTED FINANCIAL INFORMATION

2023 Estimated Full Value of Taxable Property:	\$1,295,224,947
2023 EAV:	\$ 431,741,649
Population Estimate:	9,798
General Obligation Bonds (including the Bonds):	\$ 14,500,000 ⁽¹⁾
Other Direct General Obligation Debt:	\$ 0
Total Direct General Obligation Debt:	\$ 14,500,000 ⁽¹⁾
Percentage to Full Value of Taxable Property:	1.12% ⁽¹⁾
Percentage to EAV:	3.36% ⁽¹⁾
Debt Limit (6.9% of EAV):	\$ 29,790,174
Percentage of Debt Limit:	48.67% ⁽¹⁾
Per Capita:	\$ 1,480 ⁽¹⁾
General Obligation Bonds (including the Bonds):	\$ 14,500,000 ⁽¹⁾
Overlapping General Obligation Bonds:	\$ 34,728,118
General Obligation Bonds and Overlapping General Obligation Bonds:	\$ 49,228,118 ⁽¹⁾
Percentage to Full Value of Taxable Property:	3.80% ⁽¹⁾
Percentage to EAV:	11.40% ⁽¹⁾
Per Capita:	\$ 5,024 ⁽¹⁾

(1) Preliminary, subject to change.

COMPOSITION OF EAV

	2019	2020	2021	2022	2023
By Property Type					
Residential	\$240,986,801	\$238,018,766	\$217,099,933	\$296,724,380	\$304,849,916
Commercial	47,338,792	47,928,980	44,616,767	58,888,420	57,857,243
Industrial	66,323,353	68,506,733	64,404,098	66,454,956	68,234,059
Railroad	<u>594,585</u>	<u>619,916</u>	<u>619,916</u>	<u>740,290</u>	<u>800,431</u>
Total EAV	\$355,243,531	\$355,074,395	\$326,740,714	\$422,808,046	\$431,741,649

Source: Cook County Clerk's Office.

TREND OF EAV

LEVY YEAR	EAV	% CHANGE IN EAV FROM PREVIOUS YEAR
2019	\$355,243,531	+19.09% ⁽¹⁾⁽²⁾
2020	355,074,395	-0.05%
2021	326,740,714	-7.98%
2022	422,808,046	+29.40% ⁽²⁾
2023	431,741,649	+2.11%

Source: Cook County Clerk's Office.

(1) Based on the District's \$298,295,991 2018 EAV.

(2) Reassessment year.

NEW PROPERTY

The following chart indicates the EAV of new property (as defined in the Limitation Law (as hereinafter defined)) within the District for each of the last five levy years.

LEVY YEAR	NEW PROPERTY
2019	\$1,797,026 ⁽¹⁾
2020	688,550
2021	319,193
2022	797,784
2023	637,223

Source: Cook County Clerk's Office.

(1) Increase in new property due to expiration of tax increment financing district.

TAXES EXTENDED AND COLLECTED

TAX LEVY YEAR/ COLLECTION YEAR	TAXES EXTENDED	TAXES COLLECTED AND DISTRIBUTED	PERCENT COLLECTED
2019/20	\$17,022,061	\$16,780,680	98.58%
2020/21	17,716,147	17,072,775	96.37%
2021/22	18,957,496	17,710,725	93.42%
2022/23	20,064,633	19,845,484	98.91%
2023/24	19,893,667	19,257,927	96.80%

Source: Cook County Treasurer's and County Clerk's Offices.

SCHOOL DISTRICT TAX RATES BY PURPOSE

(Per \$100 EAV)

PURPOSE	2019	2020	2021	2022	2023	MAXIMUM RATE ⁽¹⁾
Educational Fund	\$2.9987	\$2.9844	\$4.2398	\$3.3936	\$3.3195	None
Social Security	0.0870	0.0940	0.0074	0.0056	0.0054	None
Liability Insurance	0.0597	0.0646	0.0015	0.0451	0.0430	None
Transportation	0.4697	0.5078	0.1484	0.1465	0.1937	None
IMRF	0.0725	0.0784	0.0059	0.0045	0.0011	None
Building	0.4646	0.5023	0.4556	0.3721	0.3551	\$0.5500
Working Cash Funds	0.0422	0.0457	0.0015	0.0022	0.0022	0.0500
Life Safety	0.0845	0.0913	0.0015	0.0011	0.0000	0.1000
Special Education	0.3379	0.3653	0.3766	0.2869	0.2367	0.4000
Leasing Education Facilities	0.0149	0.0161	0.0015	0.0022	0.0011	0.1000
Limited Bonds	0.1603	0.2420	0.5224	0.4043	0.3961	None
Revenue Recapture ⁽³⁾	<u>0.0000</u>	<u>0.0000</u>	<u>0.0399</u>	<u>0.0819</u>	<u>0.0535</u>	None
Total	\$4.7920	\$4.9919	\$5.8020	\$4.7460	\$4.6074	

Source: Cook County Clerk's Office.

- (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.

REPRESENTATIVE TOTAL TAX RATES
(Per \$100 EAV)

TAXING AUTHORITY	2019	2020	2021	2022	2023
The District	\$ 4.792	\$ 4.992	\$ 5.802	\$ 4.746	\$ 4.608
The County	0.454	0.453	0.446	0.431	0.386
Forest Preserve District	0.059	0.058	0.058	0.081	0.075
Metro. Water Reclamation Dist.	0.389	0.378	0.382	0.374	0.345
Consolidated Elections	0.030	0.000	0.019	0.000	0.032
Town of Niles	0.045	0.046	0.051	0.047	0.048
General Assistance Niles	0.007	0.007	0.008	0.007	0.008
Road and Bridge Niles	0.000	0.000	0.000	0.000	0.000
The Village	0.573	0.562	0.605	0.501	0.486
Village of Skokie Library Fund	0.499	0.489	0.527	0.443	0.430
Skokie Park District	0.411	0.406	0.451	0.407	0.407
North Shore Mosq. Abate. Dist.	0.009	0.009	0.009	0.008	0.008
Community High School District Number 219	3.017	3.029	3.350	3.025	3.069
Oakton Community College District No. 535	<u>0.221</u>	<u>0.227</u>	<u>0.252</u>	<u>0.221</u>	<u>0.227</u>
TOTAL *	\$10.506	\$10.656	\$11.960	\$10.291	\$10.129

Source: Cook County Clerk's Office.

* The total of such rates is the property tax rate paid by a typical District resident living in the Village.

TEN LARGEST TAXPAYERS

TAXPAYER NAME	DESCRIPTION	2023 EAV	PERCENT OF DISTRICT'S TOTAL EAV
A&K NE Real Estate	Retail store	\$ 8,141,811	1.89%
CF St. Louis LLC	Industrial building	7,239,298	1.68%
STG Skokie Flex LLC	Industrial building	6,907,317	1.60%
Oakton Partners LLC	Industrial building	6,163,755	1.43%
IM Daas Torah Investment	Industrial building	4,830,963	1.12%
Porento Family Partnership	Industrial building	4,096,941	0.95%
3340 Oakton LLC	Auto dealership	3,921,190	0.91%
Individual	Industrial building	3,151,837	0.73%
Public Storage IL 24524	Public storage	2,738,936	0.63%
ComEd	Office building	<u>2,189,327</u>	<u>0.51%</u>
		\$49,381,375	11.44%

Source: Cook County Clerk's Office.

The above taxpayers represent 11.44% of the District's \$431,741,649 2023 EAV (including Incremental EAV). Reasonable efforts have been made to seek out and report the largest taxpayers. However, many of the taxpayers listed may own multiple parcels and it is possible that some parcels and their valuations may not be included.

RETAILERS' OCCUPATION TAX AND SERVICE OCCUPATION TAX

The following table shows the distribution of the municipal portion of the Retailers' Occupation Tax and Service Occupation Tax collected by the Illinois Department of Revenue (the "*Department*") from retailers within the Village. The table indicates the level of retail activity in the Village.

CALENDAR YEAR	STATE SALES TAX DISTRIBUTION ⁽¹⁾
2019	\$15,050,978
2020	12,114,851
2021	15,947,246
2022	18,317,643
2023	19,064,922
2024 ⁽²⁾	14,059,692

Source: The Department.

(1) Tax distributions are based on records of the Department relating to the 1% municipal portion of the Retailers' Occupation Tax and Service Occupation Tax, collected on behalf of the Village, less a State administration fee. The municipal 1% sales tax includes tax receipts from the sale of food and drugs which are not taxed by the State.

(2) Through Third Quarter 2024.

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 over the last five years:

FISCAL YEAR ENDED JUNE 30	CPPRT RECEIPTS
2020	\$ 501,485
2021	698,717
2022	1,510,750
2023	1,615,185
2024	950,007

Source: The audited financial statements of the District for the fiscal years ended June 30, 2020-June 30, 2024.

In its fiscal year 2025 budget, the District estimated that its CPPRT revenues would be approximately \$1,691,025. The State estimates that the District will receive CPPRT revenues of approximately \$699,189 in fiscal year 2025.

LARGEST EMPLOYERS

Below is a listing of large employers within or near the District.

EMPLOYER	PRODUCT OR SERVICE	LOCATION	APPROXIMATE NUMBER OF EMPLOYEES
NorthShore University Health System	Hospital	Skokie	2,514
DRiV Automotive, Inc.	Gaskets, packings, rubber products & seals	Skokie	1,300
Tenneco/Federal Mogul	Gaskets	Skokie	1,279
Georgia Nut Co.	Candy & snacks	Skokie	815
Niles Township High School District Number 219	Education	Skokie	789
Amazon.com Services, LLC	Warehouse fulfillment & logistics services	Skokie	700
The Village	Government	Skokie	449
Generation Brands	Lighting Fixtures	Skokie	417
Tech Lighting, LLC	Architectural-grade low- & line-voltage lighting systems	Skokie	400
Skokie Park District	Park District	Skokie	375
Alltran Education, Inc.	Collection services for the recovery of educational loans & taxes	Skokie	300
Megadyne America, LLC	Company headquarters & process & conveyor belting & products for the food, general industrial, material & package handling, paper & print, rubber & plastics industries	Skokie	300
Visual Comfort & Co.	Company headquarters & low-voltage lighting systems & contemporary decorative fixtures, including fans	Skokie	300
Macy's	Retail Store	Skokie	266
Legacy Healthcare Financial Services, LLC	Residential healthcare consulting services	Skokie	200
Integrated Merchandising Systems, LLC	Merchandising point-of-sale signs, displays, racks, hardware & printed materials for retail environments	Skokie	170
Edwards Label	Promotional label printing	Skokie	150
Northwestern Mutual	Financial advisors	Skokie	150
Nurse Staffers, Inc.	Nurse staffing services	Skokie	150
Lakeshore Management, Inc.	Real estate management	Skokie	140

Source: 2024 Illinois Manufacturers Directory, 2024 Illinois Services Directory and the Illinois Department of Commerce and Economic Opportunity.

UNEMPLOYMENT RATES

Unemployment statistics are not compiled specifically for the District. The following table shows the trend in annual average unemployment rates for the Village, the County and the State.

	THE VILLAGE	THE COUNTY	THE STATE
2020 – Average ⁽¹⁾	10.3%	10.6%	9.3%
2021 – Average	5.5%	6.9%	6.1%
2022 – Average	3.9%	5.0%	4.6%
2023 – Average	3.5%	4.4%	4.5%
2024 – Average	4.5%	5.4%	5.1%

Source: State of Illinois Department of Employment Security.

(1) The District attributes the increase in unemployment rates to the COVID-19 pandemic.

HOUSING VALUE AND INCOME STATISTICS

The following table sets forth information regarding median home values and various income related statistics for the Village, the County and the State.

	THE VILLAGE	THE COUNTY	THE STATE
Median Home Value	\$368,600	\$305,200	\$250,500
Median Household Income	93,500	81,797	81,702
Median Family Income	116,856	102,297	103,504
Per Capita Income	44,330	47,801	45,104

Source: U.S. Census Bureau (2019-2023 American Community Survey).

SHORT-TERM BORROWING

The District has not issued tax anticipation warrants or revenue anticipation notes during the last five years to meet its short-term current year cash flow requirements.

FUTURE DEBT

Except for the Bonds, the District does not currently anticipate issuing any debt in the next six months.

DEFAULT RECORD

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

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.

WORKING CASH FUND SUMMARY

FISCAL YEAR	END OF YEAR FUND BALANCE
2020	\$6,407,459
2021	5,830,344
2022	5,409,240
2023	5,930,092
2024	5,869,158

Source: Compiled from the District's audited financial statements for the fiscal years ended June 30, 2020-2024.

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 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 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 North Tri and was last reassessed for the North tax levy year. The District will next be reassessed for the 2025 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:

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 the 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. 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
2014	2.7253
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

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 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 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 fire prevention and safety, energy conservation and school security purposes or are for certain refunding 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 AND ECONOMIC CHARACTERISTICS OF THE DISTRICT - School District Tax Rates by Purpose." 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—Security" 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 Illinois Property Tax Appeal Board (the "PTAB") decisions. For levy year 2023, the additional amount added to the District's tax levy as a result of this change was \$230,956.

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. Pursuant to Public Act 102-1112, the first installment penalty date for levy year 2022 was changed from March 1, 2023 to April 1, 2023. 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
2014	August 3, 2015
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

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, for the 2021 tax year (for amounts payable in calendar year 2022), the distribution of amounts related to second installment County

property tax bills for calendar year 2022 were delayed. Likewise, such distribution of amounts were delayed in calendar year 2023. The District did not experience any cash flow issues due to such delays.

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.

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 and its officers 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.

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. 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
2019	3.90	Recognition	3.90	Recognition
2020	3.90	Recognition	3.90	Recognition
2021	3.80	Recognition	3.80	Recognition
2022	3.55	Recognition	3.55	Recognition
2023	3.90	Recognition	3.90	Recognition

STATE AID

GENERAL

On June 5, 2024, Governor Pritzker (the “*Governor*”) signed the State’s \$53.1 billion general funds budget (Public Act 103-0589) for the fiscal year ending June 30, 2025 (the “*Fiscal Year 2025 Budget*”), which included a \$211 million surplus, additional contributions to the State’s pension system and the State’s Budget Stabilization Fund, commonly referred to as the State’s “rainy day” fund, which is set to surpass \$2.3 billion, and the elimination of the State’s bill backlog. In addition, the Fiscal Year 2025 Budget increased funding for education across early childhood, K-12 and higher education by more than \$500 million.

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, 2024, 10.46% of the District’s General Fund revenue came from State funding sources. See *Exhibit C* to this Official Statement 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 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.

The Fiscal Year 2025 Budget, like the prior three State budgets, appropriated General State Aid in an amount \$350 million greater than the appropriation in the prior fiscal year budget.

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 the district’s *“Base Funding Minimum”*). The Base Funding Minimum for the District for school year 2017-2018 was \$1,245,547(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.

EBF FUNDING

FISCAL YEAR	BASE FUNDING MINIMUM	TIER NUMBER	AMOUNT OF NEW STATE FUNDS
2021 ⁽¹⁾	\$1,776,439	N/A	\$ 0
2022	1,776,439	Three	28,230
2023	1,805,449	Four	1,317
2024	1,806,578	Four	966
2025	2,487,113	Four	973

(1) The State did not allocate New State Funds for Fiscal Year 2021.

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. Of the \$350 million of New State Funds appropriated in the Fiscal Year 2025 Budget, \$50 million was allocated to the Property Tax Relief Pool, as was done in the last three State budgets.

The District received a Fiscal Year 2020 Property Tax Relief Grant in the amount of \$503,279 (the “2020 Grant”). The 2020 Grant was paid to the District in May 2020, and the District abated \$807,350 from property taxes extended for each of the levy years 2019 and 2020, in order to receive the 2020 Grant. The 2020 Grant has been included in calculations of the District's Base Funding Minimum beginning with fiscal year ended June 30, 2020.

The District received a Fiscal Year 2024 Property Tax Relief Grant in the amount of \$679,569 (the “2024 Grant”). The 2024 Grant was paid to the District in May 2024, and the District abated \$990,857 from property taxes extended for each of the levy years 2023 and 2024, in order to receive the 2024 Grant. The 2024 Grant has been included in calculations of the District's Base Funding Minimum beginning with fiscal year ended June 30, 2024.

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 *Exhibit C* 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, has 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) the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (commonly known as ESSER II), and (iii) the 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 amount of funds the District received from ESSER I was \$176,780. The District received additional funds in the amount of \$617,008 pursuant to ESSER II. Finally, the District received \$1,387,188 of ESSER III funds.

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 6 to the Audit, as hereinafter defined, attached hereto as APPENDIX A.

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 the 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 of the State (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 6 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, 2020, through June 30, 2024, all amounts contributed by the District to TRS were as follows:

FISCAL YEAR ENDED JUNE 30	TRS CONTRIBUTION
2020	\$85,735
2021	70,008
2022	58,529
2023	88,135
2024	91,021

Source: The audited financial statements of the District for the fiscal years ended June 30, 2020, through June 30, 2024.

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 6 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 6 to the Audit for additional information on the IMRF.

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 7.23% of covered payroll.

For the fiscal years ended June 30, 2020, through June 30, 2024, the District contributed the following amounts to IMRF:

FISCAL YEAR ENDED JUNE 30	IMRF CONTRIBUTIONS
2020	\$149,600
2021	185,763
2022	191,601
2023	189,751
2024	201,221

Source: The audited financial statements of the District for the fiscal years ended June 30, 2020, through June 30, 2024.

Measures of Financial Position

The following table presents the measures of the IMRF Account's financial position as of December 31 of the years 2019 through 2023, which are presented pursuant to the GASB Standards.

CALENDAR YEAR ENDED DECEMBER 31	TOTAL PENSION LIABILITY	FIDUCIARY NET POSITION	NET PENSION (ASSET)/LIABILITY	FIDUCIARY NET POSITION AS A % OF TOTAL PENSION LIABILITY	DISCOUNT RATE
2019	\$11,043,720	\$10,702,541	\$ 341,179	96.91%	7.25%
2020	11,450,234	11,981,811	(531,577)	104.64%	7.25%
2021	12,294,970	13,900,577	(1,605,607)	113.06%	7.25%
2022	13,209,761	11,672,389	1,537,372	88.36%	7.25%
2023	13,597,222	12,793,178	804,044	94.09%	7.25%

Source: The audited financial statements of the District for the fiscal years ended June 30, 2020, through June 30, 2024.

See Note 6 to the Audit, for additional information on the IMRF.

OTHER POST-EMPLOYMENT BENEFITS

The District administers a single-employer defined benefit healthcare plan (the “*Retirees Health Plan*”). The Retirees Health Plan provides health insurance contributions for eligible retirees and their dependents through the District’s group health insurance plan which covers both active and retired members. Retirees are responsible for the entire premium payment to secure coverage. Because the retiree insurance premium is paid entirely by retiree contributions, there is no net cash outflow by the District related to these benefits when paid. Furthermore, although the rates charged to retirees contain an implied rate subsidy by the District through the blended premium covering all current employees and retirees, there is no actuarial valuation performed to determine the amount of such subsidy. For more information regarding the District’s OPEB obligations, see Note 7 of the Audit.

TEACHER HEALTH INSURANCE SECURITY FUND

The District participates in the Teacher Health Insurance Security Fund (the “*THIS Fund*”), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of TRS.

The State maintains primary responsibility for funding, but contributions from participating employers and members are also required. For the fiscal year ended June 30, 2024, the District paid \$79,801 to the THIS Fund, which was 100% of the required contribution. For more information regarding the District’s THIS Fund obligation, see Note 7 to the Audit.

BOND RATING

Moody’s has assigned the Bonds a rating of “Aa2.” This rating reflects only the views of Moody’s. An explanation of the methodology for such rating may be obtained from Moody’s. Certain information concerning the Bonds and the District not included in this Official Statement may have been furnished to Moody’s by the District. There is no assurance that the rating will be maintained for any given period of time or that such rating will not be changed by Moody’s if, in such rating agency’s judgment, circumstances so warrant. Any downward change in or withdrawal of the rating 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,” the form of which is attached hereto as APPENDIX C, 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 the rating or to oppose any such revision or withdrawal.

TAX EXEMPTION

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The District has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludible from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the District's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludible from the gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the "*Code*"). Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the District with respect to certain material facts within the District's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price for original issue discount (as further discussed below) and market discount purposes (the "*OID Issue Price*") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public (excluding bond houses and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

If the OID Issue Price of a maturity of the Bonds is less than the principal amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the Bonds (the "*OID Bonds*") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the OID Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the District complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludible from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not

realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Code; and (d) the accretion of original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Department under State income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the OID Issue Price or purchase Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity or, in the case of an OID Bond, its OID Issue Price plus accreted original issue discount (the "*Revised Issue Price*"), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory *de minimis* rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

There are or may be pending in Congress legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

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.

QUALIFIED TAX-EXEMPT OBLIGATIONS

Subject to the District's compliance with certain covenants, in the opinion of Bond Counsel, the Bonds are "qualified tax-exempt obligations" under the small issuer exception provided under Section 265(b)(3) of the Code, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code.

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 the form of the Undertaking, attached hereto as APPENDIX C.

There have been no instances in the previous five years in which the District failed to comply, in all material respects, with any undertaking previously entered into by it pursuant to the Rule. 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.

AUDITED FINANCIAL STATEMENTS

The audited financial statements of the District for the fiscal year ended June 30, 2024 (the “*Audit*”), contained in APPENDIX A, including the independent auditor’s report accompanying the Audit, have been prepared by Wipfli LLP, Aurora, Illinois (the “*Auditor*”), and approved by formal action of the Board. 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.

BOOK-ENTRY ONLY 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 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 Global Ratings rating of "AA+". The DTC Rules applicable to its Participants are on file with 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 effect 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 (a) the accuracy of any records maintained by the Securities Depository or any Participant; (b) 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; (c) the delivery of any notice by the Securities Depository or any Participant; (d) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (e) any other action taken by the Securities Depository or any Participant.

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.

NO LITIGATION

No litigation is now pending or threatened restraining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds or any proceedings of the District taken with respect to the issuance or sale thereof. A certificate to this effect will be delivered by the District with the other customary closing papers when the Bonds are delivered.

UNDERWRITING

Pursuant to the terms of a Bond Purchase Agreement (the "*Agreement*") between the District and Raymond James & Associates, Inc., Chicago, Illinois (the "*Underwriter*"), the Underwriter has agreed to purchase the Bonds at an aggregate purchase price of \$_____. The purchase price will produce an underwriting spread of ____% of principal amount if all Bonds are sold at the initial offering prices. The Agreement provides 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 Bonds may be offered and sold to certain dealers (including dealers depositing such Bonds into investment trusts, accounts or funds) and others at prices different than the initial public offering price. After the initial public offering, the public offering price of the Bonds may be changed from time to time by the Underwriter.

