

**Mundelein Elementary School
District 75**

ANNUAL FINANCIAL REPORT

Year Ended June 30, 2025

Mundelein Elementary School District 75

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2025

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1 - 5
Management's Discussion and Analysis (Unaudited)	6 - 14
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position - Governmental Activities	15
Statement of Activities	16
Fund Financial Statements	
Balance Sheet - Governmental Funds	17 - 18
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	19
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) - Governmental Funds	20 - 21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) of Governmental Funds to the Statement of Activities	22
Notes to the Financial Statements	23 - 67
Required Supplementary Information (Unaudited)	
Multiyear Schedule of Changes in Net Pension Liability and Related Ratios - Illinois Municipal Retirement Fund	68 - 69
Multiyear Schedule of Contributions - Illinois Municipal Retirement Fund	70
Multiyear Schedule of the District's Proportionate Share of Net Pension Liability - Teachers' Retirement System of the State of Illinois	71 - 72
Multiyear Schedule of District Contributions - Teachers' Retirement System of the State of Illinois	73 - 74
Multiyear Schedule of Changes in Total Other Postemployment Benefits (OPEB) Liability and Related Ratios - Retiree Health Plan	75 - 76
Multiyear Schedule of the District's Proportionate Share of the Net Other Postemployment Benefit (OPEB) Liability - Teachers' Health Insurance Security Fund	77 - 78
Multiyear Schedule of District Contributions - Teachers' Health Insurance Security Fund	79 - 80
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	81 - 92

(Continued)

Mundelein Elementary School District 75

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2025

TABLE OF CONTENTS

	<u>Page</u>
Required Supplementary Information (Unaudited) (Continued)	
Schedule of Revenues, Expenditures, and Changes in Fund Deficits - Budget and Actual - Operations and Maintenance Fund	93 -94
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Transportation Fund	95 - 96
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Municipal Retirement/Social Security Fund	97 - 98
Notes to the Required Supplementary Information	99 - 104
Supplementary Financial Information	
General Fund	
Combining Balance Sheet	105
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances	106
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Debt Service Fund	107
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Capital Projects Fund	108 - 109

(Concluded)

MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Members of the Board of Education
Mundelein Elementary School District 75
Mundelein, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Mundelein Elementary School District 75 (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis for Opinions

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

Emphasis of a Matter

As discussed in Note A-10, Note D and Note O to the financial statements, capital assets, long-term liabilities and net position as of July 1, 2024 have been restated as a result of a third party inspection of physical assets on-hand and an adjustment due to the implementation of Governmental Accounting Standards Board Statement No. 101, Compensated Absences. There was no effect on to the governmental funds financial statements.

(Continued)

Emphasis of a Matter (Continued)

In addition, as discussed in Note A-4 and Note O, the District revised its accounting policy related to unearned revenue. As a result of this change, certain amounts previously reported as unearned revenue in the prior fiscal year are now recognized in accordance with the updated policy. Beginning fund balances have been restated for the General Fund and Transportation Fund to reflect the cumulative effect of this change. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. 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 the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

U.S. GAAP require that the management's discussion and analysis, the Illinois Municipal Retirement Fund and Teachers' Retirement System of the State of Illinois Pension data, the other postemployment benefits data, and the budgetary comparison schedules and notes to the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. GAAP, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Financial Information

Our audit for the year ended June 30, 2025 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary financial information, as listed in the table of contents, for the year ended June 30, 2025 is presented for purposes of additional analysis and is 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 for the year ended June 30, 2025 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary financial information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2025.

We also have previously audited, in accordance with GAAS, the basic financial statements of District as of and for the year ended June 30, 2024 (not presented herein), and have issued our report thereon dated March 7, 2025 which contained unmodified opinions on the respective financial statements of the governmental activities and each major fund. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Debt Service Fund and Capital Projects Fund with comparative actual amounts for the year ended June 30, 2024 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 2024 basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for the Debt Service Fund and Capital Projects Fund were subjected to the auditing procedures applied in the audit of the 2024 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or to those basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Debt Service Fund and Capital Projects Fund are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2024.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2025, on our consideration of District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.



Certified Public Accountants

Deerfield, Illinois
December 12, 2025

Mundelein Elementary School District 75
Management’s Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

The Management Discussion and Analysis of Mundelein Elementary School District 75 (the District) financial performance provides an overall review of the District’s financial activities for the year ended June 30, 2025. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District’s financial performance. 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”) and is included in this analysis.

Financial Highlights

- In total, net position increased by \$5,166,362 from \$7,074,278 (as restated) on June 30, 2024, to \$12,240,640 on June 30, 2025. The restatement of net position is the result of an adjustment due to the third party inspection of physical assets on-hand, implementation of Governmental Accounting Standards Board Statement No. 101, Compensated Absences (GASB 101), and revision of the District’s accounting policy related to unearned revenue. See Note A-10, Note D and Note O.
- At the close of the 2024-25 fiscal year, the District’s governmental funds reported a combined ending fund balance of \$22,092,491 which reflects an increase of \$1,061,862 in comparison with the prior year. The combined fund balance was \$21,030,629 (as restated) as of June 30, 2024.
- The estimated assessed value of property in the District for tax year 2024 is \$502,386,802 and was \$441,853,202 for tax year 2023 (excluding Tax Increment Financing EAV).

Overview of the Financial Statements

This Management 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 required and supplementary financial information in addition to the basic financial statements.

Government-wide financial statements

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

The statement of net position presents information on all of the District’s assets, deferred outflows, liabilities, and deferred inflows, with the difference 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.

Mundelein Elementary School District 75
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

Overview of the Financial Statements (Continued)

Government-wide financial statements (Continued)

The statement of activities presents information showing how the District's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, 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.

These statements include all assets, deferred outflows, liabilities, and deferred inflows using the accrual basis of accounting. This basis of accounting considers all revenues available when they are collectible within the current period or soon enough thereafter to pay the liabilities of the current period. Expenditures are recorded when the related liability is incurred, except for unmatured principal and interest on general long-term debt and certain compensated absences, claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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), support services, operations and maintenance of facilities, and transportation services.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be categorized as governmental funds (the District maintains no fiduciary or proprietary funds).

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

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

Mundelein Elementary School District 75
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

Overview of the Financial Statements (Continued)

Fund financial statements (Continued)

The District maintains six individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances (deficits) for the General (includes the Educational and Working Cash Accounts), Operations and Maintenance, Debt Service, Transportation, Municipal Retirement/Social Security, and Capital Projects Funds, all of which are considered to be major funds. The District adopts an annual budget for each of the funds listed above. Budgetary comparison schedules have been provided for each fund to demonstrate compliance with this budget.

Notes to the financial statements

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

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including fund budgetary data, as well as the District's pension data related to the Illinois Municipal Retirement Fund (IMRF) and the Teachers' Retirement System (TRS) and data for the other postemployment benefits.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of the Mundelein Elementary School District 75, total assets and deferred outflows exceeded total liabilities and deferred inflows by \$12,240,640 at the close of the most recent fiscal year. The unrestricted net deficit on June 30, 2025, was \$5,612,965. This figure is a \$2,090,837 change from the prior year unrestricted net deficit (as originally reported) of \$7,703,802.

Total revenues for the District were \$41,723,571 in fiscal year 2025, a decrease of \$1,210,271 from the prior fiscal year revenues (as originally reported) of \$42,933,842. The decrease results primarily from a decrease in state retirement on-behalf contributions of \$1.4 million offsetted by an increase in state aid-formula grants of \$0.5 million.

Total expenditures on governmental activities for the District were \$36,557,209 in fiscal year 2025, a decrease of \$425,340 from the prior fiscal year expenditures (as originally reported) of \$36,982,549. This decrease was primarily due to state retirement on-behalf expenses decreasing \$1.4 million offsetted by other planned increases in expenses.

Mundelein Elementary School District 75
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

Government-Wide Financial Analysis (Continued)

Condensed Statements of Net Position
(in millions of dollars)

	<u>2025</u>	<u>2024*</u>
Current assets	\$ 45.2	\$ 43.8
Capital assets, net	15.2	12.9
Total assets	60.4	56.7
Deferred outflows related to pensions and other postemployment benefits, and deferred charges	2.5	3.2
Total deferred outflows	2.5	3.2
Current liabilities	3.0	4.8
Long-term liabilities	18.6	17.8
Total liabilities	21.6	22.6
Property taxes levied for a future period	20.3	19.9
Deferred inflows related to pensions and other postemployment benefits	8.8	11.2
Total deferred inflows	29.1	31.1
Net investment in capital assets	9.4	6.9
Restricted	8.4	7.0
Unrestricted	(5.6)	(7.7)
Total net position	\$ 12.2	\$ 6.2

*Amounts presented as originally reported and not restated due to the third party inspection of physical assets on-hand, implementation of GASB 101, and revision of the District's accounting policy related to unearned revenue.

Mundelein Elementary School District 75
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

Government-Wide Financial Analysis (Continued)

Changes in Net Position
(in millions of dollars)

	2025	2024*
Revenues		
Program revenues		
Charges for services	\$ 1.0	\$ 1.4
Capital and operating grants and contributions	10.9	13.1
General revenues		
Property taxes	20.0	19.0
Replacement taxes	0.1	0.2
State aid-formula grants	7.7	7.2
Investment earnings	1.5	1.5
Miscellaneous	0.5	0.5
Total revenues	41.7	42.9
Expenses		
Instruction	20.5	21.5
Support services	13.0	12.2
Community services	0.2	0.1
Nonprogrammed charges	1.6	1.5
Interest	0.3	0.3
Unallocated depreciation and amortization	1.0	1.4
Total expenses	36.6	37.0
Increase in net position	\$ 5.1	\$ 5.9

*Amounts presented as originally reported and not restated due to the third party inspection of physical assets on-hand, implementation of GASB 101, and revision of the District's accounting policy related to unearned revenue.

Financial Analysis of the District's Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

At the end of the most recent fiscal year, the District's governmental funds reported a total combined ending fund balance of \$22,092,491. The unassigned fund balance component is \$10,453,437, the restricted fund balance component is \$11,501,202, the nonspendable balance component is \$102,878 and the assigned fund balance component is \$34,974

Mundelein Elementary School District 75
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

Financial Analysis of the District's Funds (Continued)

General Fund (Educational and Working Cash):

Educational Account – The largest volume of transactions are recorded in the Educational Account because the Educational Account covers expenditures that include the direct costs of all instruction, special education, interscholastic athletics and clubs, tuition-based programs, adult education, technology, guidance, social work, support services, administration, staff training, and security. Certain revenues that must be credited to this Fund include educational tax levies, tuition, state and federal grants and aid, and student fee revenue.

- At the end of fiscal year 2025, the Educational Account had a fund balance of \$10,083,018. The fund balance (as originally reported) as of June 30, 2024, was \$7,003,645. This difference reflects an increase in the fund balance of \$3,079,373.

Working Cash Account – If a separate tax is levied for working cash purposes or if bonds are sold for this purpose, this Fund is created. Interfund loans from the Working Cash Fund may be made to any fund for which taxes are levied.

- At the end of fiscal year 2025, the Working Cash Account had a fund balance of \$581,928. The fund balance as of June 30, 2024, was \$1,321,979. This difference reflects a decrease in the fund balance of \$740,051.

Operations and Maintenance Fund – All costs of maintaining, cleaning, improving, or repairing school buildings and mechanical systems and grounds, and rental of buildings and property for school purposes, are reported in the Operations and Maintenance Fund. The facilities services contract costs, as well as salaries and insurance benefit costs of any District maintenance employees, as well as all costs of electricity, natural gas, water, telephone service, fuel, and maintenance and grounds equipment are included in the Operations and Maintenance Fund.

- At the end of fiscal year 2025, the Operations and Maintenance Fund had a fund deficit of \$73,657. The fund deficit as of June 30, 2024, was \$137,762. This difference reflects an decrease in the fund deficit of \$64,105.