AUTHORIZATION

This Official Statement has been approved by the District for distribution to prospective purchasers of the Bonds. The Board, acting through authorized officers, will provide to the Underwriter at the time of delivery of the Bonds, a certificate confirming that, to the best of its knowledge and belief, this Official Statement, together with any supplements thereto, as of the date hereof, and at the time of delivery of the Bonds, was true and correct in all material respects and did not at any time contain an 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 Chief School Business Official/
Operational Services Coordinator
School District Number 73-1/2, Cook County,
Illinois

April __, 2025

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**EXHIBIT A — COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE, FISCAL YEARS ENDED JUNE 30, 2020-2024**

	Ed ⁽¹⁾	O&M	DEBT SERVICE	TRANS	IMRF	CAP PROJECTS	WORKING CASH	TORT	FIRE	TOTAL
Beginning Balance	\$15,007,875	\$4,377,086	\$1,461,431	\$ 1,427,632	\$1,802,116	\$ 188,913	\$ 6,026,586	\$ 1,303,457	\$ 767,894	\$32,362,990
Revenues	15,926,533	1,984,196	1,022,267	2,044,950	633,318	6,401	380,873	258,974	328,689	22,586,201
Expenditures	16,506,192	1,255,152	1,346,875	728,216	424,854	80,689	0	21,973	0	20,363,951
Net Transfers	(807,350)	0	807,350	0	0	0	0	0	0	0
Other Sources (Uses)	0	22,000	0	0	0	0	0	0	0	22,000
Ending Balance, 6/30/20	\$13,620,866	\$5,128,130	\$1,944,173	\$ 2,744,366	\$2,010,580	\$ 114,625	\$6,407,459	\$ 1,540,458	\$1,096,583	\$34,607,240
Beginning Balance ⁽²⁾	\$13,745,043	\$5,128,130	\$1,944,173	\$ 2,744,366	\$2,010,580	\$ 114,625	\$6,407,459	\$ 1,540,458	\$1,096,583	\$34,731,417
Revenues	14,904,825	1,857,465	691,396	1,960,638	628,307	38,358	225,062	224,019	308,522	20,838,592
Expenditures	16,554,568	1,140,633	1,486,907	674,166	473,351	914,996	0	132,938	0	21,377,559
Net Transfers	0	0	807,350	0	0	5,000,000	(5,807,350)	0	0	0
Other Sources (Uses)	0	0	55,293	0	0	0	5,005,163	0	0	5,060,456
Ending Balance, 6/30/21	\$12,095,300	\$5,844,962	\$2,011,305	\$ 4,030,838	\$2,165,536	\$4,237,987	\$5,830,334	\$ 1,631,539	\$1,405,105	\$39,252,906
Beginning Balance	\$12,095,300	\$5,844,962	\$2,011,305	\$ 4,030,838	\$2,165,536	\$4,237,987	\$5,830,334	\$ 1,631,539	\$1,405,105	\$39,252,906
Revenues	17,584,392	1,359,535	1,163,490	1,407,198	184,226	(313,429)	(421,094)	157,020	9,144	21,130,482
Expenditures	19,787,315	1,420,956	1,615,563	1,030,216	504,944	568,003	0	188,371	0	25,115,368
Net Transfers	8,400,000	(3,800,000)	0	(4,600,000)	0	0	0	0	0	0
Other Sources (Uses)	0	1,800,000	0	0	0	0	0	(1,800,000)	0	0
Ending Balance, 6/30/22	\$18,292,377	\$3,783,541	\$1,559,232	\$ (192,180)	\$1,844,818	\$3,356,555	\$5,409,240	\$ (199,812)	\$1,414,249	\$35,268,020
Beginning Balance	\$18,292,377	\$3,783,541	\$1,559,232	\$ (192,200)	\$1,844,818	\$3,356,555	\$5,409,240	\$ (199,812)	\$1,414,249	\$35,268,000
Revenues	22,809,775	2,373,266	1,814,577	808,706	216,716	473,778	770,852	82,157	222,370	29,572,197
Expenditures	21,477,182	2,352,244	1,604,138	1,160,421	530,762	889,415	0	165,159	0	28,179,321
Net Transfers	0	(2,200,000)	0	0	0	2,200,000	(250,000)	250,000	0	0
Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Ending Balance, 6/30/23	\$19,624,970	\$1,604,563	\$1,769,671	\$ (543,915)	\$1,530,772	\$5,140,918	\$5,930,092	\$ (32,814)	\$1,636,619	\$36,660,876
Beginning Balance	\$19,624,970	\$1,604,563	\$1,769,671	\$ (543,915)	\$1,530,772	\$5,140,918	\$5,930,092	\$ (32,814)	\$1,636,619	\$36,660,876
Revenues	22,658,316	1,820,844	1,799,632	1,062,803	80,332	117,732	189,066	195,998	57,235	27,981,958
Expenditures	22,863,509	2,689,169	1,603,988	1,399,926	602,566	1,767,119	0	114,319	30,194	31,070,790
Net Transfers	0	0	0	250,000	0	0	(250,000)	0	0	0
Other Sources (Uses)	0	0	0	0	0	0	0	0	0	0
Ending Balance, 6/30/24	\$19,419,777	\$736,238	\$1,965,315	\$ (631,038)	\$1,008,538	\$3,491,531	\$5,869,158	\$48,865	\$1,663,660	\$33,572,044

Source: The audited financial statements of the District for the fiscal years ended June 30, 2020 - June 30, 2024.

(1) Excludes "on-behalf" payments

(2) Restated to include student activity funds.

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EXHIBIT B — BUDGET, FISCAL YEAR ENDING JUNE 30, 2025

	ED ⁽¹⁾	O&M	DEBT SERVICE	TRANS	IMRF	CAP PROJECTS	WORKING CASH	TORT	FIRE	TOTAL
FUND BALANCE AS OF 7/1/24	\$17,426,648	\$1,638,610	\$1,579,088	\$ 712,171	\$1,253,276	\$3,490,477	\$5,951,836	\$265,262	\$1,857,626	\$34,174,994
ESTIMATED REVENUE	23,963,660	1,465,638	1,868,875	803,125	126,525	86,688	162,750	20,475	54,075	28,551,811
ESTIMATED EXPENDITURES	24,960,158	3,100,084	1,698,375	1,511,603	768,300	1,700,000	0	200,060	250,000	34,188,580
OTHER	0	585,000	0	555,000	0	0	1,140,000	0	0	0
ESTIMATED FUND BALANCE 6/30/25	\$16,430,150	\$ 589,164	\$1,749,588	\$ 558,693	\$ 611,501	\$1,877,165	\$4,974,586	\$ 85,677	\$1,661,701	\$28,538,225

Source: Budget for the District for the fiscal year ending June 30, 2025. The beginning fund balances were estimated by the District at the time the budget was adopted. Consequently, such balances may not match the ending fund balances set forth in the District's audited financial statements for the fiscal year ended June 30, 2024.

(1) Excludes "on-behalf" payments.

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**EXHIBIT C — GENERAL FUND REVENUE SOURCES,
FISCAL YEARS ENDED JUNE 30, 2020-2024**

	YEAR ENDED JUNE 30, 2020	YEAR ENDED JUNE 30, 2021	YEAR ENDED JUNE 30, 2022	YEAR ENDED JUNE 30, 2023	YEAR ENDED JUNE 30, 2024
Local Sources	85.48%	83.76%	40.31%	87.40%	83.28%
State Sources	10.35%	11.11%	28.25%	7.45%	10.46%
Federal Sources	<u>4.17%</u>	<u>5.12%</u>	<u>31.44%</u>	<u>5.15%</u>	<u>6.27%</u>
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%

Source: The audited financial statements of the District for the fiscal years ended June 30, 2020-June 30, 2024. For purposes of this Exhibit, the General Fund includes the Educational Fund and the Operations and Maintenance Fund. Excludes "on-behalf" payments.

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APPENDIX A

**AUDITED FINANCIAL STATEMENTS OF THE
DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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**Skokie School District 73.5
Skokie, Illinois**

**Annual Comprehensive
Financial Report**

For the Fiscal Year Ended June 30, 2024



**SKOKIE
73.5**

Skokie School District 73-5

Year Ended June 30, 2024

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SKOKIE SCHOOL DISTRICT 73½

District Office
8000 East Prairie Road
Skokie, IL 60076

**Annual Comprehensive Financial Report
For the Fiscal year ended June 30, 2024**

Board of Education

		Term Expires
Dr. Emily Twarog Miller	President	2025
Kelli Nelson	Vice President	2027
Bushra Amiwala	Secretary	2027
Maureen Jacob	Secretary Pro-tem	2025
Victoria Wolfinger	Member	2025
Louis Mercer	Member	2025
Dr. LaTasha Nelson	Member	2027

Township School Treasurer

Marty Paltzer, C.P.A.

District 73½ Administration

Dr. Zipporah Hightower	Superintendent
Samantha Peterson	Assistant Superintendent of Business and Operations / Chief Financial Officer
Kevin Poduska	Director of Curriculum, Instruction, and Assessment
Angela DeMay	Director of Special Education
Helen Wei	Principal, Elizabeth Meyer School
Nikki Tammaru	Principal, John Middleton Elementary School
Stephanie Larenas	Asst. Principal, John Middleton Elementary School
Nancy Ariola	Principal, Oliver McCracken Middle School
Mart Behm	Asst. Principal, Oliver McCracken Middle School
Trevor Dykes	Asst. Principal, Oliver McCracken Middle School
Richard McDonald	Chief Information Officer
Edward Kerrigan	Director of Buildings and Grounds

Official Issuing Report

Karen Hayes, Interim CSBO

Department Issuing Report

Business Office



March 31, 2025

President and Members of the Board of Education
Skokie School District 73½
8000 East Prairie Road
Skokie, Illinois 60076

The Annual Comprehensive Financial Report (ACFR) of Skokie School District 73½ (District) for the fiscal year ended June 30, 2024 is submitted herewith. This report was prepared by the District's Business Office.

Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation including all disclosure rests with the District. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included. The District does not exercise oversight responsibility over any other entity and thus does not include any other entity as a component unit in the report.

The ACFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the management's discussion and analysis, basic financial statements including government-wide financial statements, governmental funds, and other supplemental information. Also included is the auditors' report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

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

This report includes all funds of the District. For all the governmental fund-types, the District reports on a modified accrual basis of accounting, which is applied to the District's budget and accounting records. The notes to the financial statements expand upon the modified accrual basis as well as the District's accounting policies and procedures. All District funds are included in this report and have been audited by Wipfli LLP.

PROFILE OF THE DISTRICT

The District is an elementary (Pre-K-8) school district in Niles Township, Illinois, which operates as an independent single district. The governing body consists of a seven-member Board of Education and the three-member Niles Township Board of Trustees for Schools, who are all elected by the registered voters of Niles Township. The District's boundaries are within the Village of Skokie.



Based on the legislative authority codified in The School Code of Illinois, the Board of Education has the following powers:

- a. Has the corporate power to sue and be sued in all counts,
- b. Has the power to levy and collect taxes and to issue bonds,
- c. Can contract for appointed administrators, teachers, and other personnel, as well as for goods and services.

Based on the legislative authority codified in The School Code of Illinois, the Township Trustee members have the following powers:

- a. The corporate power to sue and be sued in all courts;
- b. The authority to hold title to all district property;
- c. The power to appoint the Township Treasurer who serves as legal guardian of all District funds.

District 73½ is home to approximately 1,100 pre-kindergarten through eighth grade students. Enrollment is projected to grow slowly over the next five years. We have three schools: Elizabeth Meyer School (1994), John Middleton Elementary School (1955), and Oliver McCracken Middle School (1959).

More than half of our students come from homes in which a language other than English is spoken – over 60 languages in all. Our student population is more diverse economically, racially, ethnically, and linguistically than most schools in the surrounding suburbs. The District also provides an Extended Learning Program, Early Childhood Program, band, choral music, performance arts, Spanish, STEM, experiential education, physical education, and after-school remedial and enrichment classes.

Our English Language Learner percentage is approximately 20.0%. Students who have limited language proficiency in English receive additional instruction by teachers who are specifically trained to teach English for second language learners. As mandated by State law, all students who come from a home where a language other than English is spoken are given an English language proficiency assessment. The District also partners with the Niles Township ELL Parent Center which provides adult English literacy programs, free family literacy classes, parenting classes, translation services, understanding of the American public school system and networking with other parents.

The Extended Learning Program for grades 4 through 8 provides opportunities for acceleration for qualified students. The philosophy of the Extended Learning Program is based on the principles that all students are to receive an education appropriate to their individual capabilities, interests and needs, and that students have learning opportunities that help develop their abilities to the highest level. Students identified for the program generally demonstrate the capacity for high performance beyond age/grade expectations; they are atypical learners who require specialized learning experiences beyond the regular curriculum.

The District is a member of the Niles Township District for Special Education #807 (NTDSE), a nine-member cooperative providing services for children ages 3 through 21 in need of special education services.

The District partners with the Skokie Public Library to ensure that every student receives and utilizes a library card.



ECONOMIC CONDITIONS AND FINANCIAL PLANNING

Property taxes continue to be the District's major revenue source and represent over 84% of district's revenues. Skokie School District 73½ is currently in a strong financial position with a credit line of about 20 million dollars and healthy fund balances.

The District has been awarded "Aa2" bond ratings by Moody's, which is a strong bond rating. This is a direct result of the District's internal control policies and procedures, budget oversight and fiscal management. The Property tax relief grant has been awarded to Skokie 73.5 and the district will return nearly 1 million dollars to its home owners for the next two years as a result.

District 73½, along with many other school districts, is experiencing an increasing number of property tax refund requests. The District continues to refund property tax collections for previous tax years' Property Tax Appeal Board decisions, Circuit Court decisions, and tax rate objections. Taxpayers file property tax appeals either through the Property Tax Appeal Board (PTAB) or through the Circuit Court.

Five year financial projections are completed and updated throughout the year for the District. The District updates these projections in order to assist with the budgeting and planning process. It is the intent of the District to continue to spend conservatively, while seeking long-term solutions to the issues that have adversely affected the financial resources of our District. These issues include multiple needed facility and technology infrastructure repairs and upgrades as well as an overall concern for the lack of space in the district for the following..

- Innovative 21st century learning spaces for children
- Professional learning and meeting spaces for teachers, parents, and community members
- A remedy to maxed out and overflowing storage areas for district inventories and equipment
- Not enough space for staff offices that are necessary for administration
- The need to increase and prioritize safety planning and preparation efforts with minimal funding support from local, state or federal sources
- Highly qualified staff shortages
- Increased staff salary and benefit costs
- Increased costs for distinct resources such as gas, electric, and water.

In 2021- 2022 the board of education was able to come to an agreement on two collective bargaining agreements. An agreement was made between the newly formed SKOKIE 73.5 PSRP COUNCIL LOCAL 1274, IFT-AFT/AFL-CIO and the board of education for the years 2021-2025. In addition, an agreement was made between the McCracken, Middleton, Meyer Education Association and the board of education for the years 2022-2026. In the teacher contract the salary schedule was brought back due to too many variances in starting salaries for certified teachers for the Collective Bargaining Agreement for 2022-2026.

For additional information regarding the District's financial position, please read the Managements' Discussion and Analysis included in the ACFR.

RELEVANT FINANCIAL POLICIES

Beginning in October, budget planning begins for the following fiscal year. The proposed budget is available for public inspection and comment at least 30 days before the budget hearing. Within 30 days of adoption,



the budget is filed with the Cook County Clerk's office, the Regional Office of Education and the Illinois State Board of Education (ISBE). The Budget is also posted on the District's website. The Board of Education may amend the budget by following the same procedure as provided for in the original adoption.

Budgetary control is maintained at line-item levels and built into program and/or cost centers before being combined to form totals by fund. All actual activity compared to budget is reported to the Board of Education on a monthly basis. The District also maintains an encumbrance accounting system as one technique in accomplishing budgetary control. Encumbered amounts lapse at year-end. The District's legal level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level. The District maintains sound budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board of Education.

The Board of Education maintains an established budget policy that requires year-end balances no less than six months of expenditures in the aggregate.

The Certificate of Property Tax Levy is filed with the Cook County Clerk's office by the last Tuesday in December. The District annually publishes a Statement of Affairs regarding its financial position by December 1st each year.

The Township Treasurer invests up to 100% of available cash, timing investment maturities to actual cash needs. In addition, all checking accounts are of the interest-bearing type. Investments are maintained in Certificates of Deposit, Bank Repurchase Agreements, U.S. Treasury Obligations, and Commercial Paper. When deemed appropriate, Certificates of Deposits are collateralized beyond FDIC insurance limits. Investments in prime Commercial Paper are made well within the restrictions allowed by the Illinois School Code. The Treasurer maintains investment relationships with several major local and Chicago-based banks and commercial paper dealers. Investment strategies are structured to obtain the best yield for all invested funds, which may require rapid turnover of investment among several depositories. The Treasurer does not bid out its banking needs on an annual basis but prefers to secure investment bids on a daily basis.

Independent Audit

State statutes require an annual audit of the books of accounts, financial records, and transactions of all funds of the District. The audit was performed by the independent certified public accounting firm of Wipfli LLP.

Internal Controls

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

AWARDS AND ACKNOWLEDGMENTS

Our music program is consistently recognized as one of the finest in Illinois as evidenced by countless awards won over the past 25+ years. The McCracken Middle School Symphonic Band has been selected as the "Honor Band" at the University of Illinois SuperState Concert Band Festival more than any other middle school band in the history of Illinois, receiving the honor in 2000, 2003, 2006, 2011, 2013, 2015, 2017, 2019, and 2024. In 2006 and 2013, the McCracken Symphonic Band was chosen as one of three middle school



bands to perform at Midwest Clinic, an International Band and Orchestra Conference. The Symphonic Band was also selected to perform at the Illinois Music Education Conference in 2001, 2004, 2010, 2019, and 2023. The McCracken Band program received the Sudler Silver Cup from the John Philip Sousa Foundation in 2017 and the Programs of Excellence Award from the National Band Association in 2016.

The McCracken Choirs have also enjoyed great success with consistent first-division ratings at the Illinois Grade School Music Association District and State Contests. The McCracken Middle School Eighth Grade Singers performed at both the 2019 and 2023 Illinois Music Education Conference in Peoria, Illinois.

In 2015-2016 our district began developing a STEM implementation plan that will result in adding STEM to the specials rotation at McCracken Middle School. Due to some exciting scheduling shifts we were able to make STEM an offering for our 6th grade students beginning in the 2016-2017 school year. During this time we also will be developing ed programming for our 7th and 8th grade students as well. Specifically, we have selected the "Project Lead the Way" program. All students will be enrolled in this specials course, which replaces the Probability and Statistics courses that were formerly a part of the specials schedule at McCracken. For our younger students we offer after school enrichment in the form of robotics, coding and our district families have enjoyed attending winter and spring "Hour of Code" events held in the evening.

The Department of Student Services supports any child with differentiated learning needs. This includes students that have identified disabilities and students that are English Learners (EL). For the 21-22 School Year, The Student Services Department, along with the rest of the leadership team, focused on the priority areas of Welcoming, Hiring & Retention and Learning & Acceleration and a return to normalcy after the pandemic. The Department partnered with the ELL Parent Center and the Niles Township District for Special Education (NTDSE) to provide parent and staff training. The partnership with NTDSE also helped to ensure that students with low incidence disabilities could be supported appropriately in the least restrictive environment (LRE). The Department also partnered with Formative Psychological Services, specifically Dr. Doug Bolton, to provide training on trauma-sensitive practices to staff and to offer family counseling for students who have experienced significant trauma.

An EL Coordinator position was added to support the District's multilingual learners and a bilingual Assyrian program was added to the District's offerings to support students at the elementary level. The District worked diligently to ensure that there were interpreters in the District's top five languages for any parent event (languages include Urdu, Assyrian, Spanish, Tagalog and Vietnamese). There were Bilingual Parent Advisory Committee (BPAC) meetings that focused on: 1) A welcome and introduction to the EL Team and purpose of the BPAC meeting, including a guest speaker from the ELL Parent Center, 2) How to support your multilingual learner at home, 3) Understanding your child's ACCESS and MAP scores, 4) Summer enrichment programming opportunities available in the Township, and 5) How to support your child through school transitions.

The Panorama social and emotional screener and examining our staffing needs across the District based on the information outlined in the Panorama survey results was implemented in 2023. It was identified that we needed an additional social worker and school psychologist, which were added for this school year. Additionally, the scope of services and support for students were analyzed and an additional special education classroom and co-taught course options at the middle school were identified as needed and implemented this school year. The Student Services Department continued to lead professional development for staff on how to support expected behaviors in the classroom, an examination of the social and emotional learning competencies outlined by the Collaborative for Academic and Social Emotional Learning (CASEL), and how to support student mastery of the WIDA competencies for our multilingual learners. Lastly, the Department



worked to create and submit the Restraint and Time-Out Plan as required by the Illinois State Board of Education (ISBE).

The Early Childhood program at the Elizabeth Elementary School received the Accelerated Illinois Gold Circle of Quality award. The Gold Circle of Quality recognizes programs which have demonstrated quality based on fifteen standards set by the State of Illinois. Gold Circle programs meet or exceed specific quality benchmarks on learning environment, instructional quality, and all program administrative standards; group size and staff/child ratios; staff qualifications; and professional development.

The District's mission to provide students with greater access to the Skokie Public Library and its digital content was acknowledged in 2016 through Past President Barack Obama's ConnectED Initiative. The ConnectED initiative was designed to enrich K-12 education for every student in America by empowering teachers with advanced technology and empowering students through individualized learning and rich, digital content. Representatives from the District and the Library attended the ConnectED event sponsored by the White House, the Urban Library Council, the Institute of Museum and Library Services and the American Library Association.

The District partners with SkokieCares, a coalition of key stakeholder groups throughout the Skokie community who are working on a campaign to welcome and support everyone who lives in Skokie. Initiatives include the "Skokie Welcomes Everyone" lawn sign and button campaign and the SEED (Seeking Educational Equity and Diversity) Initiative to drive personal, organizational, and community change toward greater equity and diversity.

During the 2021-22 school year, Superintendent Dr. Zipporah Hightower was a panelist in Linda Darling Hammond's "Developing Effective Illinois Principals" presentation, hosted by the Illinois State Board of Education. She was also featured in the New Leaders Organization's Blog, Celebrating their 20th anniversary. Dr. Hightower is well known for her strength in demonstrating service and resilient leadership. She takes an equity focused approach to developing others and an innovative approach to change management to ensure all endeavors are executed with fidelity. Her mindset lays the foundation for increased focus on equity and ethics focused practices.

During the school year 2021-2022 Board President Emily Miller spearheaded the creation of a Finance Committee to provide the district with financial analysis, advice, and oversight of the district's budget. President Miller, also an equity minded leader, believes in fiscal responsibility and transparency. She developed the committee to be in alignment with the open meetings act although no voting or quorum is held in the meeting. In addition she recruited a community member Alison Siegel Lewin who is a member-based nonprofit leader with highly effective management experience. She is dedicated to utilizing best practices to maximize mission implementation. The committee's sole responsibility is to ensure the district is operating with the financial resources it needs to provide programs and services to the community.

Certificate of Excellence and Achievement

The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to Skokie School District 73½ for its Comprehensive Annual Financial Report for fiscal years 2005, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023.



In order to be awarded this Certificate, the District must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

Certificates of Excellence are valid for a period of one year only. We believe that our current report continues to conform to the Certificate requirements, and we are submitting this report to ASBO to determine its eligibility for another certificate.

Closing Comment

The purpose of the Annual Comprehensive Financial Report (ACFR) is to provide the Board of Education, the Niles Township Board of Trustees for Schools, the Township Treasurer, District administration, and other interested local citizens with a meaningful report of the District's financial condition as of June 30, 2024.

Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of all members of the Business Office who assisted in the closing of the District's financial records and the preparation of this report.

We wish to thank the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kaine Osburn', with a long, sweeping horizontal stroke at the end.

Kaine Osburn
Interim Superintendent

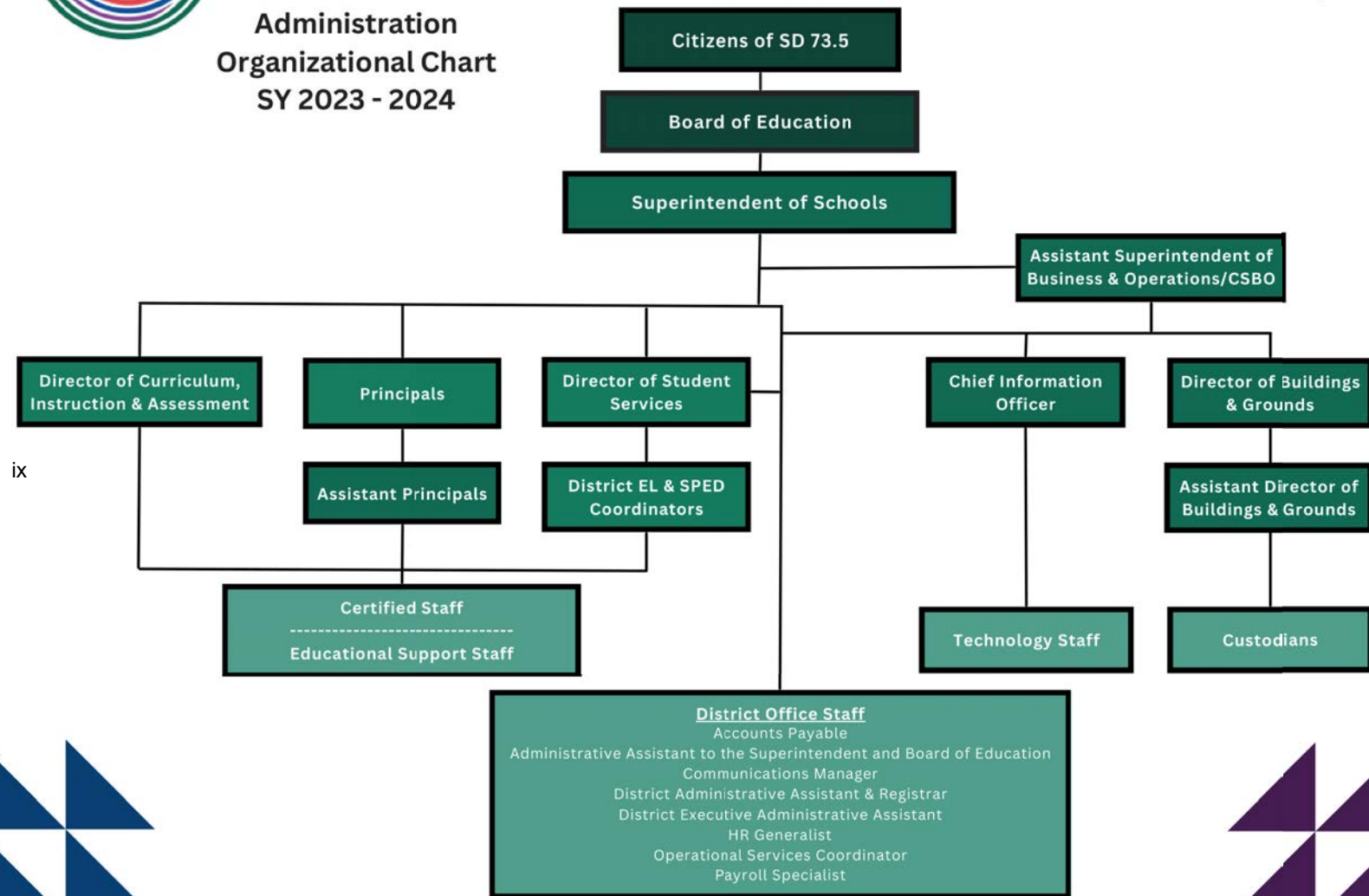
A handwritten signature in black ink, appearing to read 'Karen Hayes', with a stylized, cursive-like script.

Karen Hayes
Interim CSBO



SKOKIE 73.5

General School
Administration
Organizational Chart
SY 2023 - 2024





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Skokie School District 73.5

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2023.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
President

A handwritten signature in black ink, reading 'James M. Rowan'.

James M. Rowan, CAE, SFO
CEO/Executive Director

Independent Auditor's Report

Board of Education
Skokie School District 73-5
Skokie, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Skokie School District 73-5 (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Skokie School District 73-5 as of June 30, 2024, and respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Unmodified 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 of America. 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 Skokie School District 73-5 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Skokie School District 73-5's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 Skokie School District 73-5's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Skokie School District 73-5'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.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules and operating costs and tuition charge per pupil schedule 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2025 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 Skokie School District 73-5'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.



Wipfli LLP
Aurora, Illinois
March 31, 2025

Skokie School District 73-5

Management's Discussion and Analysis For the Year Ended June 30, 2024

The discussion and analysis of Skokie School District 73-5's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2024. Management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis (the "MD&A"), however not in the initial year of implementation.

Financial Highlights

- As of June 30, 2024, the District fund balance totaled \$33,572,044. Of this amount, \$26,074,038 may be used to meet the District's general ongoing future obligations in the general fund.
- As of June 30, 2024, the District's total fund balance decreased by \$3,088,832 from the previous fiscal year.
- As of June 30, 2024, the District's operating funds, which include all governmental funds except the debt service fund, showed a fund balance of \$31,606,729 or 89.6% of the operating fund expenditures. The percentage of fund balance decrease for 2024 is in part due to increases in staffing costs and operations and maintenance equipment and repairs.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements

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

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

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

Skokie School District 73-5

Management's Discussion and Analysis For the Year Ended June 30, 2024

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

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. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds (the District maintains no proprietary funds).

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental 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 maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the District's major funds. The District considers the General Fund (Educational, Operations and Maintenance, Working Cash and Tort Immunity Accounts) and Capital Projects Fund to be the Major Funds. Detail of the District's non-major funds (Debt Service, Transportation, Municipal Retirement/Social Security, and Fire Prevention & Safety) can be found in the "Combining and Individual Fund Financial Statements and Schedules" portion of the report.

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

Skokie School District 73-5

Management's Discussion and Analysis
For the Year Ended June 30, 2024

Notes to the financial statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

District-Wide Financial Analysis

Table 1			
Condensed Statement of Net Position			
	2024	2023	% Increase (Decrease)
Current and other assets	\$ 43,633,980	\$ 47,431,115	-8.0%
Capital assets	9,922,586	16,831,831	-41.0%
Total assets	53,556,566	64,262,946	-16.7%
Deferred outflows related to pensions	1,019,112	1,432,437	-28.9%
Deferred outflows related to OPEB	1,821,826	914,715	99.2%
Total deferred outflows	2,840,938	2,347,152	21.0%
Long-term liabilities outstanding	14,409,285	16,026,499	-10.1%
Other liabilities	512,940	423,696	21.1%
Total liabilities	14,922,225	16,450,195	-9.3%
Property taxes levied for subsequent year	9,578,165	10,379,490	-7.7%
Deferred inflows related to pensions	80,965	216,779	-62.7%
Deferred inflows related to OPEB	7,777,874	8,437,119	-7.8%
Total deferred inflows	17,437,004	19,033,388	-8.4%
Net position:			
Net investment in capital assets	201,918	5,718,261	-96.5%
Restricted	8,865,282	9,912,872	-10.6%
Unrestricted	14,971,075	15,495,382	-3.4%
Total net position	\$ 24,038,275	\$ 31,126,515	-22.8%

The District's improved financial position reflects the District's commitment to controlling costs in all areas, while maintaining and improving education, within the constraints of the property tax caps.

Skokie School District 73-5

Management's Discussion and Analysis
For the Year Ended June 30, 2024

Table 2				
Changes in Net Position				
	2024	Percentage of Total	2023	Percentage of Total
Revenues:				
Program revenues:				
Charges for services	\$ 569,749	1.7%	\$ 959,097	2.9%
Operating grants & contributions	6,831,304	20.8%	5,610,603	16.7%
General revenues:				
Property taxes	20,485,297	62.2%	18,785,970	55.7%
Evidence based funding	2,487,113	7.6%	1,806,578	5.4%
Other	2,518,014	7.7%	6,475,355	19.3%
Total revenues	<u>32,891,477</u>	<u>100.0%</u>	<u>33,637,603</u>	<u>100.0%</u>
Expenses:				
Instruction	23,589,735	59.0%	16,283,625	52.9%
Pupil & instructional services	3,483,898	8.7%	3,227,767	10.5%
Administration & business	5,242,949	13.1%	4,318,986	14.0%
Transportation	1,424,400	3.6%	1,182,262	3.8%
Operations and maintenance	2,783,443	7.0%	2,302,242	7.5%
Other	3,455,292	8.6%	3,477,394	11.3%
Total expenses	<u>39,979,717</u>	<u>100.0%</u>	<u>30,792,276</u>	<u>100.0%</u>
Increase (Decrease) in net position	<u>(7,088,240)</u>		<u>2,845,327</u>	
Net position - beginning of year	<u>31,126,515</u>		<u>28,281,188</u>	
Net position - end of year	<u>\$ 24,038,275</u>		<u>\$ 31,126,515</u>	

The total cost of all programs and services was \$39,979,717. Operating grants and contributions revenues increased by \$1,220,701 due to an increase in federal grant revenues reported in the Government-Wide financial statements. The District's expenses primarily related to instruction, instructional support, and transporting students (71.3%) (See Table 2). The District also incurred expenses for maintaining its capital assets in operations and maintenance (7.0%) and for administration (13.1%) and other expenses (8.6%), which include debt service, community services, and non-programmed charges.

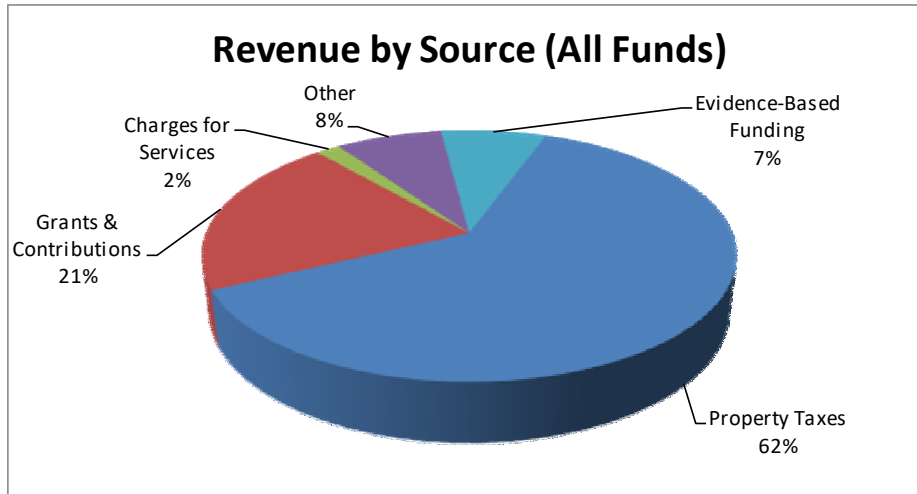
Total expenses exceeded revenues, decreasing net position by \$7,088,240 over last year.

Skokie School District 73-5

Management's Discussion and Analysis
For the Year Ended June 30, 2024

Financial Analysis of the District's Funds

The District's governmental funds have a combined fund balance of \$33,572,044, a decrease of 8.4% over the prior year.



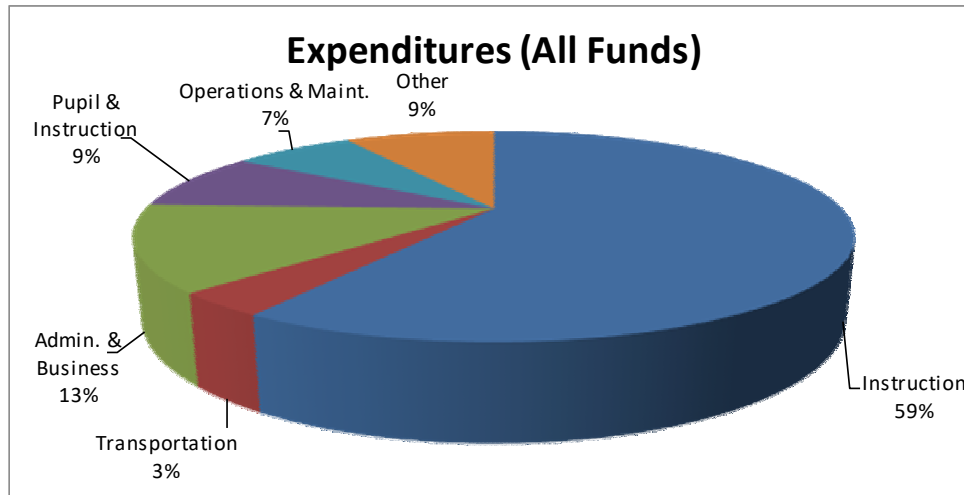
Local revenues include ad valorem property tax revenues, investment income, student fee collections, tuition payments, and corporate personal property replacement taxes (CPPRT).

State revenues include unrestricted grants such as Evidence Based Funding, and restricted categorical grants for special education, school lunch aid, and library resources. The State did not disburse all payments vouchered by the State for fourth quarter free lunch and breakfast. Payments were recorded as revenues and receivables in fiscal year 2024.

Federal Revenues are derived from grant programs which include the National School Lunch Program, School Breakfast Program, Title Programs through No Child Left Behind, Special Education funds through Individuals with Disabilities Education Act (I.D.E.A), and COVID-19 relief under the Elementary and Secondary School Emergency Relief Fund (ESSER).

Skokie School District 73-5

Management's Discussion and Analysis
For the Year Ended June 30, 2024



Instructional Service increases in FY 2024 were due in part to staffing, salary and employee insurance benefit increases per negotiated agreements. The District maintains funding to meet the needs in Special Education, Summer School, and Accelerated and Enrichment programs. Student Support Services continue to meet the needs for services in social emotional learning as addressed through professional development.

The General Fund is the chief operating fund of the District. At June 30, 2024, unassigned fund balance was \$24,657,897. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 80.3% of total General Fund expenditures.

The Capital Projects Fund's fund balance decreased by \$1,649,387 in comparison with the prior year. This decrease is due to new and ongoing construction projects and other capital outlays.

General Fund Budgetary Highlights

The District budgeted for excess expenditures of \$3,193,979 over revenues in the General Fund.

- General Fund revenues were over budget by \$5,404,123.
This was partly due to on behalf revenues budgeted \$5,806,518 less than actual. Excluding the on behalf payments the revenues were under budget by \$402,395.
- General Fund expenditures were over budget by \$3,012,917.
Excluding on behalf payments expenditures were \$2,793,601 under budget. Areas that contributed to being under budget included: staffing costs, employee benefits, supplies and materials, and capital and non-capital outlay.

Skokie School District 73-5

Management's Discussion and Analysis
For the Year Ended June 30, 2024

Capital Asset and Debt Administration

Capital assets

Table 3 presents net capital assets as of June 30, 2024 and 2023.

Table 3		
Capital Assets (net of depreciation)		
	2024	2023
Land	369,846	369,846
Construction in Progress	-	74,244
Buildings	8,635,553	13,944,102
Improvements Other than Buildings	58,210	1,485,048
Equipment & Other	858,977	958,591
Total	<u>\$ 9,922,586</u>	<u>\$ 16,831,831</u>

Long-term debt

The District has issued general obligation bonds in fiscal years 2016 and 2020 to fund capital improvements to the District's facilities. The total outstanding principal is noted in Table 4. In addition to the principal payments, interest payable is also due on the outstanding bonds. The District is governed by The School Code of Illinois for the amount of debt it may have on its books at any one time. A unit district is limited to 6.9% of the most recently published, by the Cook County Clerk, taxable property. The maximum time a District may structure the repayment of any new debt issued is 20 years.

Table 4			
Outstanding Long-Term Debt			
	2024	2023	Increase (Decrease)
General obligation bonds	\$ 8,810,000	\$ 10,045,000	-12.3%
Unamortized premium	901,668	1,068,569	-15.6%
Pension and OPEB liabilities	4,636,168	4,860,291	-4.6%
Compensated absences	61,452	52,639	16.7%
Total	<u>\$ 14,409,288</u>	<u>\$ 16,026,499</u>	-10.1%

For additional information on capital assets and debt administration, please refer to the accompanying notes to Basic Financial Statements.

Skokie School District 73-5

Management's Discussion and Analysis
For the Year Ended June 30, 2024

Factors Bearing on the District's Future

- Innovative learning spaces for students
- Professional learning and meeting spaces for teachers, parents, and community members
- A remedy to maxed out and overflowing storage areas for district inventories and equipment
- Not enough space for staff offices that are necessary for administration
- Aging buildings and systems
- The effect of the tax cap (Property Tax Extension Limitation Law - PTELL) will continue to limit the tax extension for the District. A significant percentage of the District's revenue comes from property taxes. This limitation of the inflation rate or 5 percent, whichever is less, will restrict future revenue growth of the district.
- In past fiscal years, tax receipts were reduced for refunds, objections, and adjustments, in effect reducing the tax collection rate. As a result of Public Act 102-0519, Cook County now has a "recapture levy" to collect previous extension amounts lost due to the property tax appeal process.
- Beginning in levy year 2021, the District's levy shall be increased by previous refunds, objections, and adjustments for a prior 12-month period. Time will be needed to better understand the assumed positive financial impact of this Act.
- The District participated in the Property Tax Relief Grant (PTRG) which will lower the property tax revenue for two years but increase the District EBF base funding ongoing. Time will be need to better understand the positive financial impact of this grant.

Requests for Information

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

Skokie School District 73-5
Business Office
8000 East Prairie Road
Skokie, IL 60076

Skokie School District 73-5

Statement of Net Position

<i>June 30, 2024</i>	Governmental Activities
Assets	
Cash and cash equivalents	\$ 33,642,394
Receivables	
Property taxes	9,578,165
Due from other governments	413,421
Capital assets	
Land	369,846
Other capital assets, net of depreciation	<u>9,552,740</u>
Total assets	<u>53,556,566</u>
Deferred outflows of resources	
Deferred outflows related to pensions	1,019,112
Deferred outflows related to OPEB	<u>1,821,826</u>
Total deferred outflows of resources	<u>2,840,938</u>
Liabilities	
Accounts payable	95,076
Accrued interest payable	29,169
Accrued salaries and related expenses	388,695
Noncurrent liabilities:	
Due within one year	1,346,452
Due in more than one year	<u>13,062,833</u>
Total liabilities	<u>14,922,225</u>
Deferred inflows of resources	
Property taxes levied for subsequent years	9,578,165
Deferred inflows related to pensions	80,965
Deferred inflows related to OPEB	<u>7,777,874</u>
Total deferred inflows of resources	<u>17,437,004</u>
Net position	
Net investment in capital assets	210,918
Restricted for	
Operations and maintenance	736,238
Debt service	1,965,315
Employee retirement	1,008,538
Capital projects	3,491,531
Fire prevention & safety	1,663,660
Unrestricted	<u>14,962,075</u>
Total net position	<u>\$ 24,038,275</u>

See accompanying notes to financial statements.

Skokie School District 73-5

Statement of Activities

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Total Governmental Activities
For the Year Ended June 30, 2024				
Functions/Programs				
Governmental activities				
Instructional services				
Regular programs	\$ 13,451,625	\$ 252,733	\$ 941,574	\$ (12,257,318)
Special programs	3,746,225	110	313,059	(3,433,056)
Other programs	1,482,366	-	-	(1,482,366)
State retirement contributions	4,909,519	-	4,909,519	-
Support services				
Pupils	1,725,075	-	-	(1,725,075)
Instructional staff	1,758,823	-	56,395	(1,702,428)
General administration	712,915	-	-	(712,915)
School administration	1,469,887	-	-	(1,469,887)
Business	3,060,147	185,815	245,778	(2,628,554)
Operations and maintenance	2,783,443	131,054	50,000	(2,602,389)
Transportation	1,424,400	37	314,979	(1,109,384)
Central	1,071,021	-	-	(1,071,021)
Community services	40,849	-	-	(40,849)
Non-programmed charges	2,145,113	-	-	(2,145,113)
Interest on long-term liabilities	<u>198,309</u>	<u>-</u>	<u>-</u>	<u>(198,309)</u>
Total governmental activities	<u>\$ 39,979,717</u>	<u>\$ 569,749</u>	<u>\$ 6,831,304</u>	<u>\$ (32,578,664)</u>
General revenues				
Property taxes levied for				
General purposes				16,373,760
Operations and maintenance				1,599,674
Transportation				746,010
Retirement				12,174
Debt service				1,753,679
Personal property replacement taxes				950,007
Federal and State aid not restricted for specific purposes				2,487,113
Earnings on investments				1,066,795
Other general				<u>501,212</u>
Total general revenues				<u>25,490,424</u>
Change in net position				(7,088,240)
Net position, beginning of year				<u>31,126,515</u>
Net position, ending				<u>\$ 24,038,275</u>

See accompanying notes to financial statements.

Skokie School District 73-5

Balance Sheet

Governmental Funds

<i>June 30, 2024</i>	General Fund	Capital Projects Fund	Nonmajor Funds	Total
Assets				
Cash and cash equivalents	\$ 25,486,955	\$ 3,491,531	4,663,908	\$ 33,642,394
Receivables				
Property taxes receivable	8,326,504	-	1,251,661	9,578,165
Due from other governments	413,421	-	-	413,421
Interfund receivables	<u>597,338</u>	<u>-</u>	<u>-</u>	<u>597,338</u>
Total assets	<u>\$ 34,824,218</u>	<u>\$ 3,491,531</u>	<u>\$ 5,915,569</u>	<u>\$ 44,231,318</u>
Liabilities, deferred inflows, and fund balances				
Liabilities				
Accounts payable	\$ 42,210	\$ -	52,866	\$ 95,076
Interfund payables	-	-	597,338	597,338
Accrued salaries and related expenditures	<u>381,466</u>	<u>-</u>	<u>7,229</u>	<u>388,695</u>
Total liabilities	<u>423,676</u>	<u>-</u>	<u>657,433</u>	<u>1,081,109</u>
Deferred inflows of resources				
Property taxes levied for subsequent year	<u>8,326,504</u>	<u>-</u>	<u>1,251,661</u>	<u>9,578,165</u>
Fund balances				
Restricted for:				-
Operations and maintenance	736,238	-	-	736,238
Tort immunity	48,865	-	-	48,865
Debt service	-	-	1,965,315	1,965,315
Employee retirement	-	-	1,008,538	1,008,538
Capital projects	-	3,491,531	-	3,491,531
Fire prevention & safety	-	-	1,663,660	1,663,660
Unassigned	<u>25,288,935</u>	<u>-</u>	<u>(631,038)</u>	<u>24,657,897</u>
Total fund balances	<u>26,074,038</u>	<u>3,491,531</u>	<u>4,006,475</u>	<u>33,572,044</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 34,824,218</u>	<u>\$ 3,491,531</u>	<u>\$ 5,915,569</u>	<u>\$ 44,231,318</u>

See accompanying notes to financial statements.

Skokie School District 73-5

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2024

Total fund balances - governmental funds	\$	33,572,044
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of assets is \$26,768,063 and the accumulated depreciation is \$16,845,477.		9,922,586
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Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due.		(29,169)
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:

Bonds payable	\$	(8,810,000)	
Compensated absences		(61,452)	
Net pension liability - IMRF		(804,044)	
Net pension liability - TRS		(898,430)	
Net OPEB liability - THIS		(2,824,726)	
Net OPEB liability - District Plan		(108,965)	
Unamortized bond premium		<u>(901,668)</u>	
			(14,409,285)

Deferred inflows and outflows of resources related to pensions and OPEB, bonds, and leases are not reported in the governmental funds.

Deferred outflows related to pensions and OPEB	2,840,938		
Deferred inflows related to pensions and OPEB	<u>(7,858,839)</u>	<u>(5,017,901)</u>	

Net position - governmental activities, per statement of net position	\$	<u>24,038,275</u>
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See accompanying notes to financial statements.

Skokie School District 73-5

Statements of Revenues, Expenditures and Changes In Fund Balance - Governmental Funds

<i>Year Ended June 30, 2024</i>	General Fund	Capital Projects Fund	Nonmajor Funds	Total
Revenues				
Local sources	\$ 20,770,305	\$ 117,732	\$ 2,685,023	\$ 23,573,060
State sources	8,366,310	-	314,979	8,681,289
Federal sources	<u>1,534,127</u>	<u>-</u>	<u>-</u>	<u>1,534,127</u>
Total revenues	<u>30,670,742</u>	<u>117,732</u>	<u>3,000,002</u>	<u>33,788,476</u>
Expenditures				
Current expenditures				
Instruction	19,011,596	-	267,950	19,279,546
Supporting services	9,958,762	1,767,119	1,688,986	13,414,867
Community services	40,849	-	-	40,849
Non-programmed charges	2,127,497	-	-	2,127,497
Capital outlay	334,811	-	75,750	410,561
Debt service				
Principal	-	-	1,235,000	1,235,000
Interest and other	<u>-</u>	<u>-</u>	<u>368,988</u>	<u>368,988</u>
Total expenditures	<u>31,473,515</u>	<u>1,767,119</u>	<u>3,636,674</u>	<u>36,877,308</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(802,773)</u>	<u>(1,649,387)</u>	<u>(636,672)</u>	<u>(3,088,832)</u>
Other financing sources (uses)				
Transfers in	-	-	250,000	250,000
Transfers out	<u>(250,000)</u>	<u>-</u>	<u>-</u>	<u>(250,000)</u>
Total other financing sources (uses)	<u>(250,000)</u>	<u>-</u>	<u>250,000</u>	<u>-</u>
Net change in fund balance	(1,052,773)	(1,649,387)	(386,672)	(3,088,832)
Fund balances, beginning of year	<u>27,126,811</u>	<u>5,140,918</u>	<u>4,393,147</u>	<u>36,660,876</u>
Fund balances, end of year	<u>\$ 26,074,038</u>	<u>\$ 3,491,531</u>	<u>\$ 4,006,475</u>	<u>\$ 33,572,044</u>

See accompanying notes to financial statements.

Skokie School District 73-5

Reconciliation of the Statement of Revenues, Expenditures and Changes In Fund Balance of the Governmental Funds to the Statement of Activities

Year Ended June 30, 2024

Net change in fund balances - governmental funds \$ (3,088,832)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the assets with an initial, individual cost of more than \$2,500 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded disposals and depreciation in the current period. (6,909,245)

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:

Change in Compensated absences	(8,813)	
Change in accrued interest on debt	3,778	
Change in net pension liability - TRS	(88,384)	
Change in net pension liability - IMRF	733,328	
Change in OPEB liability - THIS	(372,802)	
Change in deferred inflows/outflows related to pensions	1,288,845	
Change in OPEB liability - District Plan	<u>(48,016)</u>	1,507,936

The governmental funds record bond and loan proceeds as other financing sources, while repayment of bond and loan principal is reported as an expenditure. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of bonds and loans and related items is as follows:

Repayment of bond and loan principal	1,235,000	
Premium on bonds amortization, net of current amortization	<u>166,901</u>	<u>1,401,901</u>

Change in net position of governmental activities \$ (7,088,240)

See accompanying notes to financial statements.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies

Skokie School District 73-5 (the "District") operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District.

a. Reporting Entity

Accounting principles generally accepted in the United States of America require that the financial reporting entity include (1) the primary government, (2) organizations for which the primary district is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided by governmental accounting standards have been considered and there are no agencies or entities which should be presented with the District. Using the same criteria, the District is not included as a component unit of any other governmental entity.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government. This report does not contain any component units.

b. Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District's operating activities are considered "governmental activities," that is, activities that are normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered "business activities."

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) amounts paid by the recipient of goods or services offered by the program and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues instead.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

b. Basis of Presentation (Continued)

Governmental Fund Financial Statements

The governmental fund financial statements are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, reserves, fund balance, revenues and expenditures. Fund accounting segregates funds according to their intended purpose, and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, reserves, fund balance, revenues and expenditures. The minimum number of funds is maintained consistent with legal and managerial requirements.

Separate financial statements are provided for all governmental funds.

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

The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the County 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 is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been met.

The Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities in the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

On-behalf payments (payments made by a third party for the benefit of the district, such as payments made by the state to the Teachers' Retirement System) have been recognized in the financial statements.

Property taxes, replacement taxes, certain state and federal aid, and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and recognized as revenue at that time.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until earned.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

d. Major Governmental Funds

General Fund - 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.

Educational Account – These accounts are used for most of the instructional and administrative aspects of the District's operations, as well as providing school lunch services to students. The revenue consists primarily of local property taxes, state government aid, student registration fees, and lunch receipts from the District food service program.

Operations and Maintenance Account – These accounts are used for expenditures made for operation, repair, and maintenance of District property. Revenue consists primarily of local property taxes.

Tort Immunity Account – This fund accounts for revenues and expenditures related to tort immunity. Revenue is primarily derived from local property taxes.