Transportation Fund – The costs of student transportation services are accounted for in the Transportation Fund and include the costs of the District's contractual services for regular and special education routes, field trips, and athletic and club trips. The expense for fuel and for purchase and maintenance of the District's multi-function white buses and vans are also included. Monies received for transportation purposes include the tax levy and state reimbursements for regular and special education transportation.

- At the end of fiscal year 2025, the Transportation Fund had a fund balance of \$1,193,887. The fund balance (as originally reported) as of June 30, 2024, was \$474,104. This difference reflects an increase in the fund balance of \$719,783.

Mundelein Elementary School District 75
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

Financial Analysis of the District's Funds (Continued)

Municipal Retirement/Social Security Fund – This Fund consists of two separate tax levies, one for the purpose of providing resources for the District's share of retirement benefits for support staff employees covered by the Illinois Municipal Retirement Fund, and a separate levy for the purpose of providing resources for the District's share of Social Security and Medicare-only payments for covered employees.

- At the end of fiscal year 2025, the Municipal Retirement/Social Security Fund had a fund balance of \$799,252. The fund balance as of June 30, 2024, was \$289,009. The difference reflects an increase in the fund balance of \$510,243.

Debt Service Fund – Bonds are generally issued to finance the construction of buildings and large capital projects and may be issued for other purposes. Taxes are levied to provide cash to retire these bonds and to pay the interest on them. To protect the bondholders, these tax collections are made independently by the county clerk and must be accounted for in the Debt Service Fund.

- At the end of fiscal year 2025, the Debt Service Fund had a fund balance of \$1,139,476. The fund balance as of June 30, 2024, was \$1,053,907. This difference reflects an increase in the fund balance of \$85,569.

Capital Projects Fund – This fund is required to account for costs associated with large building projects, including the architectural and construction management expenses associated with these projects. The District issued debt in the prior year for future projects.

- At the end of fiscal year 2025, the Capital Projects Fund had a fund balance of \$8,368,587. The fund balance as of June 30, 2024, was \$9,023,957. The difference reflects a decrease in the fund balance of \$655,370.

The District's total revenues were \$39,889,605. Approximately 58.4% of total governmental fund revenues come from local sources (property taxes, replacement taxes, interest, and other), 4.4% from federal sources, 23.5% from state sources, excluding TRS / Teacher's Health Insurance Security Fund (THIS) on-behalf contributions, and 13.7% of revenues are calculated to be paid directly to TRS / THIS by the state (for more detailed information see Note F and G).

General Fund Budgetary Highlights

Annual budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America. All annual unencumbered appropriations lapse at fiscal year-end. The budget is prepared by fund, function, and object, and this format conforms to Illinois State Board of Education presentation guidelines. The District did not amend its budget in the fiscal year.

The General Fund, for the purpose of this analysis, combines the Educational and Working Cash Accounts. The General Fund is the principal operating fund of the District.

The District's fiscal 2025 budget anticipated a deficiency of revenues over expenditures of \$371,317 in the General Fund. The actual results for fiscal 2025 was a surplus of \$2,171,612. After abatement of working cash, the District had an increase in fund balance of \$1,371,612.

Mundelein Elementary School District 75
Management’s Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

Capital Assets and Debt Administration

Capital assets

As of June 30, 2025, the District had \$15,177,223 invested in capital assets (net of depreciation and amortization), including land, construction in progress, buildings, improvements, right to use assets, and equipment. As of June 30, 2024, the District had \$12,940,424 invested in capital assets (as originally reported). Additional information on the District’s capital assets can be found in the notes to the financial statements (Note D).

Capital Assets (net of depreciation and amortization) <i>(in millions of dollars)</i>		
	<u>2025</u>	<u>2024*</u>
Land	\$0.4	\$0.4
Construction in progress	2.4	0.6
Buildings	10.7	9.9
Improvements other than buildings	0.7	0.8
Equipment and transportation equipment	<u>1.0</u>	<u>1.2</u>
Total	<u>\$15.2</u>	<u>\$12.9</u>

*Amounts presented as originally reported and not restated due to the third party inspection of physical assets on-hand.

Long-term liabilities

As of June 30, 2025, the District had \$18,566,829 in total long-term liabilities. This is an increase of \$760,532 compared to the previous fiscal year long-term liabilities (as originally reported) of \$17,806,297. Additional information regarding the District’s long-term liabilities can be found in the notes to the financial statements (Note E). A summary of long-term liabilities is listed below:

Outstanding Long-Term Liabilities <i>(in millions of dollars)</i>		
	<u>2025</u>	<u>2024*</u>
General obligation bonds (including unamortized premiums)	\$8.0	\$9.8
Other postemployment benefits	5.4	5.3
Compensated absences	2.6	-
IMRF net pension obligation	1.7	1.7
TRS net pension obligation	<u>0.9</u>	<u>1.0</u>
TOTAL	<u>\$18.6</u>	<u>\$17.8</u>

*Amounts presented as originally reported and not restated due to implementation of GASB 101.

Mundelein Elementary School District 75
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

Factors Bearing on the District's Future

During the 2024–2025 school year, the District conducted a comprehensive evaluation of programs and priorities to ensure future expenditures remain aligned with projected revenues, supporting long-term financial stability. Capital projects will be a large budget fixture for the next year as a stage addition is in progress at Carl Sandburg Middle School.

The information that is presented includes all items that management is aware of as of the date of this auditors' report.

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 Business Office at 470 North Lake Street, Mundelein, Illinois 60060 or (847) 949-2700.

BASIC FINANCIAL STATEMENTS

Mundelein Elementary School District 75
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
June 30, 2025

ASSETS	
Cash and investments	\$ 34,001,905
Cash with fiscal paying agent	134,383
Receivables (net of allowance for uncollectibles)	
Interest	208,263
Property taxes	9,934,300
Replacement taxes	25,107
Intergovernmental	671,588
Other	206,808
Prepaid items	102,878
Capital assets:	
Land	413,525
Construction in progress	2,388,993
Depreciable buildings, property, and equipment, net of depreciation	<u>12,374,705</u>
Total assets	<u>60,462,455</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charges	980
Deferred outflows related to pensions	602,447
Deferred outflows related to other postemployment benefits	<u>1,883,131</u>
Total deferred outflows	<u>2,486,558</u>
LIABILITIES	
Accounts payable	1,216,276
Salaries and wages payable	842,899
Payroll deductions payable	758,197
Other current liabilities	17,639
Interest payable	134,383
Unearned revenue	56,940
Long-term liabilities:	
Due within one year	2,005,263
Due after one year	<u>16,561,566</u>
Total liabilities	<u>21,593,163</u>
DEFERRED INFLOWS OF RESOURCES	
Property taxes levied for a future period	20,286,179
Deferred inflows related to pensions	150,454
Deferred inflows related to other postemployment benefits	<u>8,678,577</u>
Total deferred inflows	<u>29,115,210</u>
NET POSITION	
Net investment in capital assets	9,447,566
Restricted for:	
Debt service	1,006,009
Retirement benefits	800,118
Student transportation	1,194,809
Capital projects	5,405,103
Unrestricted	<u>(5,612,965)</u>
Total net position	<u>\$ 12,240,640</u>

The accompanying notes are an integral part of this statement.

Mundelein Elementary School District 75

STATEMENT OF ACTIVITIES For the Year Ended June 30, 2025

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction:				
Regular programs	\$ 6,219,326	\$ 283,234	\$ 764,380	\$ (5,171,712)
Special programs	3,699,508	-	1,083,590	(2,615,918)
Other instructional programs	3,152,887	-	45,354	(3,107,533)
State retirement contributions	7,446,342	-	7,446,342	-
Support services:				
Pupils	2,548,229	-	18,323	(2,529,906)
Instructional staff	1,332,963	-	49,582	(1,283,381)
General administration	829,596	-	-	(829,596)
School administration	1,163,524	-	-	(1,163,524)
Business	1,407,206	339,390	341,089	(726,727)
Transportation	2,170,049	1,332	1,189,518	(979,199)
Operations and maintenance	2,972,235	345,730	-	(2,626,505)
Central	605,413	-	-	(605,413)
Other supporting services	2,969	-	-	(2,969)
Community services	200,918	-	-	(200,918)
Nonprogrammed charges	1,551,685	-	-	(1,551,685)
Interest	297,802	-	-	(297,802)
Unallocated depreciation and amortization	956,557	-	-	(956,557)
Total governmental activities	\$ 36,557,209	\$ 969,686	\$ 10,938,178	(24,649,345)
General revenues:				
Taxes:				
Real estate taxes, levied for general purposes				13,430,293
Real estate taxes, levied for specific purposes				4,537,700
Real estate taxes, levied for debt service				2,083,935
Personal property replacement taxes				145,595
State aid-formula grants				7,652,986
Investment earnings				1,475,817
Miscellaneous				489,381
Total general revenues				29,815,707
Change in net position				5,166,362
Net position, beginning of year (as originally reported)				6,212,829
Restatements (see Note O)				861,449
Net position, beginning of year (as restated)				7,074,278
Net position, end of year				\$ 12,240,640

The accompanying notes are an integral part of this statement.

Mundelein Elementary School District 75

Governmental Funds

BALANCE SHEET

June 30, 2025

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
ASSETS				
Cash and investments	\$ 18,659,839	\$ 1,164,052	\$ 1,850,354	\$ 1,379,235
Cash with fiscal paying agent	-	-	-	-
Receivables (net of allowance for uncollectibles):				
Interest	145,535	9,892	13,141	12,350
Property taxes	6,689,626	1,305,691	533,294	537,148
Replacement taxes	-	-	-	25,107
Intergovernmental	671,588	-	-	-
Other	-	163,449	2,455	40,904
Prepaid items	102,878	-	-	-
Total assets	<u>\$ 26,269,466</u>	<u>\$ 2,643,084</u>	<u>\$ 2,399,244</u>	<u>\$ 1,994,744</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 356,909	\$ 48,813	\$ 115,431	\$ -
Salaries and wages payable	842,899	-	-	-
Payroll deductions payable	659,478	969	-	97,750
Other current liabilities	17,639	-	-	-
Unearned revenue	56,940	-	-	-
Total liabilities	<u>1,933,865</u>	<u>49,782</u>	<u>115,431</u>	<u>97,750</u>
DEFERRED INFLOWS				
Unavailable interest revenue	10,211	694	922	866
Property taxes levied for a future period	13,660,444	2,666,265	1,089,004	1,096,876
Total deferred inflows	<u>13,670,655</u>	<u>2,666,959</u>	<u>1,089,926</u>	<u>1,097,742</u>
FUND BALANCES (DEFICITS)				
Nonspendable	102,878	-	-	-
Restricted	-	-	1,193,887	799,252
Assigned	34,974	-	-	-
Unassigned	10,527,094	(73,657)	-	-
Total fund balances (deficits)	<u>10,664,946</u>	<u>(73,657)</u>	<u>1,193,887</u>	<u>799,252</u>
Total liabilities, deferred inflows, and fund balances (deficits)	<u>\$ 26,269,466</u>	<u>\$ 2,643,084</u>	<u>\$ 2,399,244</u>	<u>\$ 1,994,744</u>

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Total
\$ 1,898,000	\$ 9,050,425	\$ 34,001,905
134,383	-	134,383
13,058	14,287	208,263
868,541	-	9,934,300
-	-	25,107
-	-	671,588
-	-	206,808
-	-	102,878
<u>\$ 2,913,982</u>	<u>\$ 9,064,712</u>	<u>\$ 45,285,232</u>
\$ -	\$ 695,123	\$ 1,216,276
-	-	842,899
-	-	758,197
-	-	17,639
-	-	56,940
<u>-</u>	<u>695,123</u>	<u>2,891,951</u>
916	1,002	14,611
<u>1,773,590</u>	<u>-</u>	<u>20,286,179</u>
<u>1,774,506</u>	<u>1,002</u>	<u>20,300,790</u>
-	-	102,878
1,139,476	8,368,587	11,501,202
-	-	34,974
-	-	10,453,437
<u>1,139,476</u>	<u>8,368,587</u>	<u>22,092,491</u>
<u>\$ 2,913,982</u>	<u>\$ 9,064,712</u>	<u>\$ 45,285,232</u>