Working Cash Account – This fund accounts for financial resources held by the District to be used as loans for working capital requirements to any other fund for which taxes are levied. The Working Cash Account was established and has been used to respond to fluctuations in cash flow resulting from unpredictable property tax collections. The earnings of the fund are allowed to be transferred to another fund under the Illinois Compiled Statutes. The principal of the fund, accumulated from bond issues, can be used as a source from which the District borrows money to support temporary deficiencies in other funds, or may be partially or fully transferred to the General Fund's Educational Account, upon Board approval.

Capital Projects Fund - accounts for the financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

Capital Projects Fund – accounts for construction projects and renovations financed through serial bond issues.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

e. All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

f. Deposits and Investments

State statutes require the District to use the treasury services of the Township School Treasurer and authorize the Township's Treasurer to invest in obligations of the U.S. Treasury, certain highly rated commercial paper, corporate bonds, repurchase agreements, and money market mutual funds registered under the Investment Company Act of 1940, with certain restrictions.

Separate bank accounts are not maintained for all District funds. Instead, the funds maintain their cash balances in common accounts, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

Occasionally certain funds participating in the common bank account will incur overdrafts (deficits) in the account. Such overdraft in effect constitutes cash borrowed from other District funds and are, therefore, interfund loans that have not been authorized by District board action.

The District has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents are accounted for at cost, which approximates market.

Investments are stated at fair value. Fair value is determined by quoted market prices. Gains or losses on the sale of investments are recognized as they are incurred. The District has adopted a formal written investment and cash management policy.

g. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". These amounts are eliminated in the governmental activities column in the statement of net position. Receivables are expected to be collected within one year.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

h. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are reported as prepaid items in both the government-wide and fund financial statements. Prepaid expenditures are accounted for using the consumption method, that is they are recognized as an expenditure as they are used.

i. Deferred Inflows/ Unearned Revenue

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

j. Property Taxes

The District adopts its tax levy resolution by the last Tuesday in December of each year. The District's 2023 levy resolution was approved during the December 12, 2023 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

The tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by the approval of the voters of the District.

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

A portion of property taxes are collected by the Cook County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two installments: the first due on March 1 and the second due on the later of August 1 or 30 days after the second installment tax bill is mailed. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment is based in the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill. Property taxes are normally collected by the District within 60 days of the due date.

The 2023 property tax levy is recognized as a receivable in fiscal year 2024. The District considers that the first installment of the 2023 levy is to be used to finance operations in fiscal year 2024. The District has determined that the second installment of the 2023 levy is to be used to finance operations in fiscal year 2025 and has deferred the corresponding receivable and collections.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

k. Personal Property Replacement Taxes

Personal property replacement taxes are first allocated to the Municipal Retirement/Social Security Fund, and the balance is allocated to the remaining funds at the discretion of the District.

l. Capital Assets

Capital assets, which include land, land improvements, buildings, buildings improvements, vehicles, machinery, equipment, and construction in progress are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of more than \$2,500 and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	15-50
Land improvements	15-30
Equipment other than transportation	5-20
Transportation equipment	8

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

m. Compensated Absences

The District accrues accumulated unpaid vacation when earned (or estimated to be earned) by the employee. Vacation benefits are granted to employees in varying amounts depending on tenure with the District and the employee's contract. These amounts do not include additional salary related payments (social security and Medicare taxes). Future payments will be made from the same fund where the employee's salary is recorded. Historically, the expenditures are recorded in the General Fund.

n. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the applicable bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

Skokie School District 73-5

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

o. Equity Classifications

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

Net investments in capital assets. Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets less than any unspent debt proceeds.

Restricted. Consists of net position with constraints placed on its use wither by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

Unrestricted. All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

Equity is classified as fund balance in the fund financial statements and displayed in five components:

Nonspendable – includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually (principal endowment) (e.g. inventory, prepaid items, permanent scholarships).

Restricted – includes amounts constrained for a specific purpose by external parties (e.g. Debt Service, Capital Projects, State and Federal Grant Funds).

Committed – includes amounts constrained for a specific purpose by a government using 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 the constraints, may be determined in the subsequent period. Any changes to the constraint imposed require the same formal action of the Board of Education that originally created the commitment.

Assigned – includes General Fund amounts constrained for a specific purpose by the Board of Education or by an Official that has been delegated authority to assign amounts. The Board of Education has declared that the Superintendent or the Superintendent's designee may assign amounts for a specific purpose. The Board of Education may also take official action to assign amounts. Additionally, all remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.

Unassigned – 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 balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

o. Equity Classifications (Continued)

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the other in which resources will be expended in the General Fund is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. In all other funds (Special Revenue, Debt Service, Capital Projects), assigned fund balance will be spent first, followed by committed fund balance, and then restricted fund balance.

Governmental fund balances reported on the fund financial statements at June 30, 2024 are as follows:

The restricted fund balance in the General Fund is comprised of \$736,238 for operations and maintenance. The remaining restricted fund balances are for the purpose of the respective funds as described above in the Major Governmental Funds section.

The Transportation Fund had a deficit fund balance of \$631,038 as of June 30, 2024.

p. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF), together "the Plans," and additions to/deductions from the Plans' fiduciary net positions have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

q. Other Post-Employment Benefits ("OPEB") Obligations

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and to OPEB expense, information about the net positions of the Teachers' Health Insurance Security Fund (THIS) and the Postretirement Health Plan, and additions to/deductions from the plans' net positions has been determined on the same basis as they are reported by the plans. For this purpose, OPEB payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

r. 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.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 2: Deposits and Investments

At June 30, 2024, the District's cash and investments comprised of the following:

	Carrying Value	Bank Balance
Deposits with financial institutions	\$ 124,817	\$ 128,277
Deposits with Township Treasurer	<u>33,517,577</u>	<u>33,517,577</u>
Total	<u>\$ 33,642,394</u>	<u>\$ 33,645,854</u>

Custodial Credit Risk - Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2024, the bank balance of the District's deposits with financial institutions totaled \$124,817, which was covered by insurance.

a. Cash and Investments Under the Custody of the Township Treasurer

Under the Illinois Compiled Statutes, the Niles Township School Treasurer is the lawful custodian of all school funds. The Treasurer is appointed by the Township School Trustees, an independently elected body, to serve the school districts in the township. The Treasurer is the direct recipient of property taxes, replacement taxes and most state and federal aid and disburses school funds upon lawful order of the school board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below. For these purposes, the Treasurer is permitted to combine monies from more than one fund of a single district and to combine monies of more than one district in the township. Monies combined under these circumstances, as well as investment earnings, are accounted for separately for each fund and/or district.

Cash and investments, other than the student activity and convenience accounts, petty cash, and imprest funds, are part of a common pool for all school districts and cooperatives within the township. The Treasurer maintains records that segregate the cash and investment balance by district or cooperative. Income from investments is distributed monthly based upon the District's percentage participation in the pool. All cash for all funds, including cash applicable to the Debt Service Fund and the Illinois Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

The Treasurer's investment policies are established by the Niles Township School Trustees as prescribed by the Illinois School Code and the Illinois Compiled Statutes. The Treasurer is authorized to invest in obligations of the U.S. Treasury, backed by the full faith and credit of the U.S. Government, certificates of deposit issued by commercial banks and savings and loan associations, and commercial paper rated within the three highest classifications by at least two standard rating services (subject to certain limitations).

The Treasurer's Office operates as a non-rated, external investment pool. The fair value of the District's investment in the Treasurer's pool is determined by the District's proportionate share of the fair value of the investments held by the Treasurer's office.

The Treasurer also holds money market type investments, certificates of deposits and other deposits with financial institutions. As of June 30, 2024, the the carrying amount of the District's cash and investments was \$33,517,577 and all of the District's deposits were either covered by Federal Depository Insurance or fully collateralized.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 3: Capital Assets

Governmental activities capital asset balances and activity for the year ended June 30, 2024, were as follows:

Governmental Activities	Balance 7/1/2023	Additions	Deletions	Transfers/ Adjustments	Balance 6/30/2024
Capital assets, not being depreciated:					
Land	\$ 369,846	\$ -	\$ -	\$ -	\$ 369,846
Construction in process	<u>74,244</u>	<u>-</u>	<u>(74,244)</u>	<u>-</u>	<u>-</u>
Total capital assets, not being depreciated	<u>444,090</u>	<u>-</u>	<u>(74,244)</u>	<u>-</u>	<u>369,846</u>
Capital assets, being depreciated:					
Improvements	2,260,759	-	-	(1,943,248)	317,511
Building	31,788,302	131,281	(10,240,547)	791,597	22,470,633
Equipment	<u>2,179,143</u>	<u>279,280</u>	<u>-</u>	<u>1,151,651</u>	<u>3,610,074</u>
Total capital assets, being depreciated	<u>36,228,204</u>	<u>410,561</u>	<u>(10,240,547)</u>	<u>-</u>	<u>26,398,218</u>
Accumulated depreciation:					
Improvements	775,711	11,918	-	(528,328)	259,301
Building	17,844,200	407,966	(3,701,105)	(715,981)	13,835,080
Equipment	<u>1,220,552</u>	<u>286,236</u>	<u>-</u>	<u>1,244,309</u>	<u>2,751,097</u>
Total accumulated depreciation	<u>19,840,463</u>	<u>706,120</u>	<u>(3,701,105)</u>	<u>-</u>	<u>16,845,478</u>
Total capital assets, being depreciated, net	<u>16,387,741</u>	<u>(295,559)</u>	<u>(6,539,442)</u>	<u>-</u>	<u>9,552,740</u>
Governmental activities capital assets, net	<u>\$ 16,831,831</u>	<u>\$ (295,559)</u>	<u>\$ (6,613,686)</u>	<u>\$ -</u>	<u>\$ 9,922,586</u>

Skokie School District 73-5

Notes to Basic Financial Statements

Note 3: Capital Assets (Continued)

Depreciation expense was charged to functions of the District as follows:

<i>Instructional Services</i>	
Regular programs	\$ 610,860
Special programs	54,232
Instruction	13,629
<i>Supporting Services</i>	
Pupils	7,344
General administration	1,342
School administration	4,802
Business	<u>13,911</u>
	<u>\$ 706,120</u>

Note 4: Long-Term Debt

Long-term debt consisted of the following at June 30, 2024:

	Balance 7/1/2023	Additions	Reductions	Balance 6/30/2024	Amounts due Within One Year
General Obligation Bonds	\$ 10,045,000	\$ -	\$ 1,235,000	\$ 8,810,000	\$ 1,285,000
Unamortized premium	<u>1,068,569</u>	<u>-</u>	<u>166,901</u>	<u>901,668</u>	<u>-</u>
Total Bonds payable	11,113,569	-	1,401,901	9,711,668	1,285,000
Net pension liability - IMRF	1,537,372	-	733,328	804,044	-
Net pension liability - TRS	810,046	88,384	-	898,430	-
Net OPEB liability - THIS	2,451,924	372,802	-	2,824,726	-
Net OPEB liability - District plan	60,949	48,016	-	108,965	-
Compensated absences	<u>52,639</u>	<u>61,452</u>	<u>52,639</u>	<u>61,452</u>	<u>61,452</u>
Total long-term liabilities - governmental activities	<u>\$ 16,026,499</u>	<u>\$ 570,654</u>	<u>\$ 2,187,868</u>	<u>\$ 14,409,285</u>	<u>\$ 1,346,452</u>

Skokie School District 73-5

Notes to Basic Financial Statements

Note 4: Long-Term Debt (Continued)

The obligations for the compensated absences, net pension liability and net OPEB liability will be repaid from the General Fund. The obligations for capital leases are paid from the Debt Service Fund via transfers from the General Fund. The obligations for General Obligations bonds are paid through a levy in the Debt Service Fund.

General Obligation Bonds - General obligation bonds and certificates are direct obligations and pledge the full faith and credit of the District. General obligation bonds and certificates currently outstanding are as follows:

Purpose	Interest rates	Original Indebtedness	Carrying Amount
Series 2016A Limited School Bonds dated June 29, 2016 are due in annual installments through December 1, 2027	2.00% - 4.00%	\$ 8,840,000	\$ 4,805,000
Series 2020 Limited School Bonds dated August 5, 2020 are due in annual installments through December 1, 2030	4.00%	<u>4,290,000</u>	<u>4,005,000</u>
Total general obligation bonds		<u>\$ 13,130,000</u>	<u>\$ 8,810,000</u>

Annual debt service requirements to maturity for general obligation bonds and debt certificates are as follows for governmental type activities:

	Principal	Interest	Total
2025	\$ 1,285,000	\$ 318,113	\$ 1,603,113
2026	1,335,000	265,713	1,600,713
2027	1,390,000	211,213	1,601,213
2028	1,445,000	158,806	1,603,806
2029	1,495,000	104,300	1,599,300
2030 - 2031	<u>1,860,000</u>	<u>49,400</u>	<u>1,909,400</u>
Total	<u>\$ 8,810,000</u>	<u>\$ 1,107,545</u>	<u>\$ 9,917,545</u>

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.90% of the most recent available equalized assessed valuation of the District. As of June 30, 2024, the statutory debt limit for the District was \$29,790,174, providing a debt margin of \$22,945,489 after taking into account amounts available in the Debt Service Fund. There are numerous covenants with which the District must comply in regard to these bond issues. As of June 30, 2024, the District was in compliance with all significant bond covenants, including federal arbitrage regulations.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 5: Risk Management

The District is exposed to various risks of loss related torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District purchases insurance coverage against such risks. To protect the District from such risks, the District participates in the following public entity risk cooperatives: The Educational Benefit Cooperative (EBC) for health benefit claims and the Suburban School Cooperative Insurance Pool (SSCIP) for property damage and injury claims. The District pays annual premiums to the cooperatives for insurance coverage. The arrangements with the cooperatives provide that the cooperatives will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the cooperative.

The District continues to carry commercial insurance and worker's compensation insurance for all other risks of loss, including torts and professional liability insurance. Premiums have been recorded as expenditures in the appropriate funds. For the year ended June 30, 2024, there have been no significant reductions in insurance coverage from coverage in the prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 6: Employee Retirement Systems

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

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

Plan Description

The District participates in the TRS. TRS is a cost-sharing, multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago.

TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/acfrs/fy2023>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 6: Employee Retirement Systems (Continued)

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest 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 II members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for Tier II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

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

Public Act 100-0023, enacted in 2017, creates an optional Tier III hybrid retirement plan, but it has not yet gone into effect. Public Act 100-0587, 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 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 will begin in 2019 and will be funded by bonds issued by the state of Illinois.

Contributions

The state of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90% 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, 2023, was 9.0% of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 6: Employee Retirement Systems (Continued)

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on-behalf of the District. For the year ended June 30, 2024, State of Illinois contributions recognized by the District were based on the State's proportionate share of the pension expense associated with the District, and the District recognized revenue and expenses of \$6,533,064 in the governmental activities based on the economic resources measurement focus and revenues and expenditures of \$5,806,518 in the General Fund based on the current financial resources measurement focus.

2.2 formula contributions. The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2024 were \$69,082, and are deferred because they were paid after the June 30, 2023 measurement date.

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 an employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

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

For the year ended June 30, 2024, the employer pension contribution was 10.60% of salaries paid from federal and special trust funds. For the year ended June 30, 2024, \$162,503 of salaries were paid from the federal and special trust funds that required employer contributions of \$17,225. These contributions are deferred because they were paid after the June 30, 2023 measurement date.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The 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, 2024, the District made payments of \$4,714 for salary increases over 6 percent and did not make any payments for excess sick leave contributions.

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

At June 30, 2023, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the District. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

Skokie School District 73-5

Notes to Basic Financial Statements

Note 6: Employee Retirement Systems (Continued)

District's proportionate share of the net pension liability	\$ 898,430
State's proportionate share of the net pension liability associated with the District	<u>77,535,004</u>
Total	<u>\$ 78,433,434</u>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2023, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2023, the employer's proportion was 0.001057%, which was an increase of 0.000091% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the employer recognized pension expense of \$6,533,064 and revenue of \$6,533,064 for support provided by the state. At June 30, 2024, the District had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 3,735	\$ 3,622
Changes in assumptions	3,065	790
Net difference between projected and actual earnings in pension plan investments	-	26
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>67,065</u>	<u>65,412</u>
Total deferred amounts to be recognized in pension expense in future periods	73,865	69,850
District's contributions subsequent to the measurement date	<u>91,021</u>	-
Total	<u>\$ 164,886</u>	<u>\$ 69,850</u>

\$91,021 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Skokie School District 73-5

Notes to Basic Financial Statements

Note 6: Employee Retirement Systems (Continued)

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2025	\$ (28,872)
2026	(14,718)
2027	24,647
2028	14,322
2029	<u>8,636</u>
Total	\$ <u>4,015</u>

Actuarial Assumptions

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

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

In the June 30, 2023 actuarial valuation, mortality rates were based on the PubT-2010 Table with appropriate adjustments for the TRS experience. The rates are based on a fully-generational basis using projection table MP-2020. In the June 30, 2022 actuarial valuation, mortality rates were also based on the PubT-2010 White Collar Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2020.

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

Skokie School District 73-5

Notes to Basic Financial Statements

Note 6: Employee Retirement Systems (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37.0 %	5.4 %
Private Equity	15.0 %	8.0 %
Income	26.0 %	4.3 %
Real Assets	18.0 %	4.6 %
Diversifying Strategies	<u>4.0 %</u>	3.4 %
Total	<u><u>100.0 %</u></u>	

Discount Rate

At June 30, 2023, the discount rate used to measure the total pension liability was 7.0%, which was the same as the June 30, 2022 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's fiduciary net position at June 30, 2023 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

Skokie School District 73-5

Notes to Basic Financial Statements

Note 6: Employee Retirement Systems (Continued)

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 1,105,841	\$ 898,430	\$ 726,301

Detailed information about the TRS's fiduciary net position as of June 30, 2023 is available in the separately issued TRS Annual Comprehensive Financial Report.

b. Illinois Municipal Retirement Fund (IMRF)

Plan Description and Benefits

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 employer's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available 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 has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

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

Skokie School District 73-5

Notes to Basic Financial Statements

Note 6: Employee Retirement Systems (Continued)

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

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

Employees Covered by the Benefit Terms - At the December 31, 2023 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	82
Inactive employees entitled to but not yet receiving benefits	147
Active employees	<u>64</u>
Total	<u><u>293</u></u>

Contributions - As set by statute, the employer's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer's annual contribution rate for calendar years 2023 and 2024 were 6.17% and 7.23%, respectively. For the fiscal year ended June 30, 2024, the employer contributed \$201,221 to the plan. The employer also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability - The employer's Net Pension Liability was measured as of December 31, 2023, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 6: Employee Retirement Systems (Continued)

Actuarial assumptions – The following are the methods and assumptions used to determine total pension liability at December 31, 2023:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements 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.
Other information: Notes	There were no benefit changes during the year.

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, 2023:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	34.5 %	5.00 %
International equities	18.0 %	6.35 %
Fixed income	24.5 %	4.75 %
Real estate	10.5 %	6.30 %
Alternatives	11.5 %	6.05-8.65 %
Cash	<u>1.0 %</u>	3.80 %
Total	<u><u>100.0 %</u></u>	

Skokie School District 73-5

Notes to Basic Financial Statements

Note 6: Employee Retirement Systems (Continued)

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2023. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 Single 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%, the municipal bond rate is 3.77%, and the resulting single discount rate is 7.25%.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate - The following presents the plan's net pension liability, calculated using the single discount rate of 7.25 percent, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 2,134,703	\$ 804,044	\$ (274,665)

Skokie School District 73-5

Notes to Basic Financial Statements

Note 6: Employee Retirement Systems (Continued)

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2022	\$ <u>13,209,761</u>	\$ <u>11,672,389</u>	\$ <u>1,537,372</u>
Changes for the year:			
Service cost	234,901	-	234,901
Interest on the total Pension liability	937,208	-	937,208
Differences between expected and actual experience of the total Pension liability	39,819	-	39,819
Changes of assumptions	(24,060)	-	(24,060)
Contributions - employer	-	177,434	(177,434)
Contributions - employees	-	123,885	(123,885)
Net investment income	-	1,282,690	(1,282,690)
Benefit payments, including refunds of employee contributions	(800,407)	(800,407)	-
Other (net transfer)	<u>-</u>	<u>337,187</u>	<u>(337,187)</u>
Net changes	<u>387,461</u>	<u>1,120,789</u>	<u>(733,328)</u>
Balances at December 31, 2023	\$ <u>13,597,222</u>	\$ <u>12,793,178</u>	\$ <u>804,044</u>

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

For year ended June 30, 2024, the District recognized pension income of \$32,880. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 18,396	\$ -
Changes in assumptions	-	11,115
Net difference between projected and actual earnings on pension plan investments	<u>714,590</u>	<u>-</u>
Total deferred amounts to be recognized in pension expense in future periods	732,986	11,115
District's contributions subsequent to the measurement date	<u>121,240</u>	<u>-</u>
Total	\$ <u>854,226</u>	\$ <u>11,115</u>

Skokie School District 73-5

Notes to Basic Financial Statements

Note 6: Employee Retirement Systems (Continued)

\$121,240 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2025	\$ 99,392
2026	241,690
2027	469,252
2028	<u>(88,463)</u>
Total	\$ <u>721,871</u>

Aggregate Pension Amounts - At June 30, 2024, the District reported the following from all pension plans:

	TRS	IMRF	Total
Net pension liability	\$ 898,430	\$ 804,044	\$ 1,702,474
Deferred outflows of resources	164,886	854,226	1,019,112
Deferred inflows of resources	69,850	11,115	80,965
Pension expense (income)	6,533,064	(32,880)	6,500,184

Note 7: Other Postemployment Benefits

a. Teacher Health Insurance Security (THIS)

Plan Description. The THIS (also known as the Teacher Retirement Insurance Program, "TRIP") is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited in to the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. TRIP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan with a special funding situation that covers retired employees of participating school districts throughout the State of Illinois, excluding the Chicago Public School System. TRIP health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities to TRIP were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the Teachers' Retirement System (TRS).

Skokie School District 73-5

Notes to Basic Financial Statements

Note 7: Other Postemployment Benefits (Continued)

The audit report is available on the office of the Auditor General website at www.auditor.illinois.gov, which includes the financial statements of the Department of Central Management Services. Questions regarding the financial statements can be address to the Department of Central Management Services at 401 South Spring, Springfield, Illinois 62706. A copy of the actuarial valuation report will be made available by the Commission on Government Forecasting and Accountability on its website at <http://cgfa.ilga.gov>.

Plan Membership

In order to be eligible, retirees of public schools must have been certified educators or administrators during their time of employment. Eligibility to participate in the plan is currently limited to former full-time employees, or if not a full-time employee, an individual that is in a permanent and continuous basis position in which services are expected to be rendered for at least one school term, and their dependents.

Benefits Provided

The State Employees Group Insurance Act of 1971 (5 ILC 375/6.5, "SEGIA") establishes the eligibility and benefit provisions of the plan.

Contributions

The SEGIA requires that all active contributors to the TRS, who are not employees of a department, make contributions to the plan at a rate of 0.90% of salary and for every employer of a teacher to contribute an amount equal to 0.67% of each teacher's salary. Additionally, the SEGIA requires the State to match the employees' contribution on-behalf of the employer. The Department determines, by rule, the percentage required, which each year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. In addition, under the State Pension Funds Continuing Appropriations Act (40 ILCS 15/1.3), there is appropriated, on a continuing annual basis, from the General Revenue Fund, an account of the General Fund, to the State Comptroller for deposit in the THIS, an amount equal to the amount certified by the Board of Trustees of TRS as the estimated total amount of contributions to be paid under 5 ILCS 376/6.6(a) in that fiscal year.

The SEGIA requires that the Department's Director determine the rates and premiums of annuitants and dependent beneficiaries and establish the cost-sharing parameters, as well as funding. Member premiums are set by this statute, which provides for a subsidy of either 50% or 75%, depending upon member benefit choices. Dependents are eligible for coverage, at a rate of 100% of the cost of coverage.

On-behalf contributions to THIS. The state of Illinois makes employer retiree health insurance contributions on behalf of the District. In the fund financial statements, the State contributions are intended to match contributions to THIS Fund from active members which were 0.90% of pay during the year ended June 30, 2024. In the government-wide financial statements, the State of Illinois contributions also include a proportional allocation of the State's OPEB expense (based on the portion of the District's share of the expense compared to all School Districts in aggregate). For the year ended June 30, 2024, the District recognized revenue and expenses of \$(1,623,545) in the governmental activities based on the economic resources measurement focus and revenues and expenditures in the amount of \$107,196 in the General Fund based on the current financial resources measurement focus for the State of Illinois contributions on behalf of the District.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 7: Other Postemployment Benefits (Continued)

Employer contributions to THIS Fund. The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.67% during the year ended June 30, 2024. For the year ended June 30, 2024, the District paid \$79,801 to the THIS Fund, which was 100 percent of the required contribution.

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

At June 30, 2024, the District's reported a liability for its proportionate share of the net OPEB liability. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$ 2,824,726
State's proportionate share of the net OPEB liability associated with the District	<u>3,819,930</u>
Total	<u>\$ 6,644,656</u>

The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022 and rolled forward to June 30, 2023. The District's proportion of the net OPEB liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2023, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2023, the District's proportion was 0.039632%, which was an increase of 0.003810% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized OPEB income of \$982,900. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 1,577,387
Changes in assumptions	37,441	5,552,116
Net difference between projected and actual earnings in OPEB plan investments	1,125	-
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>1,563,560</u>	<u>632,508</u>
Total deferred amounts to be recognized in OPEB expense in future periods	1,602,126	7,762,011
District's contributions subsequent to the measurement date	<u>79,801</u>	<u>-</u>
Total	<u>\$ 1,681,927</u>	<u>\$ 7,762,011</u>

Skokie School District 73-5

Notes to Basic Financial Statements

Note 7: Other Postemployment Benefits (Continued)

\$79,801 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Net Deferred Outflows (Inflows) of Resources
2025	\$ (1,127,500)
2026	(1,006,246)
2027	(974,321)
2028	(962,003)
2029	(887,298)
Thereafter	<u>(1,202,517)</u>
Total	<u>\$ (6,159,885)</u>

Actuarial Valuation Method

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.

Actuarial Assumptions.

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

Inflation	2.25%
Salary increases	Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.
Investment rate of return	2.75%, net of OPEB plan investment expense, including inflation, for all plan years
Healthcare cost trend rates	Trend for fiscal year 2024 based on expected increases used to develop average costs. For non-medicare costs, trend rates start at 8.00% for plan year 2025 and decrease gradually to an ultimate rate of 4.25% in 2040. For MAPD costs, trend rates are 0% in 2024 to 2028, 19.42% in 2029 to 2033 and 6.08% in 2034, declining gradually to an ultimate rate of 4.25% in 2040.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 7: Other Postemployment Benefits (Continued)

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

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2017 through June 30, 2020.

Discount Rate

Projected benefit payments were discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation 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). Since the THIS is financed on a pay-as-you-go basis, a discount rate consistent with the 20-year general obligation bond index has been selected. The discount rates are 3.69% as of June 30, 2022, and 3.86% as of June 30, 2023. The increase in the single discount rate from 3.69% to 3.86% caused the total OPEB liability to decrease by approximately \$137 million from 2022 to 2023.

Sensitivity of the Employer's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rate

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 3.86%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.86%) or 1-percentage-point higher (4.86%) than the current rate:

	1% Decrease	Current	1% Increase
	2.86%	Discount Rate 3.86%	4.86%
District's proportionate share of the net OPEB liability	\$ 3,154,134	\$ 2,824,726	\$ 2,534,149

The following presents the District's proportionate share of the net OPEB liability would be if it were calculated using the healthcare cost trend rate, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Skokie School District 73-5

Notes to Basic Financial Statements

Note 7: Other Postemployment Benefits (Continued)

	1% Decrease (b)	Healthcare Cost Trend Rate Assumptions (a)	1% Increase (c)
District's proportionate share of the net OPEB liability	\$ 2,404,239	\$ 2,824,726	\$ 3,339,881

- a) Current healthcare trend rates - Pre-Medicare per capita costs: 6.00% in 2024, 8.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 19.42% from 2029 to 2033, 6.08% in 2034 decreasing ratably to an ultimate trend rate of 4.25% in 2040.
- b) One percentage point decrease in current healthcare trend rates - Pre-Medicare per capita costs: 5.00% in 2024, 7.00% in 2025, decrease by 0.25% per year to an ultimate rate of 3.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 18.42% from 2029 to 2033, 5.08% in 2034 decreasing ratably to an ultimate trend rate of 3.25% in 2040.
- c) One percentage point increase in current healthcare trend rates - Pre-Medicare per capita costs: 7.00% in 2024, 9.00% in 2025, decreasing by 0.25% per year to an ultimate rate of 5.25% in 2040. Post-Medicare per capita costs: 0.00% from 2024 to 2028, 20.42% from 2029 to 2033, 7.08% in 2034 decreasing ratably to an ultimate trend rate of 5.25% in 2040.

b. Postretirement Health Plan

Plan Overview

In addition to providing the pension benefits described in Note 6, the District provides post-employment benefits other than pensions ("OPEB") for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the District's governmental activities.

Benefits Provided

The District provides postemployment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the District's retirement plans or meet COBRA requirements. All health care benefits are provided through the District's insured health plan. The benefits are as follows:

Medical Coverage

Eligible retirees may continue coverage into retirement on the District plan on a pay-all basis. Coverage is also available for eligible dependents on a pay-all basis. Coverage can continue upon the participant reaching Medicare eligibility. Coverage for dependents can continue upon the death of the retiree given that contributions continue.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 7: Other Postemployment Benefits (Continued)

Eligibility

Employees of the District are eligible for retiree health benefits as listed below:

Regular Plan Tier 1 (Enrolled in IMRF Prior to January 1, 2011)

- At least 55 years old and at least 8 years of credited service (reduced pension)
- At least 60 years old and at least 8 years of credited service (full pension)

Regular Plan Tier 2 (Enrolled in IMRF On or After January 1, 2011)

- At least 62 years old and at least 10 years of credited service (reduced pension)
- At least 67 years old and at least 10 years of credited service (full pension)

Employees Covered by Benefit Terms

As of June 30, 2024, the following employees were covered by the benefit terms:

Total active employees	68
Inactive employees currently receiving benefit payments	<u>1</u>
Total	<u><u>69</u></u>

Net OPEB Liability

The District’s net OPEB liability was measured as of June 30, 2024. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2023.

Skokie School District 73-5

Notes to Basic Financial Statements

Note 7: Other Postemployment Benefits (Continued)

Actuarial Assumptions

The following are the methods and assumptions used to determine the total OPEB liability at June 30, 2024:

Actuarial cost method	Entry Age Normal
Asset valuation method	N/A
Inflation	3.00%
Payroll increases	4.00%
Investment rate of return	N/A
Average retirement age	IMRF Tier 1: Age 60 IMRF Tier 2: Age 65
Mortality	PubG.H-2010 Mortality – General with Mortality Improvement using Scale MP-2020
Healthcare cost trend rates	Actual trend used for fiscal year 2024. For fiscal years on and after 2025, trend starts at 7.00%, and gradually decreases to an ultimate trend of 4.50%.

Discount Rate

The District does not have a dedicated Trust to pay the benefits of the Plan. Per GASB 75, this discount rate is a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The discount rate used is 4.21%, which is the S&P Municipal Bond 20 Year High-Grade Rate Index as of June 30, 2024.

Changes in Net OPEB Liability

	Total OPEB Liability (A)	Plan Fiduciary Net Position (B)	Net OPEB Liability (A) - (B)
Balances at June 30, 2023	<u>\$ 60,949</u>	<u>\$ -</u>	<u>\$ 60,949</u>
Changes for the year:			
Service cost	12,459	-	12,459
Interest on the total OPEB liability	2,130	-	2,130
Differences between expected and actual experience of the total OPEB liability	42,974	-	42,974
Changes of assumptions	9,185	-	9,185
Benefit payments, including refunds of employee contributions	<u>(18,732)</u>	<u>-</u>	<u>(18,732)</u>
Net changes	<u>48,016</u>	<u>-</u>	<u>48,016</u>
Balances at June 30, 2024	<u>\$ 108,965</u>	<u>\$ -</u>	<u>\$ 108,965</u>

Skokie School District 73-5

Notes to Basic Financial Statements

Note 7: Other Postemployment Benefits (Continued)

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 4.21%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.21%) or 1-percentage-point higher (5.21%) than the current rate:

	1% Decrease (3.21%)	Current Discount Rate (4.21%)	1% Increase (5.21%)
Total OPEB liability	\$ 112,353	\$ 108,965	\$ 105,755

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

The actuarial valuation did not include a health care trend rate, yet assumed there would be no increase in benefit level. Therefore, an estimation of what the net OPEB liability would be if it were calculated using a trend rate that is 1% higher and lower is not applicable.

	1% Decrease	Healthcare Cost Trend Rate Assumptions	1% Increase
Total OPEB liability	\$ 104,651	\$ 108,965	\$ 113,687

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

For the year ended June 30, 2024, the District recognized OPEB expense of \$37,047. At June 30, 2024, the District reported \$139,899 deferred outflows of resources and \$15,863 deferred inflows of resources related to OPEB. The following represents the deferred outflows of resources related to OPEB:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 69,584	\$ 7,481
Changes in assumptions	70,315	8,382
Total deferred amounts to be recognized in OPEB expense in future periods	\$ 139,899	\$ 15,863

Skokie School District 73-5

Notes to Basic Financial Statements

Note 7: Other Postemployment Benefits (Continued)

The total deferred outflows related to OPEB will be recognized in future years as follows:

Fiscal year end	Net Deferred Outflows (Inflows) of Resources
2025	\$ 22,458
2026	22,458
2027	22,458
2028	9,054
2029	10,882
Thereafter	<u>36,726</u>
Total	\$ <u>124,036</u>

Aggregate OPEB Amounts - At June 30, 2024, the District reported the following from all OPEB plans:

	THIS	District Plan	Total
Net OPEB liability	\$ 2,824,726	\$ 108,965	\$ 2,933,691
Deferred outflows of resources	1,681,927	139,899	1,821,826
Deferred inflows of resources	7,762,011	15,863	7,777,874
Pension expense (income)	(982,900)	37,047	(945,853)

Note 8: State and Federal Aid Contingencies

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowance, if any, would be immaterial.

Note 9: Interfund Transfers

The General Fund - Working Cash Account transferred \$250,000 to the Transportation Fund to address cash overdrafts.

Note 10: Contingent Liabilities

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

Skokie School District 73-5

Notes to Basic Financial Statements

Note 11: Interfund Receivables and Payables

Interfund receivable and payable balances at June 30, 2024, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund - Working Cash Account	Transportation Fund	\$ <u>597,338</u>
Total		<u><u>597,338</u></u>

The outstanding balance between the General Fund - Working Cash Account and the Transportation Fund was to address a cash overdraft in the Transporation Fund.

Skokie School District 73-5

Schedule of Changes in the Employer's Net Pension Liability and Related Ratios

Illinois Municipal Retirement Fund

Last Ten Calendar Years

	2023	2022	2021	2020
Total Pension Liability				
Service cost	\$ 234,901	\$ 181,171	\$ 177,046	\$ 175,660
Interest	937,208	871,508	812,030	785,818
Differences between expected and actual experience	39,819	591,629	532,338	107,739
Changes of assumption	(24,060)	-	-	(77,335)
Benefit payments, including refunds of member contributions	<u>(800,407)</u>	<u>(729,517)</u>	<u>(676,678)</u>	<u>(585,368)</u>
Net change in total pension liability	387,461	914,791	844,736	406,514
Total pension liability, beginning	<u>13,209,761</u>	<u>12,294,970</u>	<u>11,450,234</u>	<u>11,043,720</u>
Total pension liability - ending	<u>\$ 13,597,222</u>	<u>\$ 13,209,761</u>	<u>\$ 12,294,970</u>	<u>\$ 11,450,234</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 177,434	\$ 189,751	\$ 214,437	\$ 166,910
Contributions - member	123,885	117,980	89,207	84,853
Net investment income	1,282,690	(1,796,422)	2,003,421	1,515,272
Benefit payments, including refunds of member contributions	(800,407)	(729,517)	(676,678)	(585,368)
Administrative expense	<u>337,187</u>	<u>(9,980)</u>	<u>288,379</u>	<u>97,603</u>
Net change in plan fiduciary net position	1,120,789	(2,228,188)	1,918,766	1,279,270
Plan net position, beginning	<u>11,672,389</u>	<u>13,900,577</u>	<u>11,981,811</u>	<u>10,702,541</u>
Plan net position, ending	<u>\$ 12,793,178</u>	<u>\$ 11,672,389</u>	<u>\$ 13,900,577</u>	<u>\$ 11,981,811</u>
Employer's net pension liability (asset)	<u>\$ 804,044</u>	<u>\$ 1,537,372</u>	<u>\$ (1,605,607)</u>	<u>\$ (531,577)</u>
Plan fiduciary net position as a percentage of the total pension liability	94.09 %	88.36 %	113.06 %	104.64 %
Covered payroll	\$ 2,719,887	\$ 2,473,945	\$ 1,982,368	\$ 1,864,922
Employer's net pension liability as a percentage of covered payroll	29.56 %	62.14 %	(80.99)%	(28.50)%

2019	2018	2017	2016	2015	2014
\$ 174,587	\$ 163,715	\$ 185,138	\$ 190,536	\$ 209,147	\$ 221,581
744,038	711,616	723,414	686,151	666,802	620,649
209,264	162,143	(240,150)	83,505	(187,439)	(230,517)
-	264,639	(305,257)	(32,679)	20,634	415,720
<u>(518,944)</u>	<u>(547,381)</u>	<u>(472,111)</u>	<u>(457,308)</u>	<u>(376,657)</u>	<u>(411,282)</u>
608,945	754,732	(108,966)	470,205	332,487	616,151
<u>10,434,775</u>	<u>9,680,043</u>	<u>9,789,009</u>	<u>9,318,804</u>	<u>8,986,317</u>	<u>8,370,166</u>
<u>\$ 11,043,720</u>	<u>\$ 10,434,775</u>	<u>\$ 9,680,043</u>	<u>\$ 9,789,009</u>	<u>\$ 9,318,804</u>	<u>\$ 8,986,317</u>
\$ 129,645	\$ 156,135	\$ 196,393	\$ 797,869	\$ 200,720	\$ 212,797
78,204	78,127	82,682	79,714	84,698	83,341
1,745,985	(537,100)	1,596,147	533,468	41,458	490,355
(518,944)	(547,381)	(472,111)	(457,308)	(376,657)	(411,282)
<u>12,218</u>	<u>278,112</u>	<u>(563,353)</u>	<u>452</u>	<u>(253,805)</u>	<u>(134,211)</u>
1,447,108	(572,107)	839,758	954,195	(303,586)	241,000
<u>9,255,433</u>	<u>9,827,540</u>	<u>8,987,782</u>	<u>8,033,587</u>	<u>8,337,173</u>	<u>8,096,173</u>
<u>\$ 10,702,541</u>	<u>\$ 9,255,433</u>	<u>\$ 9,827,540</u>	<u>\$ 8,987,782</u>	<u>\$ 8,033,587</u>	<u>\$ 8,337,173</u>
<u>\$ 341,179</u>	<u>\$ 1,179,342</u>	<u>\$ (147,497)</u>	<u>\$ 801,227</u>	<u>\$ 1,285,217</u>	<u>\$ 649,144</u>
96.91 %	88.70 %	101.52 %	91.82 %	95.22 %	91.57 %
\$ 1,737,859	\$ 1,704,536	\$ 1,759,785	\$ 1,771,425	\$ 1,814,833	\$ 1,831,534
19.63 %	69.19 %	(8.38)%	45.23 %	70.82 %	35.44 %

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Skokie School District 73-5

Schedule of Employer Contributions

Illinois Municipal Retirement Fund

Last Ten Calendar Years

Calendar Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2023	\$ 167,817	\$ 177,434	\$ (9,617)	\$ 2,719,887	6.52 %
2022	189,752	189,751	1	2,473,945	7.67 %
2021	198,039	214,437	(16,398)	1,982,368	10.82 %
2020	166,911	166,910	1	1,864,922	8.95 %
2019	129,644	129,645	(1)	1,737,859	7.46 %
2018	156,135	156,135	-	1,704,536	9.16 %
2017	196,392	196,393	(1)	1,759,785	11.16 %
2016	197,868	797,869	(600,001)	1,771,425	45.04 %
2015	200,721	200,720	1	1,814,833	11.06 %
2014	210,443	212,797	(2,354)	1,831,534	11.62 %

Notes to Schedule

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

Methods and assumptions used to determine contribution rate

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period	20-year closed period
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	2.75%
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.

Skokie School District 73-5

Schedule of the District's Proportionate Share of the Net Pension Liability Teachers' Retirement System

Last Ten Fiscal Years

	2024*	2023*	2022*	2021*
District's proportion of the net pension liability	0.001057 %	0.000966 %	0.000968 %	0.000970 %
District's proportion share of the net pension liability	\$ 898,430	\$ 810,046	\$ 755,070	\$ 836,452
State's proportionate share of the net pension liability associated with the District	<u>77,535,004</u>	<u>70,266,146</u>	<u>63,282,962</u>	<u>65,515,257</u>
Total	<u>\$ 78,433,434</u>	<u>\$ 71,076,192</u>	<u>\$ 64,038,032</u>	<u>\$ 66,351,709</u>
District's covered payroll	\$ 11,128,681	\$ 9,885,446	\$ 8,705,194	\$ 9,186,952
District's proportionate share of the net pension liability as a percentage of covered payroll	8.07 %	8.19 %	8.67 %	9.10 %
Plan fiduciary net position as a percentage of the total pension liability	43.90 %	42.80 %	45.10 %	37.80 %

Notes to Schedule

Changes of assumptions

For the 2023 measurement year, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.50 percent and a real return of 4.50 percent. Salary increases were assumed to vary by service credit. These actuarial assumptions were based on an experience study dated Sept. 30, 2021.

For the 2021-2017 measurement years, the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent. 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 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. 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.

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

2020*	2019*	2018*	2017*	2016*	2015*
0.001276 %	0.001203 %	0.002836 %	0.001723 %	0.001818 %	0.002493 %
\$ 1,035,006	\$ 937,569	\$ 2,166,466	\$ 1,360,203	\$ 1,190,869	\$ 1,516,883
<u>73,660,299</u>	<u>64,227,436</u>	<u>62,712,401</u>	<u>65,986,228</u>	<u>52,702,477</u>	<u>45,754,124</u>
<u>\$ 74,695,305</u>	<u>\$ 65,165,005</u>	<u>\$ 64,878,867</u>	<u>\$ 67,346,431</u>	<u>\$ 53,893,346</u>	<u>\$ 47,271,007</u>
\$ 8,920,484	\$ 8,470,863	\$ 8,337,171	\$ 8,050,964	\$ 7,473,621	\$ 7,210,353
11.60 %	11.07 %	25.99 %	16.89 %	15.93 %	21.04 %
39.60 %	40.00 %	39.30 %	36.40 %	41.50 %	43.00 %

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Skokie School District 73-5

Schedule of Employer Contributions

Teachers' Retirement System

Last Ten Fiscal Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 91,021	\$ 91,021	\$ -	\$ 11,910,664	0.76 %
2023	88,135	88,135	-	11,128,681	0.79 %
2022	50,508	50,508	-	9,885,446	0.51 %
2021	53,313	53,313	-	8,705,194	0.61 %
2020	57,791	57,791	-	9,186,952	0.63 %
2019	49,978	49,978	-	8,920,484	0.56 %
2018	116,832	116,832	-	8,470,863	1.38 %
2017	66,872	66,872	-	8,050,964	0.83 %
2016	63,185	63,185	-	7,473,621	0.85 %
2015	88,931	88,931	-	7,210,353	1.23 %

Skokie School District 73-5

Schedule of the District's Proportionate Share of the Net OPEB Liability Teachers' Health Insurance Security Fund

Last Seven Fiscal Years

	2024*	2023*	2022*	2021*
District's proportion of the net pension liability	0.039632 %	0.035822 %	0.033419 %	0.085599 %
District's proportion share of the net pension liability	\$ 2,824,726	\$ 2,451,924	\$ 7,370,611	\$ 9,718,966
State's proportionate share of the net pension liability associated with the District	<u>3,819,930</u>	<u>3,335,601</u>	<u>9,988,711</u>	<u>13,166,579</u>
Total	<u>\$ 6,644,656</u>	<u>\$ 5,787,525</u>	<u>\$ 17,359,322</u>	<u>\$ 22,885,545</u>
District's covered payroll	\$ 11,128,681	\$ 9,885,446	\$ 8,705,194	\$ 9,186,952
District's proportionate share of the net pension liability as a percentage of covered payroll	25.38 %	24.80 %	84.67 %	105.79 %
Plan fiduciary net position as a percentage of the total pension liability	6.21 %	5.24 %	1.40 %	0.70 %

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

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

2020*	2019*	2018*
0.085015 %	0.085140 %	0.070633 %
\$ 10,043,599	\$ 9,574,277	\$ 9,555,200
<u>13,534,775</u>	<u>12,856,292</u>	<u>12,548,286</u>
<u>\$ 23,578,374</u>	<u>\$ 22,430,569</u>	<u>\$ 22,103,486</u>
\$ 8,920,484	\$ 8,799,645	\$ 8,646,541
112.59 %	108.80 %	110.51 %
(0.22)%	(0.07)%	(0.17)%

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Skokie School District 73-5
Schedule of Employer Contributions
Teachers' Health Insurance Security Fund
Last Seven Fiscal Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 79,801	\$ 79,801	\$ -	\$ 11,910,664	0.67 %
2023	74,562	74,562	-	11,128,681	0.67 %
2022	79,804	79,804	-	9,885,446	0.81 %
2021	84,602	84,602	-	8,705,194	0.97 %
2020	82,055	82,055	-	9,186,952	0.89 %
2019	75,811	75,811	-	8,920,484	0.85 %
2018	71,155	71,155	-	8,799,645	0.81 %

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

Skokie School District 73-5

Schedule of Changes in the Employer's Net OPEB Liability and Related Ratios

Other Post-Employment Benefits

Last Seven Fiscal Years

	2024	2023	2022	2021
Total OPEB Liability				
Service cost	\$ 12,459	\$ 4,197	\$ 6,099	\$ 1,165
Interest	2,130	2,630	250	880
Differences between expected and actual experience	42,974	-	43,616	-
Changes of assumption	9,185	(80)	19,536	270
Benefit payments, including refunds of member contributions	(18,732)	(20,218)	(13,061)	(34,862)
Other changes	-	-	-	-
Net change in total OPEB liability	48,016	(13,471)	56,440	(32,547)
Total OPEB liability, beginning	60,949	74,420	17,980	50,527
Total OPEB liability - ending	\$ 108,965	\$ 60,949	\$ 74,420	\$ 17,980
Plan Fiduciary Net Position				
Contributions - employer	\$ -	\$ -	\$ -	\$ -
Contributions - member	-	-	-	-
Net investment income	-	-	-	-
Benefit payments, including refunds of member contributions	-	-	-	-
Administrative expense	-	-	-	-
Plan net position, ending	\$ -	\$ -	\$ -	\$ -
Employer's net pension liability	\$ 108,965	\$ 60,949	\$ 74,420	\$ 17,980
Plan fiduciary net position as a percentage of the total pension liability	0.00 %	0.00 %	0.00	0.00 %
Covered payroll	\$ 1,761,532	\$ 1,761,532	\$ 1,694,131	\$ 1,843,570
Employer's net pension liability as a percentage of covered payroll	6.19 %	3.46 %	4.39 %	0.98 %

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

2020	2019	2018
\$ 1,158	\$ 652	\$ 609
2,545	3,720	-
(16,762)	-	-
(10,706)	218	-
(31,656)	(44,859)	(44,866)
<u>(1,083)</u>	<u>52</u>	<u>191,505</u>
(56,504)	(40,217)	147,248
<u>107,031</u>	<u>147,248</u>	<u>-</u>
<u>\$ 50,527</u>	<u>\$ 107,031</u>	<u>\$ 147,248</u>
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 50,527</u>	<u>\$ 107,031</u>	<u>\$ 147,248</u>
0.00 %	0.00 %	0.00 %
\$ 1,843,570	\$ 1,277,848	\$ 1,277,848
2.74 %	8.38 %	11.52 %

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Skokie School District 73-5

Schedule of Employer Contributions Other Post-Employment Benefits

Last Seven Fiscal Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ -	\$ -	\$ -	\$ 2,750,186	- %
2023	-	-	-	1,761,532	- %
2022	-	-	-	1,694,131	- %
2021	-	-	-	1,843,570	- %
2020	-	-	-	1,843,570	- %
2019	-	-	-	1,277,848	- %
2018	-	-	-	1,277,848	- %

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund

<i>Year Ended June 30, 2024</i>	General Fund		
	Original & Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources	\$ 21,450,125	\$ 20,770,305	\$ (679,820)
State sources	2,091,899	8,366,310	6,274,411
Federal sources	<u>1,724,595</u>	<u>1,534,127</u>	<u>(190,468)</u>
Total revenues	<u>25,266,619</u>	<u>30,670,742</u>	<u>5,404,123</u>
Expenditures			
Current operating			
Instruction	13,863,033	19,011,596	5,148,563
Support services	11,025,265	9,958,762	(1,066,503)
Community services	56,800	40,849	(15,951)
Non-programmed charges	2,375,000	2,127,497	(247,503)
Capital outlay	<u>1,140,500</u>	<u>334,811</u>	<u>(805,689)</u>
Total expenditures	<u>28,460,598</u>	<u>31,473,515</u>	<u>3,012,917</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(3,193,979)</u>	<u>(802,773)</u>	<u>2,391,206</u>
Other Financing Sources (Uses)			
Transfers out	<u>-</u>	<u>(250,000)</u>	<u>(250,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>(250,000)</u>	<u>(250,000)</u>
Net change in fund balances	<u>\$ (3,193,979)</u>	<u>(1,052,773)</u>	<u>\$ 2,141,206</u>
Fund balances at beginning of year		<u>27,126,811</u>	
Fund balances at end of year		<u>\$ 26,074,038</u>	

Skokie School District 73-5

Notes to Required Supplementary Information

Budgetary Data

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments.