Mundelein Elementary School District 75
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2025

Total fund balances (deficits) - total governmental funds \$ 22,092,491

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

Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds. 15,177,223

Certain interest revenues receivable by the District and recognized in the statement of net position do not provide current financial resources and are included as deferred inflows of resources in the governmental funds. 14,611

Deferred outflows and inflows of resources related to pensions and other postemployment benefits (OPEB) are applicable to future periods and, therefore, are not reported in the governmental funds:

Deferred outflows of resources related to pensions	\$	602,447	
Deferred inflows of resources related to pensions		(150,454)	
Deferred outflows of resources related to OPEB		1,883,131	
Deferred inflows of resources related to OPEB		<u>(8,678,577)</u>	(6,343,453)

Deferred charges included in the statement of net position are not available to pay for current period expenditures and, accordingly, are not included in the governmental funds balance sheet. 980

Interest on long-term liabilities (interest payable) accrued in the statement of net position will not be paid with current financial resources and, therefore, is not recognized in the governmental funds balance sheet. (134,383)

Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds:

General obligation bonds	\$	(8,000,000)	
Compensated absences		(2,638,047)	
IMRF net pension liability		(1,734,683)	
TRS net pension liability		(887,651)	
RHP total other postemployment benefit liability		(2,184,129)	
THIS net other postemployment benefit liability		<u>(3,122,319)</u>	<u>(18,566,829)</u>

Net position of governmental activities \$ 12,240,640

The accompanying notes are an integral part of this statement.

Mundelein Elementary School District 75

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)

For the Year Ended June 30, 2025

	General	Operations and Maintenance	Transportation
Revenues			
Property taxes	\$ 13,507,994	\$ 2,369,934	\$ 1,067,967
Replacement taxes	-	-	-
State aid	13,651,582	-	1,189,518
Federal aid	1,762,682	-	-
Interest	1,063,047	46,456	96,783
Other	849,370	555,877	39,332
Total revenues	30,834,675	2,972,267	2,393,600
Expenditures			
Current:			
Instruction:			
Regular programs	6,738,617	-	-
Special programs	3,352,140	-	-
Other instructional programs	3,466,098	-	-
State retirement contributions	5,458,960	-	-
Support services:			
Pupils	2,577,872	-	-
Instructional staff	1,341,198	-	-
General administration	864,788	-	-
School administration	1,263,922	-	-
Business	1,208,862	326	-
Transportation	5,614	-	2,164,233
Operations and maintenance	2,293	2,634,092	-
Central	555,088	-	-
Other supporting services	2,969	-	-
Community services	166,623	-	-
Nonprogrammed charges	1,554,636	55,453	543,664
Debt service:			
Principal	-	-	-
Interest and other	-	-	-
Capital outlay	103,383	218,291	-
Total expenditures	28,663,063	2,908,162	2,707,897
Excess (deficiency) of revenues over expenditures	2,171,612	64,105	(314,297)
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(800,000)	-	-
Total other financing sources (uses)	(800,000)	-	-
Net change in fund balances (deficits)	1,371,612	64,105	(314,297)
Fund balances (deficits), beginning of year (as originally reported)	8,325,624	(137,762)	474,104
Change in accounting policy (see Note O)	967,710	-	1,034,080
Fund balances (deficits), beginning of year (as restated)	9,293,334	(137,762)	1,508,184
Fund balances (deficits), end of year	\$ 10,664,946	\$ (73,657)	\$ 1,193,887

The accompanying notes are an integral part of this statement.

	Municipal Retirement / Soc. Sec.	Debt Service	Capital Projects	Total
\$	1,022,098	\$ 2,083,935	\$ -	\$ 20,051,928
	145,595	-	-	145,595
	-	-	-	14,841,100
	-	-	-	1,762,682
	55,579	72,349	295,019	1,629,233
	9,304	-	5,184	1,459,067
	<u>1,232,576</u>	<u>2,156,284</u>	<u>300,203</u>	<u>39,889,605</u>
	75,585	-	-	6,814,202
	147,071	-	-	3,499,211
	68,685	-	-	3,534,783
	-	-	-	5,458,960
	113,399	-	-	2,691,271
	15,291	-	-	1,356,489
	6,162	-	-	870,950
	45,594	-	-	1,309,516
	85,006	-	224,610	1,518,804
	110	-	-	2,169,957
	125,455	-	-	2,761,840
	19,651	-	-	574,739
	-	-	-	2,969
	12,475	-	-	179,098
	7,849	-	-	2,161,602
	-	1,747,000	-	1,747,000
	-	323,715	-	323,715
	-	-	1,530,963	1,852,637
	<u>722,333</u>	<u>2,070,715</u>	<u>1,755,573</u>	<u>38,827,743</u>
	<u>510,243</u>	<u>85,569</u>	<u>(1,455,370)</u>	<u>1,061,862</u>
	-	-	800,000	800,000
	-	-	-	(800,000)
	-	-	800,000	-
	510,243	85,569	(655,370)	1,061,862
	289,009	1,053,907	9,023,957	19,028,839
	-	-	-	2,001,790
	<u>289,009</u>	<u>1,053,907</u>	<u>9,023,957</u>	<u>21,030,629</u>
\$	<u>799,252</u>	<u>\$ 1,139,476</u>	<u>\$ 8,368,587</u>	<u>\$ 22,092,491</u>

Mundelein Elementary School District 75

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS) OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended June 30, 2025

Net change in fund balances (deficits) - total governmental funds. \$ 1,061,862

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.

Capital outlay	\$	1,924,992	
Depreciation and amortization expense		(956,557)	
Loss on disposal		<u>(56,916)</u>	911,519

Interest revenues receivable by the District and recognized in the statement of activities do not provide current financial resources and are included as deferred inflows of resources in the governmental funds. (153,416)

Changes in deferred outflows and inflows of resources related to pensions and postemployment benefits are reported only in the statement of activities:

Deferred outflows and inflows of resources related to IMRF pension		(475,742)	
Deferred outflows and inflows of resources related to TRS pension		(62,932)	
Deferred outflows and inflows of resources related to RHP		905,843	
Deferred outflows and inflows of resources related to THIS		1,256,353	

Governmental funds report the effects of the loss on refunding when the debt is issued. However, these amounts are deferred and amortized in the statement of activities. This is the amount of the current year net effect of these differences. (9,689)

Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. 27,475

Governmental funds report the effect of premiums and discounts when the debt is issued. However, these amounts are deferred and amortized in the statement of activities. This is the amount of the current year, net effect of these differences. 8,127

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, certain of these items are included in the governmental funds.

Principal repayments - general obligation bonds	\$	1,747,000	
Compensated absences, net		(168,001)	
IMRF pension liability, net		(23,825)	
TRS pension liability, net		94,069	
RHP other postemployment benefit liability, net		95,570	
THIS other postemployment benefit liability, net		<u>(47,851)</u>	<u>1,696,962</u>

Change in net position of governmental activities \$ 5,166,362

The accompanying notes are an integral part of this statement.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Mundelein Elementary School District 75 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units, hereinafter referred to as generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

1. Reporting Entity

The District is located in Lake County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all personnel, budgetary, taxing, and debt matters.

The District includes all funds of its operations that are controlled by or dependent upon the District, as determined on a basis of financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will, and fiscal dependency. The accompanying financial statements include only the funds of the District, as there are no organizations for which it has financial accountability.

The District is not included as a component unit in any other governmental reporting entity, as defined by the GASB pronouncements.

2. Fund Accounting

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

Governmental funds are used to account for the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the servicing of general long-term debt (debt service funds), and the acquisition or construction of major capital facilities (capital project fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund. The District considers all governmental funds to be major.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by taxes, intergovernmental revenues and local fees.

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 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.

a. General Fund

The *General Fund* includes the Educational Account and the Working Cash Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources, held by the District, to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid upon collection of property taxes in the fund(s) loaned to. As allowed by the School Code of Illinois, this Fund may be permanently abolished and become part of the Educational Account or it may be partially abated to any fund in need, as long as the District maintains a balance in the Working Cash Account of at least .05% of the District's current Equalized Assessed Valuation.

The Student Activity balance is accounted for in the Educational Account. The balance accounts for activities such as student yearbooks, student clubs and councils and scholarships.

b. Special Revenue Funds

The special revenue funds are used to account for and report the proceeds of specific revenue sources (other than those accounted for in the Debt Service or Capital Projects) that are legally restricted to expenditures for specified purposes.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Government-Wide and Fund Financial Statements (Continued)

b. Special Revenue Funds (Continued)

Each of the District's special revenue funds has been established as a separate fund in accordance with the fund structure required by the state of Illinois for local educational agencies. These funds account for local property taxes restricted to specific purposes. A brief description of the District's special revenue funds is as follows:

Operations and Maintenance Fund - is used for all revenues and expenditures made for operations, repair, and maintenance of the District's building and land. Revenues consist primarily of local property taxes.

Transportation Fund - accounts for all revenue and expenditures made for student transportation. Revenues are derived primarily from local property taxes and state reimbursement grants.

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

c. Debt Service Fund

Debt Service Fund - accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue sources are local property taxes levied specifically for debt service.

d. Capital Projects Fund

Capital Projects Fund - accounts for financial resources to be used for the acquisition or construction of major capital facilities. Revenues are derived from bond proceeds and other local sources.

4. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and additions are recorded when earned, and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e. intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. This includes a change in accounting policy related to certain unearned state grant revenue, which previously was deferred, but is now recognized as revenue in the current fiscal year. The resulting prior period adjustment is described in Note O.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Governmental funds are used to account for the District's general governmental activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property tax revenues and most other revenues available if they are collected within 60 days after year-end. Revenues that are paid to the District by the Illinois State Board of Education are considered available if vouchered by year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences, claims, and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, personal property replacement taxes, interest, and intergovernmental revenue associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. The District defers property taxes collected in the current year related to the most recent tax levy. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports unearned and unavailable revenue on its financial statements. Unearned and unavailable revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability or deferred inflow of resources for unearned or unavailable revenue is removed from the balance sheet and revenue is recognized. Governmental Funds also defer revenue recognition in connection with resources received, but not yet earned.

5. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period. At June 30, 2025, the District has deferred outflows of resources related to pension liabilities, other postemployment benefits and deferred charges related to refunding bond issues. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of net assets that is applicable to a future reporting period. At June 30, 2025, the District reported deferred inflows related to property taxes levied for a future period, pension liabilities, unavailable interest revenue and other postemployment benefits.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

7. Deposits and Investments

Investments are stated at fair value. Changes in fair value are included in investment income.

8. Cash with Fiscal Paying Agent

Deposits with fiscal paying agent are for the payment of matured bonds and interest.

9. Capital Assets

Capital assets, which include land, construction in progress, buildings, improvements other than buildings, equipment, and transportation equipment are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of \$1,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost at the date purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Depreciation of capital assets is provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	20 - 40
Improvements other than buildings	15 - 20
Equipment	5 - 20
Transportation equipment	8

Construction in progress is stated at cost and includes engineering, design, material, and labor costs incurred for planned construction. No provision for depreciation is made on construction in progress until the asset is completed and placed in service.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

10. New Accounting Pronouncement and Compensated Absences

The GASB has issued Statement No. 101, Compensated Absences (GASB 101), which was implemented by the District for the year ended June 30, 2025. The objective of this Statement is to update the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. See Note O for the effects of the restatement due to the adoption of the new accounting pronouncement.

Vacation benefits are provided to employees based on their tenure with the District, subject to specified maximum limits. Vacation can be used by fiscal year end or is otherwise forfeited.