The Board of Education follows these procedures in establishing the budgetary data reflected in the financial statements:

- The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
- Prior to October 1 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
- The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The original and final budget was adopted on September 12, 2023.
- Formal budgetary integration is employed as a management control device during the year for all Governmental Funds.
- The District has adopted a legal budget for all its Governmental Funds. The legal level of budgetary control is at the individual fund level, therefore, actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.
- The budget lapses at the end of each fiscal year.

Excess of Expenditures over Budgets in Individual Funds

Expenditures exceeded the budgeted amount in the following funds:

General Fund -Educational Account	\$ 25,322,771	\$ 28,670,027	\$ 3,347,256
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The expenditure variances were sufficiently absorbed by surpluses that existed at the beginning of the fiscal year and were approved by the Board of Education. Under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.

Skokie School District 73-5

Combining Balance Sheet by Account

General Fund

<i>June 30, 2024</i>	Educational	Operations & Maintenance	Working Cash	Tort Immunity	Total
Assets					
Cash and cash equivalents	\$ 19,387,777	\$ 778,493	\$ 5,271,820	\$ 48,865	\$ 25,486,955
Receivables					
Taxes receivable	7,576,551	745,335	4,618	-	8,326,504
Due from other governments	413,421	-	-	-	413,421
Interfund receivable	<u>-</u>	<u>-</u>	<u>597,338</u>	<u>-</u>	<u>597,338</u>
Total assets	<u>\$ 27,377,749</u>	<u>\$ 1,523,828</u>	<u>\$ 5,873,776</u>	<u>\$ 48,865</u>	<u>\$ 34,824,218</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 10,400	\$ 31,810	\$ -	\$ -	\$ 42,210
Accrued salaries and related benefits	<u>371,021</u>	<u>10,445</u>	<u>-</u>	<u>-</u>	<u>381,466</u>
Total liabilities	<u>381,421</u>	<u>42,255</u>	<u>-</u>	<u>-</u>	<u>423,676</u>
Deferred inflows of resources					
Property taxes levied for subsequent year	<u>7,576,551</u>	<u>745,335</u>	<u>4,618</u>	<u>-</u>	<u>8,326,504</u>
Total deferred inflow of resources	<u>7,576,551</u>	<u>745,335</u>	<u>4,618</u>	<u>-</u>	<u>8,326,504</u>
Fund Balances					
Restricted	-	736,238	-	48,865	785,103
Unassigned	<u>19,419,777</u>	<u>-</u>	<u>5,869,158</u>	<u>-</u>	<u>25,288,935</u>
Total fund balances	<u>19,419,777</u>	<u>736,238</u>	<u>5,869,158</u>	<u>48,865</u>	<u>26,074,038</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 27,377,749</u>	<u>\$ 1,523,828</u>	<u>\$ 5,873,776</u>	<u>\$ 48,865</u>	<u>\$ 34,824,218</u>

Skokie School District 73-5

Combining Schedule of Revenues, Expenditures and Changes In Fund Balance by Account - General Fund

<i>Year Ended June 30, 2024</i>	Educational	Operations & Maintenance	Working Cash	Tort Immunity	Total
Revenues					
Local sources					
Property taxes	\$ 16,145,836	\$ 1,599,674	\$ 9,615	\$ 191,827	\$ 17,946,952
Replacement taxes	949,807	-	-	-	949,807
Earnings on investments	578,884	40,116	179,451	4,171	802,622
Charges for services	256,138	40,360	-	-	296,498
Student activity fund revenues	182,520	-	-	-	182,520
Other local sources	<u>501,212</u>	<u>90,694</u>	<u>-</u>	<u>-</u>	<u>591,906</u>
Total local sources	<u>18,614,397</u>	<u>1,770,844</u>	<u>189,066</u>	<u>195,998</u>	<u>20,770,305</u>
State sources	8,316,310	50,000	-	-	8,366,310
Federal sources	<u>1,534,127</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,534,127</u>
Total revenues	<u>28,464,834</u>	<u>1,820,844</u>	<u>189,066</u>	<u>195,998</u>	<u>30,670,742</u>
Expenditures					
Current operating					
Instruction	19,011,596	-	-	-	19,011,596
Support services	7,286,555	2,557,888	-	114,319	9,958,762
Community services	40,849	-	-	-	40,849
Non-programmed charges	2,127,497	-	-	-	2,127,497
Capital outlay	<u>203,530</u>	<u>131,281</u>	<u>-</u>	<u>-</u>	<u>334,811</u>
Total expenditures	<u>28,670,027</u>	<u>2,689,169</u>	<u>-</u>	<u>114,319</u>	<u>31,473,515</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(205,193)</u>	<u>(868,325)</u>	<u>189,066</u>	<u>81,679</u>	<u>(802,773)</u>
Other financing sources (uses)					
Transfers out	<u>-</u>	<u>-</u>	<u>(250,000)</u>	<u>-</u>	<u>(250,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(250,000)</u>	<u>-</u>	<u>(250,000)</u>
Net change in fund balance	(205,193)	(868,325)	(60,934)	81,679	(1,052,773)
Fund balances, beginning of year	<u>19,624,970</u>	<u>1,604,563</u>	<u>5,930,092</u>	<u>(32,814)</u>	<u>27,126,811</u>
Fund balances, end of year	<u>\$ 19,419,777</u>	<u>\$ 736,238</u>	<u>\$ 5,869,158</u>	<u>\$ 48,865</u>	<u>\$ 26,074,038</u>

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

Year Ended June 30, 2024	Educational Account		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
General levy	\$ 16,935,000	\$ 16,145,836	\$ (789,164)
Corporate property replacement taxes	1,600,000	949,807	(650,193)
Regular - pupils or parents (in state)	25,000	280	(24,720)
Regular - other LEA's	450,000	53,673	(396,327)
Summer school - pupils or parents (in state)	3,000	-	(3,000)
Admissions - other	106,575	15,920	(90,655)
Food service	271,000	185,815	(85,185)
Textbooks	120,000	450	(119,550)
Earnings on investments	525,000	578,884	53,884
Student activity fund revenues	-	182,520	182,520
Rentals	32,300	-	(32,300)
Other	50,000	501,212	451,212
Total local sources	<u>20,117,875</u>	<u>18,614,397</u>	<u>(1,503,478)</u>
State sources			
Unrestricted			
Evidence based funding formula	2,000,000	2,487,113	487,113
Restricted			
Private facility tuition	20,000	19,284	(716)
Bilingual education	20,000	-	(20,000)
State free lunch and breakfast	1,000	2,545	1,545
Technology - learning technology centers	899	-	(899)
Library grant	-	850	850
On-behalf payments - State of Illinois	-	5,806,518	5,806,518
Total state sources	<u>2,041,899</u>	<u>8,316,310</u>	<u>6,274,411</u>
Federal sources			
Restricted			
National school lunch program	350,000	237,878	(112,122)
School breakfast program	2,500	5,355	2,855
Summer food service program	5,000	-	(5,000)
Title I - low income	150,116	147,855	(2,261)
Title IV - safe & drug free schools formula	13,702	31,585	17,883
IDEA - flow through	249,478	282,984	33,506
IDEA - Pre-K	9,890	10,791	901
Emergency immigrant education assistance	-	2,600	2,600
Title III - english language acquisition	10,000	46,688	36,688
Title II - teacher quality	42,909	56,395	13,486
Elementary and secondary school emergency relief fund	841,000	711,996	(129,004)
Total federal sources	<u>1,674,595</u>	<u>1,534,127</u>	<u>(140,468)</u>
Total revenues	<u>23,834,369</u>	<u>28,464,834</u>	<u>4,630,465</u>

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2024	Educational Account		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Expenditures			
Instruction			
Regular programs			
Salaries	\$ 6,234,600	\$ 6,122,844	\$ 111,756
Employee benefits	925,103	894,122	30,981
On-behalf payments - State of Illinois	-	5,806,518	(5,806,518)
Purchased services	714,140	441,168	272,972
Supplies and materials	397,008	478,139	(81,131)
Capital outlay	322,000	203,530	118,470
Other objects	6,855	6,593	262
Non-capitalized equipment	<u>435,000</u>	<u>336,420</u>	<u>98,580</u>
Total	<u>9,034,706</u>	<u>14,289,334</u>	<u>(5,254,628)</u>
Pre-K programs			
Salaries	275,000	273,411	1,589
Employee benefits	58,100	64,804	(6,704)
Supplies and materials	<u>15,000</u>	<u>12,001</u>	<u>2,999</u>
Total	<u>348,100</u>	<u>350,216</u>	<u>(2,116)</u>
Special education programs			
Salaries	1,887,500	1,848,088	39,412
Employee benefits	393,410	376,976	16,434
Purchased services	129,000	31,782	97,218
Supplies and materials	24,000	25,740	(1,740)
Capital outlay	1,000	-	1,000
Other objects	<u>101,100</u>	<u>118,034</u>	<u>(16,934)</u>
Total	<u>2,536,010</u>	<u>2,400,620</u>	<u>135,390</u>
Special education Pre-K programs			
Salaries	147,000	159,956	(12,956)
Employee benefits	41,675	41,088	587
Supplies and materials	75,000	23,754	51,246
Capital outlay	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total	<u>313,675</u>	<u>224,798</u>	<u>88,877</u>
Remedial and supplemental programs K-12			
Salaries	404,000	403,591	409
Employee benefits	87,800	83,028	4,772
Supplies and materials	<u>1,000</u>	<u>400</u>	<u>600</u>
Total	<u>492,800</u>	<u>487,019</u>	<u>5,781</u>

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2024	Educational Account		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Interscholastic programs			
Salaries	\$ 158,500	\$ 54,528	\$ 103,972
Employee benefits	1,175	883	292
Purchased services	133,000	88,756	44,244
	<u>1,200</u>	<u>1,948</u>	<u>(748)</u>
Total	<u>293,875</u>	<u>146,115</u>	<u>147,760</u>
Summer school programs			
Salaries	41,000	47,921	(6,921)
Employee benefits	1,250	549	701
Supplies and materials	<u>2,500</u>	<u>581</u>	<u>1,919</u>
Total	<u>44,750</u>	<u>49,051</u>	<u>(4,301)</u>
Gifted programs			
Salaries	163,853	159,988	3,865
Employee benefits	34,490	33,033	1,457
Purchased services	5,000	743	4,257
Supplies and materials	<u>3,893</u>	<u>3,800</u>	<u>93</u>
Total	<u>207,236</u>	<u>197,564</u>	<u>9,672</u>
Bilingual programs			
Salaries	741,000	703,421	37,579
Employee benefits	170,081	163,849	6,232
Purchased services	49,000	7,892	41,108
Supplies and materials	<u>4,800</u>	<u>3,760</u>	<u>1,040</u>
Total	<u>964,881</u>	<u>878,922</u>	<u>85,959</u>
Student activity fund expenditures			
Other objects	<u>-</u>	<u>191,487</u>	<u>(191,487)</u>
Total instruction	<u>14,236,033</u>	<u>19,215,126</u>	<u>(4,979,093)</u>
Support services			
Pupils			
Attendance and social work			
Salaries	408,000	370,117	37,883
Employee benefits	73,075	68,216	4,859
Purchased services	-	28,908	(28,908)
Supplies and materials	<u>4,318</u>	<u>1,856</u>	<u>2,462</u>
Total	<u>485,393</u>	<u>469,097</u>	<u>16,296</u>

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2024	Educational Account		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Guidance services			
Salaries	\$ 75,000	\$ 59,319	\$ 15,681
Employee benefits	36,400	29,749	6,651
Supplies and materials	<u>7,500</u>	<u>95</u>	<u>7,405</u>
Total	<u>118,900</u>	<u>89,163</u>	<u>29,737</u>
Health services			
Salaries	214,038	213,377	661
Employee benefits	45,935	18,231	27,704
Purchased services	63,000	38,897	24,103
Supplies and materials	<u>6,071</u>	<u>5,388</u>	<u>683</u>
Total	<u>329,044</u>	<u>275,893</u>	<u>53,151</u>
Psychological services			
Salaries	243,000	224,439	18,561
Employee benefits	23,617	34,739	(11,122)
Purchased services	11,800	3,963	7,837
Supplies and materials	16,500	12,974	3,526
Other objects	<u>750</u>	<u>815</u>	<u>(65)</u>
Total	<u>295,667</u>	<u>276,930</u>	<u>18,737</u>
Speech pathology and audiology services			
Salaries	331,500	325,144	6,356
Employee benefits	39,169	45,382	(6,213)
Purchased services	5,000	-	5,000
Supplies and materials	<u>4,883</u>	<u>1,354</u>	<u>3,529</u>
Total	<u>380,552</u>	<u>371,880</u>	<u>8,672</u>
Other support services			
Salaries	50,250	75,872	(25,622)
Employee benefits	6,950	4,800	2,150
Purchased services	20,000	33,062	(13,062)
Supplies and materials	<u>6,950</u>	<u>4,680</u>	<u>2,270</u>
Total	<u>84,150</u>	<u>118,414</u>	<u>(34,264)</u>
Total pupils	<u>1,693,706</u>	<u>1,601,377</u>	<u>92,329</u>

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2024	Educational Account		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Instructional staff			
Improvement of instruction services			
Salaries	\$ 487,704	\$ 384,977	\$ 102,727
Employee benefits	49,205	43,939	5,266
Purchased services	267,202	291,673	(24,471)
Supplies and materials	11,000	9,171	1,829
Other objects	<u>2,000</u>	<u>61</u>	<u>1,939</u>
Total	<u>817,111</u>	<u>729,821</u>	<u>87,290</u>
Educational media services			
Salaries	667,000	646,484	20,516
Employee benefits	139,657	127,674	11,983
Supplies and materials	33,650	38,190	(4,540)
Capital outlay	<u>115,000</u>	<u>-</u>	<u>115,000</u>
Total	<u>955,307</u>	<u>812,348</u>	<u>142,959</u>
Assessment and training			
Salaries	38,386	-	38,386
Employee benefits	-	63	(63)
Purchased services	22,500	39,718	(17,218)
Supplies and materials	<u>23,250</u>	<u>17,838</u>	<u>5,412</u>
Total	<u>84,136</u>	<u>57,619</u>	<u>26,517</u>
Total instructional staff	<u>1,856,554</u>	<u>1,599,788</u>	<u>256,766</u>
General administration			
Board of education			
Salaries	85,000	72,952	12,048
Employee benefits	26,000	24,867	1,133
Purchased services	288,500	167,733	120,767
Supplies and materials	10,000	3,909	6,091
Other objects	<u>7,500</u>	<u>9,054</u>	<u>(1,554)</u>
Total	<u>417,000</u>	<u>278,515</u>	<u>138,485</u>
Executive administration			
Salaries	238,500	239,695	(1,195)
Employee benefits	30,015	32,671	(2,656)
Purchased services	19,000	13,743	5,257
Supplies and materials	2,250	772	1,478
Other objects	<u>6,500</u>	<u>5,708</u>	<u>792</u>
Total	<u>296,265</u>	<u>292,589</u>	<u>3,676</u>

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2024	Educational Account		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Special area administrative services			
Supplies and materials	\$ 1,500	\$ 246	\$ 1,254
Total	<u>1,500</u>	<u>246</u>	<u>1,254</u>
Total general administration	<u>714,765</u>	<u>571,350</u>	<u>143,415</u>
School administration			
Office of the principal			
Salaries	1,010,000	1,007,064	2,936
Employee benefits	362,147	345,775	16,372
Purchased services	19,000	13,929	5,071
Supplies and materials	1,500	428	1,072
Other objects	<u>4,000</u>	<u>1,607</u>	<u>2,393</u>
Total	<u>1,396,647</u>	<u>1,368,803</u>	<u>27,844</u>
Total school administration	<u>1,396,647</u>	<u>1,368,803</u>	<u>27,844</u>
Business			
Director of business			
Salaries	172,000	163,377	8,623
Employee benefits	62,654	62,122	532
Purchased services	<u>2,500</u>	<u>2,876</u>	<u>(376)</u>
Total	<u>237,154</u>	<u>228,375</u>	<u>8,779</u>
Fiscal services			
Salaries	227,000	249,158	(22,158)
Employee benefits	39,650	22,626	17,024
Purchased services	132,500	106,700	25,800
Supplies and materials	7,000	5,567	1,433
Capital outlay	2,500	-	2,500
Other objects	<u>2,500</u>	<u>2,190</u>	<u>310</u>
Total	<u>411,150</u>	<u>386,241</u>	<u>24,909</u>
Operation and maintenance			
of plant services			
Purchased services	62,000	59,239	2,761
Supplies and materials	<u>10,000</u>	<u>160</u>	<u>9,840</u>
Total	<u>72,000</u>	<u>59,399</u>	<u>12,601</u>

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2024	Educational Account		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Food services			
Purchased services	\$ 450,000	\$ 424,651	\$ 25,349
Supplies and materials	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Total	<u>452,500</u>	<u>424,651</u>	<u>27,849</u>
Internal services			
Purchased services	32,000	19,274	12,726
Supplies and materials	<u>38,750</u>	<u>30,081</u>	<u>8,669</u>
Total	<u>70,750</u>	<u>49,355</u>	<u>21,395</u>
Total business	<u>1,243,554</u>	<u>1,148,021</u>	<u>95,533</u>
Central			
Information services			
Salaries	85,000	74,624	10,376
Employee benefits	100	63	37
Purchased services	204,500	3,643	200,857
Supplies and materials	<u>185,000</u>	<u>143,857</u>	<u>41,143</u>
Total	<u>474,600</u>	<u>222,187</u>	<u>252,413</u>
Staff services			
Salaries	87,500	-	87,500
Employee benefits	10,750	-	10,750
Purchased services	69,600	15,431	54,169
Supplies and materials	<u>32,700</u>	<u>8,717</u>	<u>23,983</u>
Total	<u>200,550</u>	<u>24,148</u>	<u>176,402</u>
Data processing services			
Salaries	462,221	448,782	13,439
Employee benefits	109,216	102,478	6,738
Purchased services	23,000	115,930	(92,930)
Supplies and materials	40,000	15,959	24,041
Capital outlay	325,000	-	325,000
Other objects	1,000	-	1,000
Non-capitalized equipment	<u>114,125</u>	<u>67,732</u>	<u>46,393</u>
Total	<u>1,074,562</u>	<u>750,881</u>	<u>323,681</u>
Total central	<u>1,749,712</u>	<u>997,216</u>	<u>752,496</u>
Total support services	<u>8,654,938</u>	<u>7,286,555</u>	<u>1,368,383</u>

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2024	Educational Account		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Community services			
Purchased services	\$ 41,500	\$ 40,838	\$ 662
Supplies and materials	<u>15,300</u>	<u>11</u>	<u>15,289</u>
Total	<u>56,800</u>	<u>40,849</u>	<u>15,951</u>
Non-programmed charges			
Payments to other districts and governmental units			
Payments for special education programs			
Purchased services	200,000	134,547	65,453
Other objects	<u>175,000</u>	<u>82,814</u>	<u>92,186</u>
Total	<u>375,000</u>	<u>217,361</u>	<u>157,639</u>
Payments for special education programs - tuition			
Other objects	<u>2,000,000</u>	<u>1,910,136</u>	<u>89,864</u>
Total non-programmed charges	<u>2,375,000</u>	<u>2,127,497</u>	<u>247,503</u>
Total expenditures	<u>25,322,771</u>	<u>28,670,027</u>	<u>(3,347,256)</u>
Net change in fund balance	<u>\$ (1,488,402)</u>	(205,193)	<u>\$ 1,283,209</u>
Fund balances, beginning of year		<u>19,624,970</u>	
Fund balances, end of year		\$ <u>19,419,777</u>	

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

Year Ended June 30, 2024	Operations & Maintenance Account		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 1,037,000	\$ 1,599,674	\$ 562,674
Rentals	20,750	40,360	19,610
Earnings on investments	100,000	40,116	(59,884)
Other local revenues	<u>-</u>	<u>90,694</u>	<u>90,694</u>
Total local sources	<u>1,157,750</u>	<u>1,770,844</u>	<u>613,094</u>
State sources			
Restricted			
School infrastructure	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Federal sources			
Restricted			
Emergency connectivity fund	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Total revenues	<u>1,257,750</u>	<u>1,820,844</u>	<u>563,094</u>
Expenditures			
Support services			
Payments for special programs			
Purchased services	<u>36,000</u>	<u>17,616</u>	<u>18,384</u>
Total	<u>36,000</u>	<u>17,616</u>	<u>18,384</u>
Operations and maintenance plant services			
Salaries	395,000	373,978	21,022
Employee benefits	109,220	106,839	2,381
Purchased services	1,278,550	1,372,000	(93,450)
Supplies and materials	678,250	629,533	48,717
Capital outlay	325,000	131,281	193,719
Other objects	750	60	690
Non-capitalized equipment	<u>170,000</u>	<u>57,862</u>	<u>112,138</u>
Total	<u>2,956,770</u>	<u>2,671,553</u>	<u>285,217</u>
Total expenditures	<u>2,992,770</u>	<u>2,689,169</u>	<u>303,601</u>
Net change in fund balance	<u>\$ (1,735,020)</u>	<u>(868,325)</u>	<u>\$ 866,695</u>
Fund balances, beginning of year		<u>1,604,563</u>	
Fund balances, end of year		<u>\$ 736,238</u>	

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

<i>Year Ended June 30, 2024</i>	Working Cash Account		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 15,000	\$ 9,615	\$ (5,385)
Earnings on investments	<u>140,000</u>	<u>179,451</u>	<u>39,451</u>
Total revenues	<u>155,000</u>	<u>189,066</u>	<u>34,066</u>
Other financing uses			
Transfers out	<u>-</u>	<u>(250,000)</u>	<u>(250,000)</u>
Net change in fund balance	<u>\$ 155,000</u>	<u>(60,934)</u>	<u>\$ (215,934)</u>
Fund balances, beginning of year		<u>5,930,092</u>	
Fund balances, end of year		<u>\$ 5,869,158</u>	

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

<i>Year Ended June 30, 2024</i>	Tort Immunity Account		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 14,500	\$ 191,827	\$ 177,327
Earnings on investments	<u>5,000</u>	<u>4,171</u>	<u>(829)</u>
Total revenues	<u>19,500</u>	<u>195,998</u>	<u>176,498</u>
Expenditures			
Support services			
Transportation services			
Employee benefits	57	-	57
Legal services			
Purchased services	-	114,319	(114,319)
Central			
Staff services			
Purchased services	125,000	-	125,000
Other services			
Purchased services	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total expenditures	<u>145,057</u>	<u>114,319</u>	<u>30,738</u>
Net change in fund balance	<u>\$ (125,557)</u>	81,679	<u>\$ 207,236</u>
Fund balances, beginning of year		<u>(32,814)</u>	
Fund balances, end of year		<u>\$ 48,865</u>	

Major Capital Projects Fund

Capital Projects Fund - The Capital Projects Fund accounts for the cost of planned current and future major projects for the acquisition and construction of buildings, infrastructure, and related improvements.

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

<i>Year Ended June 30, 2024</i>	Capital Projects Fund		
	2023		
	Original & Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Earnings on investments	\$ 77,560	\$ 117,732	\$ 40,172
State sources			
Restricted			
Other	5,000	-	(5,000)
Total revenues	82,560	117,732	35,172
Expenditures			
Supporting services			
Facilities acquisition and construction			
Purchased services	2,075,000	1,767,119	307,881
Capital outlay	750,000	-	750,000
Total expenditures	2,825,000	1,767,119	1,057,881
Net change in fund balance	\$ (2,742,440)	(1,649,387)	\$ 1,093,053
Fund balances, beginning of year		5,140,918	
Fund balances, end of year		\$ 3,491,531	

Nonmajor Governmental Funds

Debt Service Fund - To account for the accumulation of, resources for, and the payment of general long-term debt principal, interest, and related costs.

Special Revenue Funds

To account for proceeds from specific revenue sources which are designated to finance expenditures for specific purposes, the District maintains the following Special Revenue Funds:

Transportation Fund - To account for activity relating to student transportation to and from school.

Municipal Retirement/Social Security Fund - To account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund and Social Security for noncertified employees.

Capital Projects Funds

Fire Prevention and Safety Fund - The Fire Prevention and Safety Fund accounts for financial resources to be used for acquisitions and construction projects, which qualify as Fire Prevention and Safety expenditures.

Skokie School District 73-5

Combining Balance Sheets - Non-major Governmental Funds

<i>June 30, 2024</i>	Debt Service	Transportation	Municipal Retirement/ Social Security	Fire Prevention & Safety	Total
Assets					
Cash and cash equivalents	\$ 1,965,315	\$ -	\$ 1,008,538	\$ 1,690,055	\$ 4,663,908
Receivables					
Property taxes	<u>831,453</u>	<u>406,565</u>	<u>13,643</u>	<u>-</u>	<u>1,251,661</u>
Total assets	<u>\$ 2,796,768</u>	<u>\$ 406,565</u>	<u>\$ 1,022,181</u>	<u>\$ 1,690,055</u>	<u>5,915,569</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ 26,471	\$ -	\$ 26,395	\$ 52,866
Accrued salaries and related expenditures	-	7,229	-	-	7,229
Interfund payables	<u>-</u>	<u>597,338</u>	<u>-</u>	<u>-</u>	<u>597,338</u>
Total liabilities	<u>-</u>	<u>631,038</u>	<u>-</u>	<u>26,395</u>	<u>657,433</u>
Deferred inflows of resources					
Property taxes levied for subsequent year	<u>831,453</u>	<u>406,565</u>	<u>13,643</u>	<u>-</u>	<u>1,251,661</u>
Total deferred inflows of resources	<u>831,453</u>	<u>406,565</u>	<u>13,643</u>	<u>-</u>	<u>1,251,661</u>
Fund balances					
Restricted for:					
Debt service	1,965,315	-	-	-	1,965,315
Employee retirement	-	-	1,008,538	-	1,008,538
Fire prevention and safety	-	-	-	1,663,660	1,663,660
Unassigned	<u>-</u>	<u>(631,038)</u>	<u>-</u>	<u>-</u>	<u>(631,038)</u>
Total fund balances	<u>1,965,315</u>	<u>(631,038)</u>	<u>1,008,538</u>	<u>1,663,660</u>	<u>4,006,475</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,796,768</u>	<u>\$ 406,565</u>	<u>\$ 1,022,181</u>	<u>\$ 1,690,055</u>	<u>\$ 5,915,569</u>

Skokie School District 73-5

Combining Statements of Revenues, Expenditures and Changes In Fund Balances - Non-major Governmental Funds

<i>Year Ended June 30, 2024</i>	Debt Service	Transportation	Municipal Retirement/ Social Security	Fire Prevention & Safety	Total
Revenues					
Local sources	\$ 1,799,632	\$ 747,824	\$ 80,332	\$ 57,235	\$ 2,685,023
State sources	-	314,979	-	-	314,979
Total revenues	<u>1,799,632</u>	<u>1,062,803</u>	<u>80,332</u>	<u>57,235</u>	<u>3,000,002</u>
Expenditures					
Current Operating					
Instruction	-	-	267,950	-	267,950
Support services	-	1,324,176	334,616	30,194	1,688,986
Capital outlay	-	75,750	-	-	75,750
Debt service					
Principal	1,235,000	-	-	-	1,235,000
Interest and other	<u>368,988</u>	-	-	-	<u>368,988</u>
Total expenditures	<u>1,603,988</u>	<u>1,399,926</u>	<u>602,566</u>	<u>30,194</u>	<u>3,636,674</u>
Other financing sources					
Transfers in	-	250,000	-	-	250,000
Total other financing sources	-	<u>250,000</u>	-	-	<u>250,000</u>
Net change in fund balance	195,644	(87,123)	(522,234)	27,041	(386,672)
Fund balance, beginning of year	<u>1,769,671</u>	<u>(543,915)</u>	<u>1,530,772</u>	<u>1,636,619</u>	<u>4,393,147</u>
Fund balance, end of year	<u>\$ 1,965,315</u>	<u>\$ (631,038)</u>	<u>\$ 1,008,538</u>	<u>\$ 1,663,660</u>	<u>\$ 4,006,475</u>

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

<i>Year Ended June 30, 2024</i>	Debt Service Fund		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 1,727,500	\$ 1,753,679	\$ 26,179
Earnings on investments	<u>30,000</u>	<u>45,953</u>	<u>15,953</u>
Total revenues	<u>1,757,500</u>	<u>1,799,632</u>	<u>42,132</u>
Expenditures			
Debt service			
Interest on long term debt	427,500	368,513	58,987
Principal payments on long term debt	1,190,000	1,235,000	(45,000)
Other	<u>-</u>	<u>475</u>	<u>(475)</u>
Total expenditures	<u>1,617,500</u>	<u>1,603,988</u>	<u>13,512</u>
Net change in fund balance	<u>\$ 140,000</u>	195,644	<u>\$ 55,644</u>
Fund balances, beginning of year		<u>1,769,671</u>	
Fund balances, end of year		<u>\$ 1,965,315</u>	

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

<i>Year Ended June 30, 2024</i>	Transportation Fund		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 502,500	\$ 746,010	\$ 243,510
Transportation fees	50,000	37	(49,963)
Earnings on investments	<u>10,000</u>	<u>1,777</u>	<u>(8,223)</u>
Total local sources	<u>562,500</u>	<u>747,824</u>	<u>185,324</u>
State sources			
Restricted			
Special education	<u>200,000</u>	<u>314,979</u>	<u>114,979</u>
Total state sources	<u>200,000</u>	<u>314,979</u>	<u>114,979</u>
Total revenues	<u>762,500</u>	<u>1,062,803</u>	<u>300,303</u>
Expenditures			
Support services			
Pupil transportation services			
Salaries	221,500	187,826	33,674
Employee benefits	61,989	59,438	2,551
Purchased services	1,044,000	1,074,466	(30,466)
Supplies and materials	5,000	2,366	2,634
Capital outlay	150,000	75,750	74,250
Other objects	<u>500</u>	<u>80</u>	<u>420</u>
Total expenditures	<u>1,482,989</u>	<u>1,399,926</u>	<u>83,063</u>
Excess of revenue over (under) expenditures	<u>(720,489)</u>	<u>(337,123)</u>	<u>383,366</u>
Other Financing Sources (Uses)			
Transfers in	<u>-</u>	<u>250,000</u>	<u>250,000</u>
Net change in fund balance	<u>\$ (720,489)</u>	<u>(87,123)</u>	<u>\$ 633,366</u>
Fund balances, beginning of year		<u>(543,915)</u>	
Fund balances, end of year		<u>\$ (631,038)</u>	

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

Year Ended June 30, 2024	Municipal Retirement/Social Security Fund		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 21,500	\$ 12,174	\$ (9,326)
Social Security/Medicare	40,500	24,102	(16,398)
Personal property replacement tax	10,500	200	(10,300)
Earnings on investments	<u>48,000</u>	<u>43,856</u>	<u>(4,144)</u>
Total revenues	<u>120,500</u>	<u>80,332</u>	<u>(40,168)</u>
Expenditures			
Instruction			
Regular programs	151,064	132,226	18,838
Pre-K programs	21,297	13,341	7,956
Special education programs	115,594	84,035	31,559
Special education programs - Pre-K	13,584	13,028	556
Remedial and supplemental programs - K-12	3,190	6,093	(2,903)
Interscholastic programs	2,097	2,181	(84)
Summer school programs	1,415	1,868	(453)
Gifted programs	5,597	2,171	3,426
Bilingual programs	<u>13,604</u>	<u>13,007</u>	<u>597</u>
Total instruction	<u>327,442</u>	<u>267,950</u>	<u>59,492</u>
Support services			
Pupils			
Attendance and social work services	9,084	5,185	3,899
Guidance services	6,938	1,271	5,667
Health services	33,041	30,699	2,342
Physiological services	4,685	3,202	1,483
Speech pathology services	5,844	4,694	1,150
Other support services	<u>6,133</u>	<u>6,790</u>	<u>(657)</u>
Total pupils	<u>65,725</u>	<u>51,841</u>	<u>13,884</u>
Instructional staff			
Improvement of instructional services	11,089	9,893	1,196
Educational media services	<u>22,597</u>	<u>15,793</u>	<u>6,804</u>
Total instructional staff	<u>33,686</u>	<u>25,686</u>	<u>8,000</u>
General administration			
Board of education services	10,600	10,025	575
Executive administrative services	<u>11,891</u>	<u>4,093</u>	<u>7,798</u>
Total general administration	<u>22,491</u>	<u>14,118</u>	<u>8,373</u>

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget to Actual

<i>Year Ended June 30, 2024</i>	Municipal Retirement/Social Security Fund		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
School administration			
Office of the principal services	\$ 76,162	\$ 54,101	\$ 22,061
Total school administration	<u>76,162</u>	<u>54,101</u>	<u>22,061</u>
Business			
Direction of business support services	8,248	2,602	5,646
Fiscal services	34,600	35,498	(898)
Operation and maintenance of plant services	52,300	52,491	(191)
Pupil transportation services	<u>28,407</u>	<u>24,474</u>	<u>3,933</u>
Total business	<u>123,555</u>	<u>115,065</u>	<u>8,490</u>
Central			
Information services	10,600	10,721	(121)
Data processing services	<u>76,912</u>	<u>63,084</u>	<u>13,828</u>
Total central	<u>87,512</u>	<u>73,805</u>	<u>13,707</u>
Total support services	<u>409,131</u>	<u>334,616</u>	<u>74,515</u>
Total expenditures	<u>736,573</u>	<u>602,566</u>	<u>134,007</u>
Net change in fund balance	<u>\$ (616,073)</u>	<u>(522,234)</u>	<u>\$ 93,839</u>
Fund balances, beginning of year		<u>1,530,772</u>	
Fund balances, end of year		<u>\$ 1,008,538</u>	

Skokie School District 73-5

Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual

<i>Year Ended June 30, 2024</i>	Fire Prevention and Safety Fund		
	2024		
	Original & Final Budget	Actual	Variance with Final Budget
Revenues			
Local sources			
Property taxes	\$ 11,500	\$ 2,380	\$ (9,120)
Earnings on investments	<u>40,000</u>	<u>54,855</u>	<u>14,855</u>
Total revenues	<u>51,500</u>	<u>57,235</u>	<u>5,735</u>
Expenditures			
Supporting services			
Facilities acquisition and construction			
Purchased Services	<u>500,000</u>	<u>30,194</u>	<u>469,806</u>
Total expenditures	<u>500,000</u>	<u>30,194</u>	<u>469,806</u>
Net change in fund balance	<u>\$ (448,500)</u>	27,041	<u>\$ 475,541</u>
Fund balances, beginning of year		<u>1,636,619</u>	
Fund balances, end of year		<u>\$ 1,663,660</u>	

Skokie School District 73-5

Operating Cost and Tuition Charge

Year Ended June 30, 2024

2023

Operating Cost Per Pupil

Average Daily Attendance (ADA)	<u>939.19</u>
Expenditures	
Educational	\$ 22,672,022
Operations and maintenance	2,689,169
Debt service	1,603,988
Transportation	1,399,926
Illinois municipal retirement/social security	602,566
Tort immunity	<u>114,319</u>
Subtotal	<u>29,081,990</u>
Less revenues/expenditures not applicable to operating expense of regular programs	
Pre-K programs	601,383
Summer school	50,919
Capital outlay	410,561
Non capitalized equipment	462,014
Debt principal retired	1,235,000
Community services	40,849
Payments to other districts & governmental units	<u>2,145,113</u>
Subtotal	<u>4,945,839</u>
Regular operating costs	\$ <u>24,136,151</u>
Operating cost per pupil - based on ADA	\$ <u>25,698.90</u>
Tuition Charge	
Operating costs	24,136,151
Less offsetting revenues from specific programs	<u>(2,621,043)</u>
Net operating expenditures	21,515,108
Depreciation allowance	<u>1,996,659</u>
Total allowance for tuition computation	\$ <u>23,511,767</u>
Tuition charge per pupil - based on ADA	\$ <u>25,034.09</u>

Skokie School District 73-5

Net Position By Component

Last Ten Fiscal Years

	2024	2023	2022	2021
Governmental activities				
Net investment in capital assets	\$ 210,918	\$ 5,718,261	\$ 5,073,095	\$ 4,269,853
Restricted	8,865,282	9,912,872	5,975,181	11,895,409
Unrestricted	14,962,075	15,495,382	17,232,912	14,298,452
Total governmental activities net position	\$ 24,038,275	\$ 31,126,515	\$ 28,281,188	\$ 30,463,714

Source of information: Annual Financial Statements

2020	2019	2018	2017	2016	2015
\$ 8,706,936	\$ 8,684,294	\$ 8,633,741	\$ 4,950,812	\$ -	\$ 8,176,041
9,143,067	7,213,851	6,175,804	4,590,874	3,944,508	4,417,265
12,163,560	12,430,806	11,757,585	27,489,588	31,841,454	21,921,690
\$ 30,013,563	\$ 28,328,951	\$ 26,567,130	\$ 37,031,274	\$ 35,785,962	\$ 34,514,996

Skokie School District 73-5

Change in Net Position Last Ten Fiscal Years

	2024	2023	2022	2021
Expenses				
Governmental activities				
Instruction:				
Regular programs	\$ 13,451,625	\$ 8,108,942	\$ 7,589,554	\$ 7,275,580
Special programs	3,746,225	2,646,713	4,277,592	3,213,010
Other programs	1,482,366	1,462,564	1,523,413	1,171,385
State retirement contributions	4,909,519	4,065,406	4,647,183	7,092,031
Support services:				
Pupils	1,725,075	1,623,517	1,246,436	1,319,763
Instructional staff	1,758,823	1,604,250	1,184,059	1,278,928
General administration	712,915	778,158	782,520	811,129
School administration	1,469,887	1,309,084	1,124,902	1,190,003
Business	3,060,147	2,231,744	1,213,546	820,055
Operations and maintenance	2,783,443	2,302,242	1,796,256	1,292,700
Transportation	1,424,400	1,182,262	1,023,298	679,010
Central	1,071,021	848,163	952,065	810,795
Other	-	-	53,554	194,152
Community services	40,849	31,486	259,236	5,785
Non-programmed charges	2,145,113	2,349,287	-	-
Interest and fees	198,309	248,458	286,577	450,323
Total governmental activities expenses	39,979,717	30,792,276	27,960,191	27,604,649
Program revenues				
Governmental activities				
Charges for services				
Instruction:				
Regular programs	252,733	617,747	341,037	131,631
Special programs	110	22,315	-	-
Other instructional programs	-	-	278,781	80,313
Support services:				
Business	185,815	204,892	468	1,016
Operations and maintenance	131,054	70,042	95,068	75,000
Transportation	37	44,101	52,567	282
Operating grants and contributions	6,831,304	5,610,603	6,010,057	8,137,990
Total governmental activities program revenues	7,401,053	6,569,700	6,777,978	8,426,232
Net revenue (expense)	(32,578,664)	(24,222,576)	(21,182,213)	(19,178,417)
Governmental activities				
General revenues				
Taxes:				
Real estate taxes, levied for general purposes	18,731,618	17,134,788	16,463,603	15,740,165
Real estate taxes, levied for debt service	1,753,679	1,651,182	1,247,122	673,419
Personal property replacement taxes	950,007	1,615,185	1,510,750	698,717
Gain (loss) on disposal of capital assets	-	-	-	-
State aid-formula grants	2,487,113	1,806,578	2,853,527	1,967,539
Investment earnings	1,066,795	4,797,504	(3,075,315)	424,551
Miscellaneous	501,212	62,666	-	-
Total governmental activities general revenues	25,490,424	27,067,903	18,999,687	19,504,391
Change in net position	\$ (7,088,240)	\$ 2,845,327	\$ (2,182,526)	\$ 325,974

Source of information: Annual Financial Statements

	2020	2019	2018	2017	2016	2015
\$	7,475,524	\$ 7,054,257	\$ 7,441,412	\$ 6,633,812	\$ 6,768,142	\$ 6,894,394
	3,504,143	3,428,733	2,512,505	3,378,523	2,889,828	1,417,899
	1,180,938	1,084,517	1,190,289	1,133,028	1,046,975	1,042,886
	8,108,249	6,133,813	6,247,689	6,575,124	4,407,039	3,765,813
	1,308,696	1,185,122	1,215,191	1,111,028	1,024,022	1,044,849
	1,238,724	1,078,207	940,656	749,100	762,608	699,224
	871,928	794,262	703,600	746,692	630,437	611,383
	1,298,194	1,277,289	1,543,682	1,383,072	1,318,966	1,338,941
	870,473	1,037,732	971,876	1,128,912	965,062	967,699
	1,266,638	1,148,405	1,659,291	2,396,562	1,388,646	1,326,708
	708,500	845,740	824,369	822,864	768,884	657,717
	797,175	684,158	593,797	530,218	503,054	557,997
	80,689	-	-	62	466,540	-
	29,446	65,762	808,089	62,332	64,517	43,541
	-	-	-	-	-	1,103,776
	270,521	314,568	361,144	403,583	243,707	213,751
	29,009,838	26,132,565	27,013,590	27,054,912	23,248,427	21,686,578
	387,180	433,934	364,930	391,592	275,778	264,463
	-	-	29,750	-	-	86,164
	125,878	158,050	172,607	63,276	140,634	148,412
	201,024	241,133	233,207	225,774	211,190	183,222
	137,742	85,423	131,819	78,576	58,760	94,281
	51,589	51,206	51,362	57,759	50,181	49,216
	9,257,843	7,337,992	7,165,731	9,349,734	5,609,514	5,062,649
	10,161,256	8,307,738	8,149,406	10,166,711	6,346,057	5,888,407
	(18,848,582)	(17,824,827)	(18,864,184)	(16,888,201)	(16,902,370)	(15,798,171)
	15,949,444	15,356,483	15,087,267	15,027,197	14,596,418	14,269,686
	953,409	1,407,500	1,403,565	1,378,965	1,363,455	1,359,071
	501,485	463,785	416,774	506,294	458,409	500,730
	-	(306)	(1,267)	-	-	(12,330)
	1,796,934	1,310,276	1,246,899	785,774	732,648	687,713
	1,331,922	1,614,635	27,220	435,283	976,676	883,685
	-	-	-	-	45,730	11,830
	20,533,194	20,152,373	18,180,458	18,133,513	18,173,336	17,700,385
\$	1,684,612	\$ 2,327,546	\$ (683,726)	\$ 1,245,312	\$ 1,270,966	\$ 1,902,214

Skokie School District 73-5

Fund Balances, Governmental Funds

Last Ten Fiscal Years

	2024	2023	2022	2021
General Fund				
Restricted	\$ 785,103	\$ 1,604,563	\$ 130,342	\$ -
Unassigned	25,288,935	25,522,248	23,571,275	17,801,457
Total general fund	\$ 26,074,038	\$ 27,126,811	\$ 23,701,617	\$ 17,801,457
All Other Governmental Funds				
Restricted		\$ -	5,492,327	12,180,243
Debt service	1,965,315	1,769,671	-	-
Transportation	-	-	-	-
Municipal retirement/Social Security	1,008,538	1,530,772	-	-
Capital projects	3,491,531	5,140,918	-	-
Fire prevention & safety	1,663,660	1,636,619	-	-
Committed		-	-	-
Assigned, reported in:				
Debt service funds		-	1,559,232	2,011,305
Special revenue funds		-	1,550,281	2,943,590
Capital projects funds		-	3,356,555	4,316,291
Unassigned				
Capital projects funds		-	-	-
Transportation fund	(631,038)	(543,915)	(192,200)	-
Tort fund		-	(199,812)	
Total all other governmental funds	\$ 7,498,006	\$ 9,534,065	\$ 11,566,383	\$ 21,451,429
Total all governmental funds	\$ 33,572,044	\$ 36,660,876	\$ 35,268,000	\$ 39,252,886

Source of information: Annual Financial Statements

2020	2019	2018	2017	2016	2015
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20,028,325	21,034,461	21,043,035	22,189,848	31,551,589	20,259,883
\$ 20,028,325	\$ 21,034,461	\$ 21,043,035	\$ 22,189,848	\$ 31,551,589	\$ 20,259,883
9,779,456	7,548,038	6,028,307	4,810,088	3,944,508	4,800,700
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	90,529	706,300	2,100,000
1,944,173	1,461,431	1,552,385	1,824,564	2,070,741	301,091
2,680,334	2,105,267	1,637,022	1,523,661	1,271,780	839,956
174,952	213,793	217,959	3,252,809	4,012	-
-	-	-	-	(131,414)	(182,866)
-	-	-	-	-	-
		(57,075)	(57,075)	(62,670)	(14,864)
\$ 14,578,915	\$ 11,328,529	\$ 9,378,598	\$ 11,444,576	\$ 7,803,257	\$ 7,844,017
\$ 34,607,240	\$ 32,362,990	\$ 30,421,633	\$ 33,634,424	\$ 39,354,846	\$ 28,103,900

Skokie School District 73-5
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2024	2023	2022	2021
Revenues				
Local sources	\$ 23,573,060	\$ 26,220,422	\$ 16,948,660	\$ 17,839,414
State sources	2,874,771	2,054,915	2,094,443	2,140,265
Federal sources	1,534,127	1,296,860	2,087,379	858,913
State retirement contributions	5,806,518	5,621,348	4,647,183	7,092,031
Total revenues	33,788,476	35,193,545	25,777,665	27,930,623
Expenditures				
Current:				
Instruction	19,279,546	17,539,703	14,692,045	15,871,151
Support services	13,414,867	11,560,667	9,891,684	8,559,009
Community services	40,849	31,486	259,236	5,785
Nonprogrammed charges	2,127,497	2,333,337	2,647,080	1,733,398
Debt service				
Principal	1,235,000	1,185,000	1,160,000	1,015,000
Interest and other	368,988	419,138	455,563	471,907
Capital outlay	410,561	731,338	656,943	813,360
Total expenditures	36,877,308	33,800,669	29,762,551	28,469,610
Excess (deficiency) of revenue over expenditures	(3,088,832)	1,392,876	(3,984,886)	(538,987)
Other financing sources (uses)				
Issuance of debt	-	-	-	4,290,000
Premium on issuance of bonds	-	-	-	858,217
Payments to refunding bond escrow agent	-	-	-	-
Sale of capital assets	-	-	-	-
Transfers in	250,000	2,450,000	8,400,000	2,043,107
Transfers out	(250,000)	(2,450,000)	(8,400,000)	(2,043,107)
Other uses	-	-	-	(87,761)
Total other financing sources (uses)	-	-	-	5,060,456
Net change in fund balances	\$ (3,088,832)	\$ 1,392,876	\$ (3,984,886)	\$ 4,521,469
Debt service as a percentage of noncapital expenditures	4.4%	4.9%	5.6%	5.4%

Source of information: Annual Financial Statements

2020	2019	2018	2017	2016	2015
\$ 19,660,168	\$ 19,839,695	\$ 17,930,599	\$ 19,444,771	\$ 18,177,231	\$ 17,850,758
2,178,869	1,686,240	1,716,385	1,694,005	1,544,253	1,587,005
747,164	800,669	436,458	586,324	390,870	397,545
8,108,249	6,133,813	6,247,689	6,575,124	4,407,039	3,765,813
30,694,450	28,460,417	26,331,131	28,300,224	24,519,393	23,601,121
18,621,288	16,263,405	14,700,822	16,774,890	14,285,593	12,182,477
8,065,743	7,959,249	8,871,404	8,776,823	7,996,738	6,994,673
29,299	65,947	807,262	62,335	64,517	43,541
-	-	-	-	-	1,103,776
990,000	1,180,000	1,235,000	1,175,000	11,450,000	1,085,000
356,875	401,554	448,313	471,341	207,363	227,969
408,995	83,180	3,481,121	6,760,257	639,536	956,846
28,472,200	25,953,335	29,543,922	34,020,646	34,643,747	22,594,282
2,222,250	2,507,082	(3,212,791)	(5,720,422)	(10,124,354)	1,006,839
-	-	-	-	20,430,000	-
-	-	-	-	1,155,469	-
-	-	-	-	(185,169)	-
22,000	-	-	-	-	-
807,350	-	1,800,000	11,655,000	2,920,000	1,985,575
(807,350)	-	(1,800,000)	(11,655,000)	(2,920,000)	(1,985,575)
-	-	-	-	(25,000)	-
22,000	-	-	-	21,375,300	-
\$ 2,244,250	\$ 2,507,082	\$ (3,212,791)	\$ (5,720,422)	\$ 11,250,946	\$ 1,006,839
4.8%	6.1%	6.5%	6.0%	34.3%	6.1%

Skokie School District 73-5
 Equalized Assessed Valuation And
 Estimated Actual Value Of Taxable Property
 Last Ten Tax Levy Years

Tax Levy Year	Equalized Assessed Valuation				Total Equalized Assessed Valuation
	Residential	Commercial	Industrial	Railroad	
2023	\$ 304,849,916	\$ 57,857,243	\$ 68,234,059	\$ 800,431	\$ 431,741,649
2022	296,724,380	58,888,420	66,454,956	740,290	422,808,046
2021	217,099,933	44,616,767	64,404,098	619,916	326,740,714
2020	238,018,766	47,928,980	68,506,733	619,916	355,074,395
2019	240,986,801	47,338,792	66,323,353	594,585	355,243,531
2018	208,643,274	37,319,673	51,788,454	544,590	298,295,991
2017	214,122,470	37,736,644	51,033,213	-	302,892,327
2016	216,113,769	35,336,638	50,728,928	-	302,179,335
2015	174,750,777	33,870,289	46,024,803	-	254,645,869
2014	178,698,434	29,006,030	50,504,113	-	258,208,577

* Equalized Assessed Valuation is one-third of the Actual Estimated Value.