Sick leave is accumulated from year to year without limit, but is not paid upon termination in most instances. Unused sick time can be contributed as pension fund service credit for eligible employees up to the maximum pension fund limits for TRS/IMRF. All other sick time is forfeited upon retirement or termination.

Under GASB 101, a liability is recognized for leave that has been earned and is attributable to services already rendered, when it is probable that the leave will be used for time off or otherwise paid/settled in cash, and the amount can be reasonably estimated. The liability is measured using the pay rates in effect at the financial statement date and includes only salary-related payments directly associated with the compensated absences, such as the employer's share of payroll taxes. See Note E for rollforward of compensated absences liability.

11. 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. 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, losses on refunding, and 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. Issuance costs, whether or not withheld from the actual proceeds, are reported as debt service expenditures.

12. Personal Property Replacement Taxes

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

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Pensions and Other Postemployment Benefits

For purposes of measuring the net pension liability and other postemployment benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plan and additions to/deductions from the pension/OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are stated at fair value.

14. Restricted Net Position

For the government-wide financial statements, net position is reported as restricted when constraints placed on net position are either: (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, (2) imposed by law through constitutional provisions, or (3) imposed by enabling legislation. The District's restricted net position was restricted as a result of enabling legislation.

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 the resources are needed.

15. Fund Balance

The governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items or inventories. The nonspendable fund balance in the General Fund consists of \$102,878 for prepaid items.
- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds, as well as debt service and capital projects funds, are by definition restricted for those specified purposes. The District had no restricted fund balances in the General Fund at June 30, 2025. The remaining restricted fund balances are for the purpose of the restricted funds as described in Note A-3.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Fund Balance (Continued)

- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. The District had no committed fund balances at June 30, 2025.
- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegated the authority to assign amounts to be used for specific purposes. No individual has been delegated the authority as of June 30, 2025. The District student activity balance of \$34,974 has been assigned at June 30, 2025.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally they act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

16. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements, and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE B - DEPOSITS AND INVESTMENTS

The District's investment policy is in line with State Statutes. The investments that the District may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) interest-bearing savings accounts, interest-bearing certificates of deposit or time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; (4) short-term discount obligations of corporations organized in the United States with assets exceeding \$500,000,000; (5) interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation or school district; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

At June 30, 2025, the District's cash and investments consisted of the following:

	<u>Total</u>
Cash on hand	\$ 2,725
Deposits with financial institutions*	16,645,351
Illinois School District Liquid Asset Fund Plus (ISDLAF+)	12,127,918
Illinois School District Liquid Asset Fund Plus (ISDLAF+) Term Series	4,000,000
Negotiable certificates of deposit	<u>1,225,911</u>
	<u>\$ 34,001,905</u>

*Includes accounts held in demand and savings accounts, as well as non-negotiable certificates of deposits, but primarily consists of money market savings accounts, which are valued at cost.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs. The District's investments detailed in the interest rate risk table below are measured using the market valuation method and level 2 valuation inputs.

1. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, a periodic review of the investment portfolio is performed to ensure performance is consistent with the safety, liquidity, rate of return, diversification and overall performance the District needs.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

1. Interest Rate Risk (Continued)

Maturity information on other investments is shown in the table below:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	More than 10
Negotiable certificates of deposit	\$ 1,225,911	\$ 1,225,911	\$ -	\$ -	\$ -

The following investment is measured at net asset value (NAV):

		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
ISDLAF+	\$ 12,127,918	n/a	Daily	1 day
ISDLAF+ Term Series	4,000,000	n/a	Daily	7 days

2. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds, and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). The District's investments in negotiable certificates of deposits are unrated.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) and ISDLAF+ Term Series is a not-for-profit pooled investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees, elected from participating members. The trust is not registered with the SEC as an investment company. Investments are rated AAAM and are valued at share price, which is the price for which the investment could be sold.

3. Concentration of Credit Risk

The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District's Investment Officer to meet the District's ongoing need for safety, liquidity, and rate of return.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

4. Custodial Credit Risk

With respect to deposits, custodial credit risk is 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. At June 30, 2025, the bank balances of the District's deposits with financial institutions totaled \$17,254,696 all of which was fully insured or collateralized.

With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring that all investments be secured by private insurance or collateral.

NOTE C - PROPERTY TAXES RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on November 20, 2024. 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 tax year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations: individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

The County Clerk adds the Equalized Assessed Valuation of all real property in the District to the valuation of property assessed directly by the state (to which the Equalization Factor is not applied) to arrive at the base amount (the Assessment Base) used to calculate the annual tax rates, as described above. The Equalized Assessed Valuation (including TIF EAV) for the extension for the 2024 tax levy was \$502,386,802.

Property taxes are collected by the Lake County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 60 days of the respective installment dates.

The portion of the 2024 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectible amounts of 1%. The District considers that the 2024 levy is to be used to finance operations in fiscal 2026. Therefore, the entire 2024 levy, including amounts collected in fiscal 2025, has been reported as deferred inflow of resources - property taxes levied for a future period.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE D - CAPITAL ASSETS

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

	Balance (as restated)* <u>July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2025</u>
Capital assets, not being depreciated or amortized				
Land	\$ 413,525	\$ -	\$ -	\$ 413,525
Construction in progress	<u>602,268</u>	<u>1,786,725</u>	<u>-</u>	<u>2,388,993</u>
 Total capital assets, not being depreciated or amortized	 <u>1,015,793</u>	 <u>1,786,725</u>	 <u>-</u>	 <u>2,802,518</u>
 Capital assets, being depreciated and amortized			-	
Buildings	25,641,625	33,451	-	25,675,076
Improvements other than buildings	1,767,433	38,642	-	1,806,075
Equipment	3,293,189	61,534	2,592	3,352,131
Transportation equipment	<u>285,900</u>	<u>4,640</u>	<u>82,410</u>	<u>208,130</u>
 Total capital assets, being depreciated and amortized	 <u>30,988,147</u>	 <u>138,267</u>	 <u>85,002</u>	 <u>31,041,412</u>
 Less accumulated depreciation and amortization for:				
Buildings	14,222,208	726,562	-	14,948,770
Improvements other than buildings	1,008,544	65,615	-	1,074,159
Equipment	2,343,641	138,857	2,333	2,480,165
Transportation equipment	<u>163,843</u>	<u>25,523</u>	<u>25,753</u>	<u>163,613</u>
 Total accumulated depreciation and amortization	 <u>17,738,236</u>	 <u>956,557</u>	 <u>28,086</u>	 <u>18,666,707</u>
 Total capital assets being depreciated and amortized, net	 <u>13,249,911</u>	 <u>(818,290)</u>	 <u>56,916</u>	 <u>12,374,705</u>
Governmental activities capital assets, net	<u>\$ 14,265,704</u>	<u>\$ 968,435</u>	<u>\$ 56,916</u>	<u>\$ 15,177,223</u>

*Buildings, improvements other than buildings, equipment and transportation equipment were restated as of July 1, 2024 (see Note O)

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE D - CAPITAL ASSETS (Continued)

Depreciation and amortization has not been allocated by function/program and is reported as Unallocated Depreciation and Amortization on the Statement of Activities.

NOTE E - LONG-TERM LIABILITIES

1. Changes in General Long-term Liabilities

During the year ended June 30, 2025, changes in long-term liabilities were as follows:

	Balance (as restated)* <u>July 1, 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2025</u>
Bonds payable:				
General obligation bonds	\$ 9,747,000	\$ -	\$ 1,747,000	\$ 8,000,000
Unamortized premium	8,127	-	8,127	-
IMRF net pension liability	1,710,858	1,616,628	1,592,803	1,734,683
TRS net pension liability	981,720	42,530	136,599	887,651
RHP total other postemployment benefit liability	2,279,699	197,137	292,707	2,184,129
THIS net other postemployment benefit liability	3,074,468	2,097,123	2,049,272	3,122,319
Compensated absences**	<u>2,470,046</u>	<u>168,001</u>	<u>-</u>	<u>2,638,047</u>
 Total long-term liabilities- governmental activities	 <u>\$ 20,271,918</u>	 <u>\$ 4,121,419</u>	 <u>\$ 5,826,508</u>	 <u>\$ 18,566,829</u>

*Balance has been restated due to the implementation of GASB 101. See Note O.

**The amount displayed as additions or reductions represents the net change in the liability as allowed by GASB 101.

	<u>Due Within One Year</u>
Bonds payable:	
General obligation	\$ 1,505,000
Compensated absences	<u>500,263</u>
 Total	 <u>\$ 2,005,263</u>

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE E - LONG-TERM LIABILITIES (Continued)

2. Bonds Payable

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

	Bonds Payable July 1, 2024	Debt Issued	Debt Retired	Bonds Payable June 30, 2025
\$7,550,000 G.O. Refunding School Bonds Series 2015, due January 1, 2025; interest at 2.50% - 4.00%	\$ 545,000	\$ -	\$ 545,000	\$ -
\$1,475,000 G.O. Refunding School Bonds Series 2018A, due January 1, 2026; interest at 2.55% - 2.80%	1,145,000	-	480,000	665,000
\$3,707,000 G.O. Limited School Bonds Series 2018B, due January 1, 2029; interest at 2.75% - 3.10%	3,707,000	-	712,000	2,995,000
\$4,360,000 G.O. Limited School Bonds Series 2023, due January 1, 2035; interest at 3.70%	4,350,000	-	10,000	4,340,000
	\$ 9,747,000	\$ -	\$ 1,747,000	\$ 8,000,000

At June 30, 2025, the District's future cash flow requirements for retirement of bond principal and interest was as follows:

Year ending June 30,	Principal	Interest	Total
2026	\$ 1,505,000	\$ 268,765	\$ 1,773,765
2027	880,000	225,545	1,105,545
2028	925,000	198,165	1,123,165
2029	970,000	168,880	1,138,880
2030	580,000	137,640	717,640
2031 - 2035	3,140,000	351,500	3,491,500
	\$ 8,000,000	\$ 1,350,495	\$ 9,350,495

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$1,139,476 in the Debt Service Fund to service the outstanding bonds payable.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE E - LONG-TERM LIABILITIES (Continued)

2. Bonds Payable (Continued)

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2025, the statutory debt limit for the District was \$34,664,689, of which \$26,664,689 is fully available.

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS

1. Teachers' Retirement System of the State of Illinois

General Information About the Pension Plan

Plan Description

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

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

As a multi-employer cost sharing pension plan, TRS employs a methodology to allocate the pension liabilities to each individual district based off of the actual contributions a District makes to the plan in a fiscal year and is re-measured annually, and thus the timing of receipt of contribution payments from the District's or refunds made by TRS to the District can have a significant impact on the District's allocation of the net pension liability that may not be reflective of the District's portion of the total contractual contribution to the Plan. The net pension liability as a whole is a significant accounting estimate that takes into account several assumptions and allocations.

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.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

General Information About the Pension Plan (Continued)

Benefits Provided (Continued)

Tier II members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the highest four. Disability provisions for Tier II are identical to those of Tier I. Death benefits are payable under a formula that is different than 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 I members to receive a partial lump-sum payment in exchange for accepting a lower, delayed annual increase. The other allows inactive vested Tier I and II members to receive a partial lump-sum payment in lieu of a retirement annuity. Both programs began in 2019 and are funded by bonds issued by the state of Illinois.

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2025, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

General Information About the Pension Plan (Continued)

Contributions (Continued)

On-behalf Contributions to TRS

The state of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2025, state of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenses of \$5,924,703 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$5,356,155 in the General Fund based on the current financial resources measurement basis.

2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2025, were \$66,252, and are deferred because they were paid after the June 30, 2024 measurement date.

Federal and Special Trust Fund Contributions

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

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

For the year ended June 30, 2025, the employer pension contribution was 10.34 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2025, salaries totaling \$91,452 were paid from federal and special trust funds that required employer contributions of \$9,456.

Early 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.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

General Information About the Pension Plan (Continued)

Contributions (Continued)

Early Retirement Cost Contributions (Continued)

A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2025, the District paid \$21,391 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

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

At June 30, 2025, 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:

District's proportionate share of the net pension liability	\$ 887,651
State's proportionate share of the net pension liability associated with the District	<u>74,011,093</u>
Total	<u>\$ 74,898,744</u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2024, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2024, the District's proportion was 0.0010337671 percent, which was a decrease of 0.0001214621 percent from its proportion measured as of June 30, 2023.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

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

For the year ended June 30, 2025, the District recognized the following pension expense/expenditures and revenue for the support provided by the state pertaining to the District's employees:

	Governmental Activities	General Fund
State on-behalf contributions - revenue	\$ 5,924,703	\$ 5,356,155
and expense/expenditure		
District TRS pension expense/expenditure (benefit)	31,602	66,252
Total TRS expense/expenditure	\$ 5,956,305	\$ 5,422,407

At June 30, 2025, 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
Differences between expected and actual experience	\$ 3,338	\$ 2,304
Net difference between projected and actual earnings on pension plan investments	-	7,621
Change of assumptions	12,231	471
Changes in proportion and differences between District contributions and proportionate share of contributions	59,538	140,058
Total deferred amounts to be recognized in pension expense in future periods	75,107	150,454
District contributions subsequent to the measurement date	66,252	-
Total deferred amounts related to pensions	\$ 141,359	\$ 150,454

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

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

The District reported \$66,252 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

Year ending June 30:	Net Deferred Inflows of Resources
2026	\$ 37,631
2027	12,220
2028	9,778
2029	8,461
2030	<u>7,257</u>
	<u>\$ 75,347</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 percent
Salary increases	Varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

In the June 30, 2024 actuarial valuation, mortality rates were based on the PubT-2010 Table with appropriate adjustments for TRS experience. The rates are based on a fully-generational basis using projection table MP-2021. In the June 30, 2023 actuarial valuation, mortality rates were based on the PubT-2010 Table with appropriate adjustments for TRS experience. The rates were used on a fully-generational basis using projection table MP-2020.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

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

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns 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 adding expected inflation. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return *</u>
Global equity	37.0 %	7.55 %
Private equity	15.0	10.28
Public income	18.0	5.81
Private credit	8.0	9.20
Real assets	18.0	7.01
Diversifying strategies	4.0	5.18
Total	100.00 %	

* Based on the 2024 Horizon Survey of Capital Market Assumptions and TRS' current target asset allocation provided by RVK, TRS investment consultant.

Discount Rate

At June 30, 2024, the discount rate used to measure the total pension liability was 7.00 percent, which was the same as the June 30, 2023 rate. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily - required rates.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

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

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

Discount Rate (Continued)

Based on those assumptions, TRS's fiduciary net position at June 30, 2024 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 District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the 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 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount (7.00%)</u>	<u>1% Increase (8.00%)</u>
District's proportionate share of the net pension liability	\$ <u>1,096,275</u>	\$ <u>887,651</u>	\$ <u>714,712</u>

TRS Fiduciary Net Position

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

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

2. Illinois Municipal Retirement Fund

Plan Description

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed with 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 below. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. That 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).

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

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

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Employees Covered by Benefit Terms

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

Retirees and beneficiaries currently receiving benefits	129
Inactive plan members entitled to but not yet receiving benefits	173
Active plan members	<u>95</u>
Total	<u><u>397</u></u>

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2024 was 8.96%. For the fiscal year ended June 30, 2025 the District contributed \$291,303 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

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

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2024:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Inflation Rate	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return (Note 1)	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 to 2022.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

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.

Long-term Expected Rate of Return

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Equities	33.50%	4.35%
International equities	18.00%	5.40%
Fixed income	24.50%	5.20%
Real estate	10.50%	6.40%
Alternative investments	12.50%	4.85% - 6.25%
Cash equivalents	1.00%	3.60 %
Total	100.00%	

Other information:
Notes

There were no benefit changes during the year.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Note 1: There were no changes in the discount rate used to calculate the Total Pension Liability (TPL), since the December 31, 2023 valuation.

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2024. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

- a. 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
- b. 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 pension plan investments is 7.25%, the municipal bond rate is 4.08% (based on the daily rate closest to but not later than the measurement date of the "20-Year Municipal GO AA Index"), and the resulting single discount rate is 7.25%.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Changes in Net Pension Liability

The following table shows the components of the change in the District's net pension liability for the calendar year ended December 31, 2024:

	<u>Total Pension Liability (A)</u>	<u>Plan Fiduciary Net Position (B)</u>	<u>Net Pension Liability (A) - (B)</u>
Balances at December 31, 2023	\$ 13,101,100	\$ 11,390,242	\$ 1,710,858
Changes for the year:			
Service cost	255,766	-	255,766
Interest on the total pension liability	930,449	-	930,449
Difference between expected and actual experience of the total pension liability	52,042	-	52,042
Contributions - employer	-	295,283	(295,283)
Contributions - employees	-	147,540	(147,540)
Net investment income	-	1,149,980	(1,149,980)
Benefit payments, including refunds of employee contributions	(790,394)	(790,394)	-
Other (net transfer)	-	(378,371)	378,371
Net changes	<u>447,863</u>	<u>424,038</u>	<u>23,825</u>
Balances at December 31, 2024	<u>\$ 13,548,963</u>	<u>\$ 11,814,280</u>	<u>\$ 1,734,683</u>

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

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, 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 than the current rate:

	<u>1% Lower (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Higher (8.25%)</u>
Net pension liability	\$ 3,160,112	\$ 1,734,683	\$ 574,021

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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

For the year ended June 30, 2025 the District recognized pension expense of \$792,807. At June 30, 2025, the District reported, deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 23,807	\$ -
Net difference between projected and actual earnings on pension plan investments	<u>281,022</u>	<u>-</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>304,829</u>	<u>-</u>
Pension contributions made subsequent to the measurement date	<u>156,259</u>	<u>-</u>
Total deferred amounts related to pensions	<u><u>\$ 461,088</u></u>	<u><u>\$ -</u></u>

The District reported \$156,259 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in these reporting years:

<u>Year Ended June 30,</u>	<u>Net Deferred (Inflows) / Outflows of Resources</u>
2026	\$ 164,433
2027	367,572
2028	(157,077)
2029	(70,099)
2030	-
Thereafter	<u>-</u>
Total	<u><u>\$ 304,829</u></u>

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

3. Summary of Pension Items

Below is a summary of the various pension items:

	<u>TRS</u>	<u>IMRF</u>	<u>Total</u>
Deferred outflows of resources:			
Employer contributions	\$ 66,252	\$ 156,259	\$ 222,511
Experience	3,338	23,807	27,145
Assumptions	12,231	-	12,231
Proportionate share	59,538	-	59,538
Investments	-	281,022	281,022
	<u>\$ 141,359</u>	<u>\$ 461,088</u>	<u>\$ 602,447</u>
Net pension liability	<u>\$ 887,651</u>	<u>\$ 1,734,683</u>	<u>\$ 2,622,334</u>
Pension expense	<u>\$ 5,956,305</u>	<u>\$ 792,807</u>	<u>\$ 6,749,112</u>
	<u>TRS</u>	<u>IMRF</u>	<u>Total</u>
Deferred inflows of resources:			
Investments	\$ 7,621	\$ -	\$ 7,621
Assumptions	471	-	471
Experience	2,304	-	2,304
Proportionate share	140,058	-	140,058
	<u>\$ 150,454</u>	<u>\$ -</u>	<u>\$ 150,454</u>

4. Social Security/Medicare

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

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE F - PENSION LIABILITIES AND OTHER RETIREMENT PLANS (Continued)

5. 457(b) Retirement Savings Plan

The Board of Education approved the establishment of a 457(b) Retirement Plan, which is a defined contribution plan, for District employees. The plan is held in a trust and administered by a third party serving as the plan's trustee. The District did not have any employees participating in the plan on June 30, 2025. The plan allows for both employee and the District to make optional contributions to the plan. For the fiscal year ended June 30, 2025, the District did not make any contributions to the plan.

6. 403(b) Retirement Plan

The District also has a 403(b) Salary Reduction plan, that also contains a Roth option, which is a defined contribution plan, for District employees. The plan is held in a trust and administered by a third party serving as the plan's trustee. The number of employees participating in the plan on June 30, 2025 was 61. The plan allows for both employee and the District to make contributions to the plan. For the fiscal year ended June 30, 2025, the District made contributions of approximately \$472,000 to the plan.

7. TRS Supplemental Savings Plan

Illinois Teachers' Retirement System established a Supplemental Savings Plan that is available to Illinois public school teachers employed outside the city of Chicago that was required to be adopted by all public-school districts in Illinois by September 30, 2022. The Supplemental Savings Plan is a of a 457(b) Retirement Plan, which is a defined contribution plan. The plan assets are held in a trust and is administered by a third party serving as the plan's trustee. There were 10 employees participating in the plan on June 30, 2025. The plan allows for both employee and the District to make contributions to the plan.

NOTE G - OTHER POSTEMPLOYMENT BENEFITS

1. Teachers' Health Insurance Security (THIS)

General Information about the Other Postemployment Plan

Plan Description

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

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

General Information about the Other Postemployment Plan (Continued)

Plan Description (Continued)

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

Benefits Provided

The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Annuitants who are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

Contributions

On behalf contributions to the THIS Fund

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 the THIS Fund from active members, which were 0.90 percent of pay during the year ended June 30, 2025. In the government-wide financial statements, 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, 2025, the District recognized revenue and expenses of \$1,521,639 in the governmental activities based on the economic resources measurement basis and revenues and expenditures in the amount of \$102,804 in the General Fund based on the current financial resources measurement basis for State of Illinois contributions on behalf of the District's employees.

District contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.67 percent during the year ended June 30, 2025. For the year ended June 30, 2025, the District paid \$76,532 to the THIS Fund, which was 100 percent of the required contribution. These amounts are deferred because they were paid after the June 30, 2024 measurement date.

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

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

Other Postemployment Benefit (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2025, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for state OPEB 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 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	\$	3,122,319
State's estimated proportionate share of the net OPEB liability associated with the District*		<u>4,240,250</u>
Total	\$	<u><u>7,362,569</u></u>

* The State's proportionate share of the net OPEB liability (NOL) associated with the District is not available in the actuarial report and therefore the amount reported above is an estimate calculated by allocating the State's total NOL for the entire plan (per the actuary) based on the District's proportionate share of the NOL to all the school districts participating in the Plan. Additionally, the amounts included below related to sensitivity of the healthcare rate, discount rate and amortization of deferred inflows and outflows are based on a similar allocation methodology.