Source of information: Cook County Levy, Rate and Extension Reports for the years 2014 to 2023

Amount of Increase Over Previous Year	Percentage Increase Over Previous Year	Actual Estimated Value *
\$ 8,933,603	2.11%	\$ 1,295,224,947
96,067,332	29.40%	1,268,424,138
(28,333,681)	-7.98%	980,222,142
(169,136)	-0.05%	1,065,223,185
56,947,540	19.09%	1,065,730,593
(4,596,336)	-1.52%	894,887,973
712,992	0.24%	908,676,981
47,533,466	18.67%	906,538,005
(3,562,708)	-1.38%	763,937,607
6,090,596	2.42%	774,625,731

Skokie School District 73-5

Property Tax Rates - All Direct and Overlapping Governments Last Ten Tax Levy Years

	2023	2022	2021	2020
District Direct Rates				
Educational	\$ 3.3730	\$ 3.4755	\$ 4.2797	\$ 2.9844
Tort Immunity	0.0430	0.0451	0.0015	0.0646
Leasing Educational Facilities	0.0011	0.0022	0.0015	0.0161
Operations and Maintenance	0.3551	0.3721	0.4556	0.5023
Special Education	0.2367	0.2869	0.3766	0.3653
Debt Service	0.3961	0.4043	0.5224	0.2420
Transportation	0.1937	0.1465	0.1484	0.5078
Life Safety	-	0.0011	0.0015	0.0913
Working Cash	0.0022	0.0022	0.0015	0.0457
Illinois Municipal Retirement	0.0011	0.0045	0.0059	0.0784
Social Security	0.0054	0.0056	0.0074	0.0940
Total direct rates	4.6074	4.7460	5.8020	4.9919
Additional Overlapping Governments*:				
Cook County	\$ 0.3860	\$ 0.4310	\$ 0.4460	\$ 0.4530
Cook County Forest Preserve	0.0750	0.0810	0.0580	0.0580
Consolidated Elections	0.0320	-	0.0190	-
Niles Township	0.0480	0.0470	0.0510	0.0460
Niles General Assistance	0.0080	0.0070	0.0080	0.0070
Metro Water Reclamation District	0.3450	0.3740	0.3820	0.3780
North Shore Mosquito Abatement	0.0080	0.0070	0.0090	0.0090
Village of Skokie & Library Fund	0.9160	0.9440	1.1320	1.0510
Skokie Park District	0.4070	0.4070	0.4510	0.4060
Community High School #219	3.0690	3.0250	3.3500	3.0290
Community College District #535	0.2270	0.2210	0.2520	0.2270
Total overlapping rates	5.5210	5.5440	6.1580	5.6640
Total direct and overlapping rates	\$ 10.1284	\$ 10.2900	\$ 11.9600	\$ 10.6559

Excludes Special Service Areas

Tax rates are expressed in dollars per one hundred of assessed valuation.

It should be noted that the boundaries of some of the overlapping governments listed only partially overlap the District, and therefore the totals shown above overstate the tax rates for individuals taxpayers within the District.

Source of information: Cook County Clerk's Office.

2019	2018	2017	2016	2015	2014
\$ 2.9987	\$ 3.5167	\$ 3.5705	\$ 2.9631	\$ 3.5000	\$ 3.4175
0.0597	0.0691	0.0680	0.0583	0.0727	0.2114
0.0149	0.0173	0.0170	0.0286	0.0340	0.0335
0.4646	0.5500	0.5500	0.4656	0.5500	0.5370
0.3379	0.4000	0.4000	0.3386	0.4000	0.3906
0.1603	0.4802	0.4903	0.4627	0.5490	0.5401
0.4697	0.5179	0.2321	0.8994	0.9576	0.7091
0.0845	0.1000	0.1000	-	0.0700	0.0976
0.0422	0.0500	0.0500	0.0423	0.0500	0.0488
0.0725	0.0691	0.0935	0.1363	0.1577	0.1316
0.0870	0.0950	0.1020	0.1363	0.1577	0.1316
4.7920	5.8653	5.6734	5.5312	6.4987	6.2488
\$ 0.4540	\$ 0.4890	\$ 0.4960	\$ 0.5330	\$ 0.5520	\$ 0.5680
0.0590	0.0600	0.0620	0.0630	0.0690	0.0690
0.0300	-	0.0310	-	0.0340	-
0.0450	0.0490	0.0470	0.0460	0.0520	0.0500
0.0070	0.0080	0.0070	0.0070	0.0080	0.0070
0.3890	0.3960	0.4020	0.4060	0.4260	0.4300
0.0090	0.0100	0.0100	0.0100	0.0120	0.0110
1.0720	1.2210	1.1960	1.1960	1.3900	1.3620
0.4110	0.4630	0.4400	0.4400	0.5070	0.4770
3.0170	3.3470	3.4090	3.4600	3.8910	3.6500
0.2210	0.2460	0.2320	0.2310	0.2710	0.2580
5.7140	6.2890	6.3320	6.3920	7.2120	6.8820
\$ 10.5060	\$ 12.1543	\$ 12.0054	\$ 11.9232	\$ 13.7107	\$ 13.1308

Skokie School District 73-5

Property Tax Rates, Extensions and Collections

Last Ten Tax Levy Years

	2023	2022	2021	2020
Rates extended:				
Educational	\$ 3.3730	\$ 3.4755	\$ 4.2797	\$ 2.9844
Tort immunity	0.0430	0.0451	0.0015	0.0646
Special education	0.2367	0.2869	0.3766	0.3653
Operations and maintenance	0.3551	0.3721	0.4556	0.5023
Bond and interest	0.3961	0.4043	0.5224	0.2420
Transportation	0.1937	0.1465	0.1484	0.5078
Illinois municipal retirement	0.0011	0.0045	0.0059	0.0784
Social security	0.0054	0.0056	0.0074	0.0940
Fire prevention and safety	-	0.0011	0.0015	0.0913
Working cash	0.0022	0.0022	0.0015	0.0457
Leasing educational facilities	0.0011	0.0022	0.0015	0.0161
Total rates extended	\$ 4.6074	\$ 4.7460	\$ 5.8020	\$ 4.9919
Property tax extensions:				
Educational	\$ 14,562,620	\$ 14,694,667	\$ 13,983,522	\$ 10,596,778
Tort immunity	185,648	190,686	4,901	229,293
Special education	1,021,932	1,213,036	1,230,506	1,297,187
Operations and maintenance	1,533,114	1,573,268	1,488,631	1,783,633
Bond and interest	1,710,254	1,709,624	1,706,893	859,280
Transportation	836,283	619,413	484,883	1,803,180
Illinois municipal retirement	4,749	19,026	19,278	278,269
Social security	23,314	23,677	24,179	333,922
Fire prevention and safety	-	4,650	4,901	324,298
Working cash	9,498	9,301	4,901	162,150
Leasing educational facilities	4,749	9,301	4,901	57,324
Total levies extended	\$ 19,892,161	\$ 20,066,649	\$ 18,957,496	\$ 17,725,314
Total collections	\$ 10,221,432	\$ 19,704,025	\$ 18,788,940	\$ 17,219,045
Percentage of extensions collected	51.38%	98.19%	99.11%	97.14%

Tax rates are expressed in dollars per one hundred of assessed valuation.

Source of information: County Clerk's Office Levy, Rate and Extension reports for 2014-2023

2019	2018	2017	2016	2015	2014
\$ 2.9987	\$ 3.5167	\$ 3.5705	\$ 2.9631	\$ 3.5000	\$ 3.4175
0.0597	0.0691	0.0680	0.0583	0.0727	0.2114
0.3379	0.4000	0.4000	0.3386	0.4000	0.3906
0.4646	0.5500	0.5500	0.4656	0.5500	0.5370
0.1603	0.4802	0.4903	0.4627	0.5490	0.5401
0.4697	0.5179	0.2321	0.8994	0.9576	0.7091
0.0725	0.0691	0.0935	0.1363	0.1577	0.1316
0.0870	0.0950	0.1020	0.1363	0.1577	0.1316
0.0845	0.1000	0.1000	-	0.0700	0.0976
0.0422	0.0500	0.0500	0.0423	0.0500	0.0488
0.0149	0.0173	0.0170	0.0286	0.0340	0.0335
\$ 4.7920	\$ 5.8653	\$ 5.6734	\$ 5.5312	\$ 6.4987	\$ 6.2488
\$ 10,652,688	\$ 10,490,316	\$ 10,815,000	\$ 8,953,933	\$ 8,912,605	\$ 8,824,368
212,080	206,000	206,000	176,084	185,119	545,900
1,200,368	1,193,184	1,211,569	1,023,307	1,018,583	1,008,499
1,650,461	1,640,628	1,665,908	1,407,047	1,400,552	1,386,686
569,455	1,432,424	1,485,021	1,398,180	1,398,048	1,394,571
1,668,579	1,545,000	702,951	2,717,758	2,438,571	1,831,076
257,552	206,000	283,250	412,000	401,700	339,900
309,062	283,250	309,000	412,000	401,700	339,900
300,181	298,296	302,892	-	178,190	252,125
149,913	149,148	151,446	127,913	127,323	126,062
52,931	51,500	51,500	86,520	86,520	86,520
\$ 17,023,270	\$ 17,495,746	\$ 17,184,537	\$ 16,714,742	\$ 16,548,911	\$ 16,135,607
\$ 16,480,989	\$ 17,172,021	\$ 17,003,281	\$ 16,506,161	\$ 16,375,368	\$ 15,835,909
96.81%	98.15%	98.95%	98.75%	98.95%	98.14%

Skokie School District 73-5

Principal Property Taxpayers Current Year and Nine Years Ago

Name of Taxpayer	2023 Equalized Assessed Valuation	Rank	Percentage of total 2023 Equalized Assessed Valuation
A&K NE Real Estate Hol	\$ 8,141,811	1	1.89%
CF St. Louis LLC	7,239,298	2	1.68%
STG Group	6,812,898	3	1.58%
Oakton Partners LLC	6,163,755	4	1.43%
IM Daas Torah Invest L	4,830,963	5	1.12%
8041 Ridgeway, Oakton Kostner, Oakton Kilbourn	4,148,520	6	0.96%
Porento Family Partnership	4,096,941	7	0.95%
3340 Oakton LLC	3,921,190	8	0.91%
Mafat Patel	3,077,790	9	0.71%
Public Storage IL 24524	2,738,936	10	0.63%
Richard Edler			
Lowell M Bachman			
LLC			
ComEd			
	<hr/>		<hr/>
	\$ 51,172,102		11.85%

Source of information:

2023 - Office of the Cook County Clerk

2014 - Office of the Cook County Clerk

2014 Equalized Assessed Valuation		Rank	Percentage of total 2014 Equalized Assessed Valuation
\$	5,818,496	1	2.25%
	2,421,753	4	0.94%
	3,791,708	2	1.47%
	1,798,499	7	0.70%
	2,160,370	5	0.84%
	1,965,110	6	0.76%
	3,406,622	3	1.32%
	1,776,833	8	0.69%
	1,331,680	9	0.52%
	1,213,481	10	0.47%
\$	25,684,552		9.95%

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Skokie School District 73-5

Ratio of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Levy Year	General Obligation Bonds	Percentage of Actual Property Value	Total	Percentage of Outstanding Debt to Personnel Income	Total Debt per Capita
2024	2023	\$ 8,810,000	0.68%	\$ 8,810,000	0.31%	\$ 136
2023	2022	10,045,000	0.79%	10,045,000	0.39%	153
2022	2021	12,465,471	1.27%	12,465,471	0.50%	188
2021	2020	13,792,373	1.29%	13,792,373	0.56%	204
2020	2019	9,779,420	0.92%	9,779,420	0.43%	156
2019	2018	10,582,473	1.18%	10,582,473	0.49%	167
2018	2017	11,285,000	1.24%	11,285,000	0.53%	176
2017	2016	12,520,000	1.38%	12,520,000	0.61%	195
2016	2015	13,695,000	1.79%	13,695,000	0.66%	211
2015	2014	4,715,000	0.61%	4,715,000	0.22%	72

Source of information: Annual Financial Statements 2015-2024

Skokie School District 73-5
Ratio of General Bonded Debt to Equalized Assessed Valuation
And Net Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Levy Year	Net General Bonded Debt	Equalized Assessed Valuation	Percentage of Net General Bonded Debt to Assessed Valuation	Estimated population*	Net Bonded Debt Per Capita
2024	2023	\$ 9,711,668	\$ 431,741,649	2.25%	64,937	\$ 150
2023	2022	11,113,570	422,808,046	2.63%	65,497	170
2022	2021	12,465,471	326,740,714	3.82%	66,422	188
2021	2020	13,792,373	355,074,395	3.88%	67,775	204
2020	2019	9,779,420	355,243,531	2.75%	62,700	156
2019	2018	10,582,473	298,295,991	3.55%	63,280	167
2018	2017	11,285,000	302,892,327	3.73%	63,978	176
2017	2016	12,520,000	302,179,335	4.14%	64,270	195
2016	2015	13,695,000	254,645,869	5.38%	64,821	211
2015	2014	4,715,000	258,208,577	1.83%	65,112	72

Source of information:

Cook County Levy, Rate and Extension reports for 2014-2023
Annual Financial Statements 2015-2024

* Population estimates were based on U.S. Census Bureau for the Village of Skokie, IL

Skokie School District 73-5

Computation of Direct and Overlapping Bonded Debt

June 30, 2024

Jurisdiction overlapping	Bonded indebtedness	Portion applicable to School District	
		Percent	Amount
Cook County	2,093,131,750	0.217%	4,542,096
Cook County Forest Preserve	87,340,000	0.217%	189,528
Metropolitan Water Reclamation District of Greater Chicago	2,548,156,218 (1)	0.221%	5,631,425
Village of Skokie	198,970,000	13.393%	26,648,052
Skokie Park District	5,167,000 (2)	13.609%	703,177
High School District #219	40,195,000	7.968%	3,202,738
Oakton Comm. College #535	54,930,000	1.428%	784,400
Total Overlapping General Obligation Bonded Debt			\$ 41,701,416
Skokie School District 73-5	10,045,000	100.000%	8,810,000
Total Direct and Overlapping General Obligation Bonded Debt			\$ 50,511,416

Percentage of overlap is based on the percentage of equalized assessed valuation within the primary government

(1) Includes IEPA Revolving Loan Fund Bonds

(2) Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation.

Sources of information: Cook County Clerk, Controller and Treasurer of the Metropolitan Water Reclamation District of Greater Chicago

Skokie School District 73-5

Legal Debt Margin Information

Last Ten Fiscal Years

	2024	2023	2022	2021
Debt limit	\$ 29,790,174	\$ 29,173,755	\$ 22,545,109	\$ 24,500,133
Total net debt applicable to limit	6,844,685	8,275,329	11,230,000	12,390,000
Legal debt margin	\$ 22,945,489	\$ 20,898,426	\$ 11,315,109	\$ 12,110,133
Total net debt applicable to the limit as a percentage of debt limit	22.98%	28.37%	49.81%	50.57%

Legal Debt Margin calculation for fiscal year June 30, 2024

Assessed valuation of taxable properties
for the tax year 2023

\$ 431,741,649

Rate

6.9%

Bonded debt limit

\$ 29,790,174

Debt subject to limitation:

General obligation bonds payable

\$ 8,810,000

Less Debt Service Fund balance

(1,965,315)

Net debt outstanding subject to limitation

\$ 6,844,685

Legal bonded debt margin at June 30, 2024

\$ 22,945,489

Source of information: Annual Financials 2015-2024

2020	2019	2018	2017	2016	2015
\$ 24,511,804	\$ 20,582,423	\$ 20,899,571	\$ 20,850,374	\$ 17,570,565	\$ 17,821,912
9,115,000	10,105,000	11,285,000	12,520,000	13,695,000	4,715,000
\$ 15,396,804	\$ 10,477,423	\$ 9,614,571	\$ 8,330,374	\$ 3,875,565	\$ 13,106,912
37.19%	49.10%	54.00%	60.05%	77.94%	26.46%

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Skokie School District 73-5

Demographic and Miscellaneous Statistics

Last Ten Fiscal Years

Fiscal year ended June 30,	Estimated Population (1)	Personal Income (<i>thousands of dollars</i>)	Per Capita Personal Income (2)	Unemployment rate (3)
2024	64,937	\$ 2,814,240	\$ 43,338	3.5%
2023	65,497	2,567,220	39,196	3.9%
2022	66,422	2,512,545	37,827	5.5%
2021	67,775	2,460,775	36,308	10.8%
2020	62,700	2,260,649	36,055	3.0%
2019	63,280	2,180,945	34,465	3.2%
2018	63,978	2,131,427	33,315	4.2%
2017	64,270	2,064,352	32,120	4.9%
2016	64,821	2,064,160	31,844	4.8%
2015	65,112	2,101,229	32,271	5.9%

(1) July 1, 2023 U.S. Census Bureau estimate, QuickFacts

(2) U.S. Census information for the Fillage of Skokie in the past 12 months
(in 2021 dollars) 2018-2022

(3) Illinois Department of Employment Security - 2023

Skokie School District 73-5

Principal Employers Current Year and Nine Years Ago

Employer	2024		
	Employees	Rank	Percentage of Total City Employment (1)
Northshore University HealthSystem	2,830	1	9.0%
Tenneco (purchased Federal-Mogul Corp. in 2018)	1,035	2	3.3%
Amazon Delivery Station	1,000	3	3.2%
Niles Township High School District #219	789	4	2.5%
Cook County Circuit Court	515	5	1.6%
Georgia Nut Co., Inc.	500	6	1.6%
Skokie Park District	466	7	1.5%
Village of Skokie	460	8	1.5%
Generation Lighting	450	9	1.4%
Oakton Community College	300	10	1.0%
Nordstrom & Nordstrom Rack			
Continental Electrical Construction			
Total	8,345		26.6%

Sources:

Village Records / School District Records
Employer Website
Data Axle Reference Solutions

(1) The Illinois Department of Employment Security reports that 31,321 persons were employed in the Village of Skokie in 2023.

(2) The Illinois Department of Employment Security reports that 31,228 persons were employed in the Village of Skokie in 2015.

2015		
Employees	Rank	Percentage of Total City Employment (2)
2,410	1	7.7%
1,500	2	4.8%
775	3	2.5%
525	7	1.7%
600	5	1.9%
685	4	2.2%
505	9	1.6%
450	10	1.4%
548	6	1.8%
510	8	1.6%
<u>8,508</u>		<u>27.2%</u>

Skokie School District 73-5

Number of Full-Time Employees by Type Last Ten Fiscal Years

	2024	2023	2022	2021
Administration:				
Superintendent	1	1	1	1
District administrators	8	5	5	5
Principals and assistants	6	6	6	5
Total administration	15	12	12	11
Instruction:				
Teachers:				
Elementary school	60	54	52	42
Middle school	27	28	27	27
Instrumental Music	2	2	2	2
Special education	25	26	20	20
Psychologists	3	3	2	2
Social workers and Counsellors	6	6	5	3
Learning Centre	3	3	3	3
Summer School	12	12	12	12
Total instruction	138	134	123	111
Other supporting staff:				
Technology Support Staff	4	5	4	5
Learning Centre Assistants	2	2	2	2
Clerical 10/12 month	8	16	15	10
Teacher Assistants	36	28	23	18
Tutors	-	1	-	-
Maintenance, Custodians, and warehouse	5	5	5	4
Cafeteria Staff/Payroll Staff/Miscellaneous	6	8	8	19
Nurses	3	3	3	3
Total support staff	64	68	60	61
Total staff	217	214	195	183

Source of Information: District records

2020	2019	2018	2017	2016	2015
1	1	1	1	1	1
5	5	5	4	4	4
5	5	5	5	5	5
11	11	11	10	10	10
42	44	45	46	45	42
27	26	26	24	23	20
2	2	2	1	1	1
20	19	18	19	18	19
2	2	2	2	2	2
3	4	5	5	5	5
3	3	3	5	2	2
12	12	7	13	8	8
111	112	108	115	103	99
5	5	5	5	5	5
2	2	2	2	2	3
10	10	10	11	8	8
18	15	15	15	14	17
3	3	3	3	4	5
4	4	4	5	5	5
19	19	20	32	22	20
3	3	2	2	2	2
					65
64	61	61	75	62	65
186	184	180	200	176	174

Skokie School District 73-5

School Building Information Last Ten Fiscal Years

	2024	2023	2022	2021
JOHN MIDDELTON ELEMENTARY SCHOOL (1955)				
Square feet	72,577	72,577	72,577	72,577
Enrollment	524	547	558	546
ELIZABETH MEYER SCHOOL (1944)				
Square feet	42,982	42,982	42,982	42,982
Enrollment	209	202	167	178
OLIVER MCCrackEN MIDDLE SCHOOL (1959)				
Square feet	85,300	85,300	85,300	85,300
Enrollment	353	357	351	327

Source of Information: District records and SIS Report

2020	2019	2018	2017	2016	2015
72,577 556	72,577 552	72,577 561	72,577 533	71,684 515	71,684 546
42,982 190	42,982 198	42,982 217	42,982 171	20,176 177	20,176 184
85,300 318	85,290 370	85,290 384	85,290 391	85,290 333	85,290 345

Skokie School District 73-5

Operating Statistics

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Operating Expenditures (1)	Enrollment	Operating Expenditures Per Pupil	Percentage Change	Instructional Expenses (2)	Instructional Expenditures Pupil
2024	\$ 29,273,477	1,086	\$ 26,955	5.37%	\$ 18,680,216	\$ 17,201
2023	27,116,844	1,060	25,582	12.80%	\$ 12,218,219	11,527
2022	24,402,693	1,076	22,679	16.91%	10,044,862	9,335
2021	20,388,856	1,051	19,399	1.76%	11,659,975	11,094
2020	20,283,262	1,064	19,063	7.94%	12,160,605	11,429
2019	19,779,783	1,120	17,661	5.64%	11,567,507	10,328
2018	19,426,030	1,162	16,718	-8.84%	11,431,189	9,838
2017	20,080,022	1,095	18,338	-37.27%	11,145,363	10,178
2016	29,966,069	1,025	29,235	71.62%	10,704,945	10,444
2015	18,312,336	1,075	17,035	2.10%	9,355,179	8,702

Sources of information:

Annual Financial Statements 2015-2024

Interactive Illinois Report Card (IIRC.NUI.EDU)

(1) Operating expenditures include expenditures from the Educational Account (excluding the State Retirement Contributions and the Student Activity Fund Expenditures), Operations and Maintenance Account, Debt Service Fund, Transportation Fund, IMRF/SS Fund, and Tort Immunity Fund as reported on the Fund Financial Statements.

(2) Instructional expenses are the instructional expenses on the Statement of Activities excluding the State Retirement Contributions

Percentage Change	Total Teachers FTE	Pupil/Teacher Ratio	Student Attendance Percentage	Percentage of Students Receiving Free or Reduced Price-Meals	Percentage of Students of Limited English Proficiency	Percentage of Students with Disabilities
49.23%	104	12.6	94.5%	32.3%	19.8%	22.2%
23.47%	99	13.4	94.2%	26.4%	20.1%	14.6%
-15.85%	90	14.3	93.4%	26.7%	21.0%	15.2%
-2.93%	90	15.6	97.8%	30.4%	20.1%	19.6%
10.66%	89	15.1	96.3%	33.9%	19.1%	18.8%
4.99%	92	15.7	95.8%	30.5%	17.9%	16.3%
-3.35%	89	15.7	95.0%	30.3%	18.3%	16.1%
-2.54%	83	15.1	94.9%	29.7%	16.9%	14.2%
20.01%	103	15.1	96.1%	36.3%	17.8%	15.2%
5.24%	99	15.1	95.5%	38.8%	16.7%	16.7%

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APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

School District Number 73-1/2
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 73-1/2, Cook County, Illinois (the "*District*"), passed preliminary to the issue by the District of its fully registered General Obligation Limited Tax School Bonds, Series 2025 (the "*Bonds*"), to the amount of \$_____, dated _____, 2025, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2030	\$	%
2031		%
2032		%
2033		%
2034		%

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__, and 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, subject to the District's compliance with certain covenants, under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the "*Code*"). Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

It is also our opinion that the Bonds are "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

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 C

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 73-1/2, Cook County, Illinois (the “*District*”), in connection with the issuance of \$_____ General Obligation Limited Tax School Bonds, Series 2025 (the “*Bonds*”). The Bonds are being issued pursuant to a resolution adopted by the Board of Education of the District on the 8th day of April, 2025 (as supplemented by a notification of sale, 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—Debt Service Extension Base Availability after Issuance of the Bonds
FINANCIAL INFORMATION AND ECONOMIC CHARACTERISTICS OF THE DISTRICT

- Direct General Obligation Bonds (Principal Only)
- Direct General Obligation Bonds (Principal and Interest)
- Selected Financial Information (only as it relates to direct debt)
- Composition of EAV
- Trend of EAV
- Taxes Extended and Collected
- School District Tax Rates by Purpose

WORKING CASH FUND—Working Cash Fund Summary

Exhibit A—Combined Statement of Revenues, Expenditures and Changes in Fund Balance

Exhibit B—Budget

Exhibit C—General Fund Revenue Sources

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 _____, 2025, 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 NUMBERS. The CUSIP Numbers of the Bonds are set forth in *Exhibit III*. All filings required under this Agreement will be filed on EMMA under these CUSIP Numbers. If the Bonds are refunded after the date hereof, the District will also make all filings required under this Agreement under any new CUSIP Numbers 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 new CUSIP Numbers unless the District has been notified in writing by the Participating Underwriter or the District's financial advisor that new CUSIP Numbers have been assigned to the Bonds. The District will not make any filings pursuant to this Agreement under new CUSIP Numbers 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, new CUSIP Numbers 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.

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 73-1/2,
COOK COUNTY, ILLINOIS

By: _____
President, Board of Education

Date: _____, 2025

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, 2025. 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 generally accepted in the United States of America.

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. 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

* 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 NUMBERS

YEAR OF MATURITY	CUSIP NUMBER (213822)
2030	
2031	
2032	
2033	
2034	