The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023, and rolled forward to June 30, 2024. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2024, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2024, the District's proportion was 0.039470 percent, which was a decrease of 0.003666 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized the following for OPEB expense/expenditure and revenue pertaining to the District's employees:

	<u>Governmental Activities</u>	<u>General Fund</u>
State on-behalf contributions - OPEB revenue and expense/expenditure	\$ 1,521,639	\$ 102,804
District OPEB pension expense (benefit)	<u>(1,131,667)</u>	<u>76,532</u>
Total OPEB expense/expenditure	<u>\$ 389,972</u>	<u>\$ 179,336</u>

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 86,158	\$ 1,315,989
Change of assumptions	94,365	4,486,500
Net difference between projected and actual earnings on OPEB plan investments	-	1,695
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>1,609,885</u>	<u>1,792,288</u>
Total deferred amounts to be recognized in OPEB expense in future periods	<u>1,790,408</u>	<u>7,596,472</u>
District contributions subsequent to the measurement date	<u>76,532</u>	<u>-</u>
Total deferred amounts related to OPEB	<u>\$ 1,866,940</u>	<u>\$ 7,596,472</u>

The District reported \$76,532 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the reporting year ended June 30, 2026. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows in these reporting years:

<u>Year ending June 30:</u>	<u>Net Deferred Inflows of Resources</u>
2026	\$ 1,196,642
2027	1,132,716
2028	1,101,958
2029	1,083,579
2030	754,338
Thereafter	<u>536,831</u>
Total	<u>\$ 5,806,064</u>

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

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:

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you-go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2024, contribution rates are 0.90% of pay for active members, 0.67% of pay for school districts, and 0.90% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Model	Market Value
Investment Rate of Return	2.75%, net of OPEB plan investment expense, including inflation, for all plan years.
Inflation	2.25%
Salary Increase	Depends on service and ranges from 8.50% at 1 year of service to 3.50% at 20 or more years of service.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2021, actuarial valuation.
Mortality	Retirement and Beneficiary Annuitants: PubT-2010 Retiree Mortality Table, adjusted for TRS experience. Disabled Annuitants: PubNS-2010 Non-Safety Disabled Retiree Table. Pre-Retirement: PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

Actuarial Assumptions (Continued)

Healthcare Trend Rate	Trend rates for plan year 2025 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2026 and decrease gradually to an ultimate rate of 4.25% in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15.00% in 2026 to 2030, and 7.00% in 2031, declining gradually to an ultimate rate of 4.25% in 2041.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

Discount Rate

The State, school districts and active members contribute 0.90 percent, 0.67 percent, 0.90 percent of pay, respectively for fiscal year 2024. Retirees contribute a percentage of the premium rate. The State also contributes an additional amount to cover plan costs in excess of contributions and investment income. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 3.86 percent at June 30, 2023, and 3.97 percent at June 30, 2024, was used to measure the total OPEB liability. The increase in the single discount rate, from 3.86 percent to 3.97 percent, caused the total OPEB liability to decrease by approximately \$95 million as of June 30, 2024.

Investment Return

During plan year end June 30, 2024, the trust earned \$21,998,000 in interest, and the market value of assets at June 30, 2024, is \$634.5 million. The long-term investment return was assumed to be 2.75 percent.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

Money-Weighted Rate of Return

The annual money-weighted rate of return was estimated based on monthly investment performance, net of investment expenses, adjusted for changing amounts actually invested. The annual money-weighted rate of return was 4.307% for plan year end June 30, 2024, and 1.376% for plan year end June 30, 2023.

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

The following presents the District's proportionate share of the net OPEB liability as of June 30, 2024, using the discount rate of 3.97 percent and sensitivity single discount rates that are either one percentage point higher or lower:

	<u>1% Decrease</u> <u>(2.97%)</u>	<u>Current Discount</u> <u>(3.97%)</u>	<u>1% Increase</u> <u>(4.97%)</u>
District's proportionate share of the net OPEB liability	\$ <u>3,484,510</u>	\$ <u>3,122,319</u>	\$ <u>2,803,038</u>

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Trend Rate

The following table shows the plan's net OPEB liability as of June 30, 2024, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower.

	<u>1% Decrease**</u>	<u>Current Healthcare Trend Rate*</u>	<u>1% Increase***</u>
District's proportionate share of the net OPEB liability	\$ <u>2,688,316</u>	\$ <u>3,122,319</u>	\$ <u>3,638,766</u>

* Pre-Medicare per capita costs: 6.00% in 2025, 8.00% in 2026, decreasing by 0.25% per year to an ultimate rate of 4.25% in 2041. Post-Medicare per capita costs: Based on actual increase in 2025, 15.00% from 2026 to 2030, 7.00% in 2031 decreasing ratably to an ultimate trend rate of 4.25% in 2041.

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

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) (Continued)

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

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Trend Rate (Continued)

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

2. Retiree Health Plan (RHP)

Plan Description

The District administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The benefits, benefit levels, employee contributions and employer contributions are governed by the District and may be amended by the District through its employment contracts. The plan does not issue a separate financial report.

Benefits Provided

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

Employees Covered by Benefit Terms

As of June 30, 2024 (most recent available), the following employees were covered by the benefit terms:

Active employees	76
Inactive employees entitled to but not yet receiving benefits	-
Inactive employees currently receiving benefits	98
	<hr/>
Total	174
	<hr/> <hr/>

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

Contributions

Retirees have the option of choosing from an HMO or PPO plan through the District. Premiums for the plan are set by the Board of Education. Currently, the District contributes 0 percent to 100 percent to postemployment benefits, which varies for different employee groups. For fiscal year 2025, the District contributed \$189,637 toward the cost of the postemployment benefits for retirees, which was 6.3% of covered payroll.

Total OPEB Liability

The total OPEB liability was determined by an actuarial valuation performed as of July 1, 2023 using the following actuarial methods and assumptions:

Actuarial valuation date	July 1, 2023
Measurement date	June 30, 2025
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	3.00%
Discount rate*	4.81%
Salary rate increase	4.00%
Healthcare trend rate	6.50% initial - HMO 4.50% ultimate - HMO 7.00% initial - All Other Plans 4.50% ultimate - All Other Plans
	Ultimate reached in fiscal year 2040
Mortality rates	IMRF Employees and Retirees: Rates from the December 31, 2023 IMRF Actuarial Valuation Report.

Active Employees - PubG H-2010(B) Mortality Table - General (below-median income) with future mortality improvement using Scale MP-2021.

Retirees - PubG.H-2010(B) Mortality Table – General (below-median income), Male adjusted 108.0% and Female adjusted 106.4% tables, with future mortality improvement using scale MP-2021.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

Total OPEB Liability (Continued)

Mortality rates (Continued)

TRS Employees and Retirees: Rates from the June 30, 2023 Teachers' Retirement System Actuarial Valuation Report.

Active Employees - PubT-2010 Employee Mortality Table projected generationally with Scale MP-2020, with female and male rates multiplied by 90% for all ages.

Retirees - PubT-2010 Retiree Mortality Table projected generationally with Scale MP-2020, with female rates multiplied by 91% for ages under 75 and 109% for ages 75 and older, and male rates multiplied by 105% for ages under 85 and 115% for ages 85 and older.

Disability rates

IMRF employees are from the December 31, 2023 IMRF Actuarial Valuation Report.

Election at retirement

100% of those eligible for subsidized coverage are assumed to elect it.

Marital status

50% of employees electing coverage continuation are assumed to be married and to elect spousal coverage with males three years older than females. Actual spouse data was used for current retirees.

* In 2025, changes in assumptions related to the discount rate were made (4.21% to 4.81%)

Discount Rate

There are no assets accumulated in a trust or equivalent arrangement to pay retiree healthcare benefits. Per GASB 75, the discount rate should be 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). A rate of 4.81% is used, which is the S&P Municipal Bond 20-Year High-Grade Rate Index as of June 30, 2025.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

Changes in the Total OPEB Liability

The following table shows the components of the change in the District's net OPEB liability for the fiscal year ended June 30, 2025:

	<u>Total OPEB Liability (A)</u>	<u>Plan Fiduciary Net Position (B)</u>	<u>Net OPEB Liability (A) - (B)</u>
Balances at July 1, 2024	\$ 2,279,699	\$ -	\$ 2,279,699
Changes for the year:			
Service cost	105,154	-	105,154
Interest on the total OPEB liability	91,983	-	91,983
Changes of assumptions and other inputs	(103,070)	-	(103,070)
Benefit payments, including the implicit rate subsidy	(189,637)	-	(189,637)
Net changes	<u>(95,570)</u>	<u>-</u>	<u>(95,570)</u>
Balance at June 30, 2025	<u>\$ 2,184,129</u>	<u>\$ -</u>	<u>\$ 2,184,129</u>

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

The following presents the plan's total OPEB liability, calculated using a Single Discount Rate of 4.81%, as well as what the plan's total OPEB liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher than the current rate:

	<u>1% Lower (3.81%)</u>	<u>Current Discount Rate (4.81%)</u>	<u>1% Higher (5.81%)</u>
Total OPEB liability	\$ <u>2,344,127</u>	\$ <u>2,184,129</u>	\$ <u>2,042,389</u>

The following presents the plan's net OPEB liability, calculated using a Healthcare Trend Rate range of 4.50%-6.38%, as well as what the plan's net OPEB liability would be if it were calculated using a Healthcare Trend Rate range that is 1% lower or 1% higher than the current range:

	<u>1% Lower (3.50%-5.38%)</u>	<u>Current Healthcare Rate (4.50%-6.38%)</u>	<u>1% Higher (5.50%-7.38%)</u>
Total OPEB liability	\$ <u>2,126,139</u>	\$ <u>2,184,129</u>	\$ <u>2,248,639</u>

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Retiree Health Plan (RHP) (Continued)

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

For the year ended June 30, 2025 the District recognized OPEB benefit of \$811,776. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in OPEB Expense in Future Periods		
Differences between expected and actual experience	\$ -	\$ 960,667
Change in assumptions	<u>16,191</u>	<u>121,438</u>
Total deferred amounts to be recognized in OPEB expense in the future periods	<u>\$ 16,191</u>	<u>\$ 1,082,105</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows in these reporting years:

<u>Year Ended June 30,</u>	<u>Net Deferred Inflows of Resources</u>
2026	\$ 1,004,226
2027	53,412
2028	<u>8,276</u>
Total	<u>\$ 1,065,914</u>

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE G - OTHER POSTEMPLOYMENT BENEFITS (Continued)

3. Summary of OPEB Items

Below is a summary of the various OPEB items at June 30, 2025:

	<u>THIS</u>	<u>RHP</u>	<u>Total</u>
Deferred outflows of resources			
Employer contributions	\$ 76,532	\$ -	\$ 76,532
Assumptions	94,365	16,191	110,556
Experience	86,158	-	86,158
Proportionate share	<u>1,609,885</u>	<u>-</u>	<u>1,609,885</u>
	<u>\$ 1,866,940</u>	<u>\$ 16,191</u>	<u>\$ 1,883,131</u>
 OPEB liability	 <u>\$ 3,122,319</u>	 <u>\$ 2,184,129</u>	 <u>\$ 5,306,448</u>
 OPEB expense (benefit)	 <u>\$ 389,972</u>	 <u>\$ (811,776)</u>	 <u>\$ (421,804)</u>
	 <u>THIS</u>	 <u>RHP</u>	 <u>Total</u>
Deferred inflows of resources:			
Assumptions	\$ 4,486,500	\$ 121,438	\$ 4,607,938
Experience	1,315,989	960,667	2,276,656
Investments	1,695	-	1,695
Proportionate share	<u>1,792,288</u>	<u>-</u>	<u>1,792,288</u>
	<u>\$ 7,596,472</u>	<u>\$ 1,082,105</u>	<u>\$ 8,678,577</u>

NOTE H - INTERFUND TRANSFERS

The District transferred \$800,000 to the Capital Projects Fund from the General (Working Cash Account) Fund which represents an abatement of the Working Cash Fund for the funding of capital projects.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE I - RISK MANAGEMENT

The District is exposed to various risks, including loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, employee injuries, natural disasters, and workers' compensation claims. To mitigate these risks, the District purchases coverage and participates in several risk pools. The District is a member of the Collective Liability Insurance Cooperative (CLIC) for property damage, injury claims, as well as the School Employee Loss Fund (SELF) for workers' compensation claims. Additionally, the District participates in the Northern Illinois Health Insurance Pool (NIHIP) for employee health benefits. CLIC, SELF, and NIHIP are organization of Illinois school districts that have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool their risk management needs. These pools are self-sustaining through member premiums, with reinsurance provided by commercial companies for claims exceeding certain thresholds. Settlements have not exceeded coverages for each of the past three fiscal years. Complete financial statements for CLIC, SELF, and NIHIP can be obtained from their respective Treasurers. There have been no significant reductions in insurance coverage from coverage in any of the past three years nor claims that exceed coverage.

NOTE J - JOINT AGREEMENTS

The District is a member of the Special Education District of Lake County (SEDOL) joint agreement that provides certain special education services to residents of many school districts. It is also a member of the risk management pool listed above (Note I). The District paid approximately \$34,000 in accordance with an agreement that requires the District make annual payments of approximately \$34,000 through 2028 for the repayment of SEDOL's debt. The District believes that, because it does not control the selection of the governing authority and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not required to be included as component units of the District.

NOTE K - CONTINGENCIES

1. Litigation

The District, in the normal course of business, is subject to various property tax appeals. Although the outcome of these matters is not presently determinable, the resolution of these matters, should the outcome be unfavorable, could have an impact on future revenues and expenditures.

2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE L - DEFICIT FUND BALANCE

As of June 30, 2025, the Operations and Maintenance Fund has a deficit balance of \$73,657. District management expects to fund this deficit through future property tax levies.

NOTE M - CONSTRUCTION COMMITMENTS

As of June 30, 2025, the District is committed to approximately \$6,340,000 in expenditures, in the upcoming year, for construction projects. These expenditures will be paid through the available fund balances.

NOTE N - SHARED SERVICES AGREEMENT

The District has a shared service agreement with Mundelein Consolidated High School District 120, under which the District share some administrative personnel as well as a common administrative center and related expenses. This shared services agreement requires monthly payment to settle the portion due to/from the other District. At June 30, 2025, the District reported expenses of approximately \$1,061,000.

NOTE O - RESTATEMENT

Due to the implementation of GASB 101 (Note A-10), the District examined past experience with accumulated sick leave and estimated the amount that is more likely than not to be used by employees as of July 1, 2024. This portion of the sick leave liability that existed at the beginning of the current year was not required to be reported in the previous financial statements under the prior applicable guidelines. Accordingly, beginning net position has been restated to reflect the cumulative effect of this change.

In addition, the District conducted a comprehensive physical inventory of its capital assets with the assistance of a third-party consultant. The inventory identified various capital assets purchased in prior years that had not been previously recorded. A prior period adjustment was necessary to properly record these assets and the related accumulated depreciation. This adjustment increased capital assets and net position in the government-wide financial statements but had no impact on the individual governmental fund financial statements.

Mundelein Elementary School District 75

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

NOTE O - RESTATEMENT (Continued)

The District also revised its accounting policy related to unearned revenue. As a result of this change, certain amounts previously reported as unearned revenue in the prior fiscal year are now recognized in accordance with the updated policy. Beginning fund balances have been restated for the General Fund and Transportation Fund to reflect the cumulative effect of this change.

Governmental Activities

Net position, July 1, 2024 - as previously stated	\$ 6,212,829
Change in accounting principle - GASB 101	(2,465,621)
Prior period adjustment - capital assets	1,325,280
Change in accounting policy - unearned revenue	<u>2,001,790</u>
 Net position, July 1, 2024 - as restated	 \$ <u><u>7,074,278</u></u>

Governmental Funds

Fund	Fund balance, July 1, 2024 - as previously stated	Change in accounting policy - unearned revenue	Fund balance, July 1, 2024 - as restated
General	\$ 8,325,624	\$ 967,710	\$ 9,293,334
Transportation	474,104	1,034,080	1,508,184

NOTE P - SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 12, 2025, the date that these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the statement of net position / balance sheet date that require disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

Mundelein Elementary School District 75

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS

Illinois Municipal Retirement Fund

Ten Most Recent Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Total pension liability				
Service cost	\$ 255,766	\$ 197,247	\$ 175,050	\$ 153,012
Interest on the total pension liability	930,449	879,991	848,516	815,127
Difference between expected and actual experience of the total pension liability	52,042	436,240	198,111	234,111
Assumption changes	-	(44,262)	-	-
Benefit payments and refunds	(790,394)	(814,588)	(782,696)	(722,766)
Net change in total pension liability	447,863	654,628	438,981	479,484
Total pension liability, beginning	13,101,100	12,446,472	12,007,491	11,528,007
Total pension liability, ending	<u>\$ 13,548,963</u>	<u>\$ 13,101,100</u>	<u>\$ 12,446,472</u>	<u>\$ 12,007,491</u>
Plan fiduciary net position				
Contributions, employer	\$ 295,283	\$ 251,032	\$ 228,213	\$ 246,858
Contributions, employee	147,540	127,866	92,526	80,556
Net investment income (loss)	1,149,980	1,183,907	(1,724,112)	1,923,121
Benefit payments, including refunds of employee contributions	(790,394)	(814,588)	(782,696)	(722,766)
Other (net transfer)	(378,371)	185,656	19,014	47,279
Net change in plan fiduciary net position	424,038	933,873	(2,167,055)	1,575,048
Plan fiduciary net position, beginning	11,390,242	10,456,369	12,623,424	11,048,376
Plan fiduciary net position, ending	<u>\$ 11,814,280</u>	<u>\$ 11,390,242</u>	<u>\$ 10,456,369</u>	<u>\$ 12,623,424</u>
Net pension liability (asset)	<u>\$ 1,734,683</u>	<u>\$ 1,710,858</u>	<u>\$ 1,990,103</u>	<u>\$ (615,933)</u>
Plan fiduciary net position as a percentage of the total pension liability	87.20 %	86.94 %	84.01 %	105.13 %
Covered valuation payroll	\$ 3,295,574	\$ 2,828,332	\$ 2,019,714	\$ 1,790,122
Net pension liability as a percentage of covered valuation payroll	52.64 %	60.49 %	98.53 %	(34.41) %

Note: Actuarial valuations are as of December 31, which is seven months prior to the end of the fiscal year.

	2021	2020	2019	2018	2017	2016
\$	165,958	\$ 162,204	\$ 152,001	\$ 201,543	\$ 162,008	\$ 170,675
	808,423	762,604	758,912	776,203	716,227	697,749
	(123,569)	351,952	(173,182)	(287,914)	429,830	(125,355)
	(52,735)	-	268,859	(301,860)	(82,512)	10,715
	<u>(675,517)</u>	<u>(617,781)</u>	<u>(605,883)</u>	<u>(581,628)</u>	<u>(489,578)</u>	<u>(486,705)</u>
	122,560	658,979	400,707	(193,656)	735,975	267,079
	11,405,447	10,746,468	10,345,761	10,539,417	9,803,442	9,536,363
\$	<u><u>11,528,007</u></u>	<u><u>11,405,447</u></u>	<u><u>10,746,468</u></u>	<u><u>10,345,761</u></u>	<u><u>10,539,417</u></u>	<u><u>9,803,442</u></u>
\$	230,118	\$ 214,402	\$ 210,127	\$ 230,301	\$ 257,075	\$ 225,704
	74,338	74,733	75,378	75,813	103,860	71,576
	1,465,510	1,654,623	(581,758)	1,511,156	551,467	39,427
	(675,517)	(617,781)	(605,883)	(581,628)	(489,578)	(486,705)
	(40,943)	175,228	39,776	(376,427)	86,847	156,998
	<u>1,053,506</u>	<u>1,501,205</u>	<u>(862,360)</u>	<u>859,215</u>	<u>509,671</u>	<u>7,000</u>
	9,994,870	8,493,665	9,356,025	8,496,810	7,987,139	7,980,139
\$	<u><u>11,048,376</u></u>	<u><u>9,994,870</u></u>	<u><u>8,493,665</u></u>	<u><u>9,356,025</u></u>	<u><u>8,496,810</u></u>	<u><u>7,987,139</u></u>
\$	<u><u>479,631</u></u>	<u><u>1,410,577</u></u>	<u><u>2,252,803</u></u>	<u><u>989,736</u></u>	<u><u>2,042,607</u></u>	<u><u>1,816,303</u></u>
	95.84 %	87.63 %	79.04 %	90.43 %	80.62 %	81.47 %
\$	1,651,956	\$ 1,660,733	\$ 1,581,086	\$ 1,684,724	\$ 1,709,276	\$ 1,566,792
	29.03 %	84.94 %	142.48 %	58.75 %	119.50 %	115.92 %

Mundelein Elementary School District 75
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
 Illinois Municipal Retirement Fund
Ten Most Recent Fiscal Years

Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Valuation Payroll
2025	\$ 295,283	\$ 295,283	\$ -	\$ 3,315,681	8.91 %
2024	245,216	251,032	(5,816)	3,205,560	7.83
2023	228,228	228,213	15	2,019,714	11.30
2022	246,858	246,858	-	1,790,122	13.79
2021	230,117	230,118	(1)	1,651,956	13.93
2020	214,401	214,402	(1)	1,660,733	12.91
2019	210,126	210,127	(1)	1,581,086	13.29
2018	230,302	230,301	1	1,684,724	13.67
2017	257,075	257,075	-	1,709,276	15.04
2016	225,618	225,704	(86)	1,566,792	14.41

Mundelein Elementary School District 75
MULTIYEAR SCHEDULE OF DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
Teachers' Retirement System of the State of Illinois
Ten Most Recent Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
District's proportion of the net pension liability	0.00103377 %	0.00115523 %	0.00104475 %	0.00116731 %
District's proportionate share of the net pension liability	\$ 887,651	\$ 981,720	\$ 875,922	\$ 910,635
State's proportionate share of the net pension liability associated with the District	<u>74,011,093</u>	<u>84,722,975</u>	<u>75,980,425</u>	<u>76,320,916</u>
Total	<u>\$ 74,898,744</u>	<u>\$ 85,704,695</u>	<u>\$ 76,856,347</u>	<u>\$ 77,231,551</u>
District's covered-employee payroll	\$ 11,714,175	\$ 11,334,632	\$ 10,788,433	\$ 10,412,441
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	7.58 %	8.66 %	8.12 %	8.75 %
Plan fiduciary net position as a percentage of the total pension liability	45.40 %	43.90 %	42.80 %	45.10 %

Note: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pension liability is reported.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
0.00119518 %	0.00125417 %	0.00133961 %	0.00300190 %	0.00307393 %	0.00310480 %
\$ 1,030,429	\$ 1,017,235	\$ 1,044,157	\$ 2,293,396	\$ 2,365,157	\$ 2,013,733
<u>80,708,578</u>	<u>72,395,487</u>	<u>71,529,149</u>	<u>71,545,891</u>	<u>76,464,554</u>	<u>59,059,169</u>
<u>\$ 81,739,007</u>	<u>\$ 73,412,722</u>	<u>\$ 72,573,306</u>	<u>\$ 73,839,287</u>	<u>\$ 78,829,711</u>	<u>\$ 61,072,902</u>
\$ 10,102,630	\$ 9,794,474	\$ 9,596,472	\$ 9,663,035	\$ 9,633,375	\$ 9,152,544
10.20 %	10.39 %	10.88 %	23.73 %	24.55 %	22.00 %
37.80 %	39.60 %	40.00 %	39.30 %	36.40 %	41.50 %

Mundelein Elementary School District 75
MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS
 Teachers' Retirement System of the State of Illinois
Ten Most Recent Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually required contribution	\$ 67,942	\$ 65,741	\$ 80,137	\$ 75,384
Contributions in relation to the contractually required contribution	<u>64,429</u>	<u>70,224</u>	<u>81,372</u>	<u>68,097</u>
Contribution deficiency (excess)	<u>\$ 3,513</u>	<u>\$ (4,483)</u>	<u>\$ (1,235)</u>	<u>\$ 7,287</u>
District's covered-employee payroll	\$ 11,422,703	\$ 11,714,175	\$ 11,334,632	\$ 10,788,433
Contributions as a percentage of covered-employee payroll	0.56 %	0.60 %	0.72 %	0.63 %

Note: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pension liability is reported.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 64,045	\$ 67,462	\$ 65,932	\$ 58,566	\$ 123,677	\$ 116,038
<u>63,739</u>	<u>67,172</u>	<u>58,277</u>	<u>55,178</u>	<u>109,191</u>	<u>100,948</u>
<u>\$ 306</u>	<u>\$ 290</u>	<u>\$ 7,655</u>	<u>\$ 3,388</u>	<u>\$ 14,486</u>	<u>\$ 15,090</u>
\$ 10,412,441	\$ 10,102,630	\$ 9,794,474	\$ 9,596,472	\$ 9,663,035	\$ 9,633,375
0.61 %	0.66 %	0.59 %	0.57 %	1.13 %	1.05 %

Mundelein Elementary School District 75
MULTIYEAR SCHEDULE OF CHANGES IN TOTAL OTHER POSTEMPLOYMENT BENEFITS
(OPEB) LIABILITY AND RELATED RATIOS
Retiree Health Plan
Eight Most Recent Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Total OPEB liability			
Service cost	\$ 105,154	\$ 116,364	\$ 314,392
Interest on the total OPEB liability	91,983	206,786	193,766
Difference between expected and actual experience of the total OPEB liability	-	(2,839,857)	-
Assumption changes	(103,070)	(99,842)	(14,503)
Benefit payments and refunds	(189,637)	(221,335)	(227,267)
Other (net transfer)	-	-	1
Net change in total OPEB liability	<u>(95,570)</u>	<u>(2,837,884)</u>	<u>266,389</u>
Total OPEB liability, beginning	2,279,699	5,117,583	4,851,194
Total OPEB liability, ending	<u><u>\$ 2,184,129</u></u>	<u><u>\$ 2,279,699</u></u>	<u><u>\$ 5,117,583</u></u>
Plan fiduciary net position			
Contributions, employer	\$ -	\$ -	\$ -
Contributions, employee	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds of employee contributions	-	-	-
Other (net transfer)	-	-	-
Net change in plan fiduciary net position	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position, beginning	-	-	-
Plan fiduciary net position, ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Net OPEB liability	<u><u>\$ 2,184,129</u></u>	<u><u>\$ 2,279,699</u></u>	<u><u>\$ 5,117,583</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00 %	0.00 %	0.00 %
Covered valuation payroll	\$ 3,025,528	\$ 2,908,972	\$ 1,809,932
Net OPEB liability as a percentage of covered valuation payroll	72.19 %	78.37 %	282.75 %

Note: The District implemented GASB 75 beginning with its fiscal year ended June 30, 2018; therefore 10 years of information is not available.

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$	387,554	\$ 341,341	\$ 330,847	\$ 257,852	\$ 237,768
	118,291	133,458	143,884	116,959	150,182
	(275,197)	-	(524,770)	1,278,339	(950,640)
	(720,961)	179,689	308,187	168,322	232,595
	(169,339)	(321,711)	(355,177)	(349,923)	(308,867)
	-	(1)	(59,640)	(1,333)	(388,237)
	<u>(659,652)</u>	<u>332,776</u>	<u>(156,669)</u>	<u>1,470,216</u>	<u>(1,027,199)</u>
	5,510,846	5,178,070	5,334,739	3,864,523	4,891,722
\$	<u><u>4,851,194</u></u>	<u><u>\$ 5,510,846</u></u>	<u><u>\$ 5,178,070</u></u>	<u><u>\$ 5,334,739</u></u>	<u><u>\$ 3,864,523</u></u>
\$	-	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
\$	<u><u>4,851,194</u></u>	<u><u>\$ 5,510,846</u></u>	<u><u>\$ 5,178,070</u></u>	<u><u>\$ 5,334,739</u></u>	<u><u>\$ 3,864,523</u></u>
	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
\$	1,740,304	\$ 1,740,304	\$ 1,740,304	\$ 1,581,086	\$ 1,458,324
	278.76 %	316.66 %	297.54 %	337.41 %	265.00 %

Mundelein Elementary School District 75
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET OTHER POSTEMPLOYMENT BENEFIT (OPEB) LIABILITY
Teachers' Health Insurance Security Fund
Eight Most Recent Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>
District's proportion of the net OPEB liability	0.039470 %	0.043136 %	0.039109 %
District's proportionate share of the net OPEB liability	\$ 3,122,319	\$ 3,074,468	\$ 2,676,913
State's proportionate share of the net OPEB liability associated with the District	<u>4,240,250</u>	<u>4,157,660</u>	<u>3,641,677</u>
Total	<u>\$ 7,362,569</u>	<u>\$ 7,232,128</u>	<u>\$ 6,318,590</u>
District's covered-employee payroll	\$ 11,714,175	\$ 11,334,632	\$ 10,788,433
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	26.65 %	27.12 %	24.81 %
Plan fiduciary net position as a percentage of the total OPEB liability	7.43 %	6.21 %	5.24 %

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2018 therefore 10 years of information is not available.

<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
0.037399 %	0.042783 %	0.039841 %	0.040483 %	0.042008 %
\$ 8,248,470	\$ 11,438,459	\$ 11,027,034	\$ 10,665,586	\$ 10,900,792
<u>11,183,721</u>	<u>15,495,997</u>	<u>14,932,011</u>	<u>14,321,582</u>	<u>14,315,449</u>
<u>\$ 19,432,191</u>	<u>\$ 26,934,456</u>	<u>\$ 25,959,045</u>	<u>\$ 24,987,168</u>	<u>\$ 25,216,241</u>
\$ 10,412,441	\$ 10,102,630	\$ 9,794,474	\$ 9,596,472	\$ 9,663,035
79.22 %	113.22 %	112.58 %	111.14 %	112.81 %
1.40 %	0.70 %	0.25 %	-0.07 %	-0.17 %

Mundelein Elementary School District 75
MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS
Teachers' Health Insurance Security Fund
Eight Most Recent Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually required contribution	\$ 78,485	\$ 75,942	\$ 75,942	\$ 72,283
Contributions in relation to the contractually required contribution	<u>78,787</u>	<u>80,814</u>	<u>72,320</u>	<u>89,309</u>
Contribution excess (deficit)	<u>\$ 302</u>	<u>\$ 4,872</u>	<u>\$ (3,622)</u>	<u>\$ 17,026</u>
District's covered-employee payroll	\$ 11,422,703	\$ 11,714,175	\$ 11,334,632	\$ 10,788,433
Contributions as a percentage of covered-employee payroll	0.69 %	0.69 %	0.64 %	0.83 %

Note 1: Actuarial valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

Note 2: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2018 therefore 10 years of information is not available.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 95,794	\$ 92,944	\$ 90,109	\$ 84,449
<u>99,570</u>	<u>90,089</u>	<u>84,452</u>	<u>81,175</u>
\$ <u><u>3,776</u></u>	\$ <u><u>(2,855)</u></u>	\$ <u><u>(5,657)</u></u>	\$ <u><u>(3,274)</u></u>
\$ 10,412,441	\$ 10,102,630	\$ 9,794,474	\$ 9,596,472
0.96 %	0.89 %	0.86 %	0.85 %

Mundelein Elementary School District 75

General Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Revenues				
Local sources				
General levy	\$ 11,809,675	\$ 11,706,706	\$ (102,969)	\$ 12,356,283
Special education levy	1,727,191	1,723,587	(3,604)	1,641,320
Other tax levies	-	77,701	77,701	62,911
Corporate personal property replacement taxes	179,500	-	(179,500)	-
Interest on investments	710,087	1,063,047	352,960	163,215
Sales to pupils - lunch	127,876	138,599	10,723	130,284
Sales to pupils - breakfast	17,181	26,381	9,200	17,181
Sales to pupils - a la carte	49,759	49,787	28	49,759
Sales to adults	-	14	14	44
Other food service	-	-	-	-
Admissions - other	396	16,364	15,968	18,494
Fees	24,911	39,083	14,172	64,311
Book store sales	30,474	-	(30,474)	-
Student activity fund revenues	-	41,651	41,651	16,094
Rentals - summer school textbook	11,800	-	(11,800)	-
Rentals - adult/continuing education textbook	167,661	-	(167,661)	-
Rentals - other	-	165,032	165,032	164,650
Sales - other	19,948	14,505	(5,443)	18,997
Contributions and donations from private sources	-	33,785	33,785	13,016
Impact fees from municipal or county governments	-	-	-	800
Services provided other districts	30,150	124,609	94,459	368,490
Refund of prior years' expenditures	-	24,220	24,220	(268)
Payments of surplus moneys from TIF districts	35,000	-	(35,000)	-
Payment from other districts	41,469	40,658	(811)	39,494
Sale of vocational projects	-	-	-	-
Other local fees	8,536	6,599	(1,937)	5,633
Other	100,350	128,083	27,733	220,449
Total local sources	15,091,964	15,420,411	328,447	15,351,157

(Continued)

Mundelein Elementary School District 75

General Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
State sources				
Evidence Based Funding Formula	\$ 8,127,172	\$ 7,652,986	\$ (474,186)	\$ 7,185,065
Special Education - Private Facility Tuition	107,845	165,321	57,476	230,529
State Free Lunch & Breakfast	4,780	3,292	(1,488)	4,863
Early Childhood - Block Grant	169,356	369,717	200,361	362,694
Technology - Technology for Success	1,120	-	(1,120)	-
On-Behalf Payments to TRS from the State	9,150,000	5,458,960	(3,691,040)	5,602,661
Other restricted revenue from state sources	<u>1,120</u>	<u>1,306</u>	<u>186</u>	<u>1,311</u>
Total state sources	<u>17,561,393</u>	<u>13,651,582</u>	<u>(3,909,811)</u>	<u>13,387,123</u>
Federal sources				
National School Lunch Program	300,284	277,134	(23,150)	289,396
School Breakfast Program	48,301	60,663	12,362	46,000
Summer Food Service Program	15,000	-	(15,000)	-
Fresh Fruit and Vegetables	43,792	-	(43,792)	-
Food Service - Other	16,127	-	(16,127)	-
Title I - Low Income	202,468	243,348	40,880	266,322
Title I - Low Income - Neglected, Private	10,287	-	(10,287)	-
Title I - Other	-	144,016	144,016	3,079
Title IV - Student Support & Academic Enrichment Grant	20,155	18,323	(1,832)	21,170
Federal Special Education - Preschool Flow-Through	20,685	20,021	(664)	9,746
Federal Special Education - IDEA Flow Through	439,369	479,141	39,772	420,868
Title III - English Language Acquisition	3,407	45,354	41,947	52,006
Title II - Teacher Quality Administrative Outreach	34,268 184,422	48,276 108,614	14,008 (75,808)	43,707 101,141
Medicaid Matching Funds - Fee-For-Service Program	65,000	310,493	245,493	78,570
Other Restricted Grants Received from Federal Govt. thru State	<u>8,870</u>	<u>7,299</u>	<u>(1,571)</u>	<u>1,050,664</u>
Total federal sources	<u>1,412,435</u>	<u>1,762,682</u>	<u>350,247</u>	<u>2,382,669</u>
Total revenues	<u>34,065,792</u>	<u>30,834,675</u>	<u>(3,231,117)</u>	<u>31,120,949</u>

(Continued)

Mundelein Elementary School District 75

General Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Expenditures				
Instruction				
Regular programs				
Salaries	\$ 5,050,700	\$ 4,855,049	\$ 195,651	\$ 4,806,769
Employee benefits	819,248	1,003,359	(184,111)	1,064,738
Purchased services	210,029	133,898	76,131	202,655
Supplies and materials	661,316	628,679	32,637	626,783
Capital outlay	22,431	25,866	(3,435)	89,682
Other objects	1,828	3,643	(1,815)	1,606
Non-capitalized equipment	7,892	35,547	(27,655)	128,968
Termination benefits	264,600	45,520	219,080	201,667
On-Behalf Payments to TRS from the State	9,150,000	5,458,960	3,691,040	5,602,661
Total	16,188,044	12,190,521	3,997,523	12,725,529
Pre-K programs				
Salaries	340,176	355,867	(15,691)	169,657
Employee benefits	81,821	92,426	(10,605)	60,048
Purchased services	250	246	4	240
Supplies and materials	28,150	46,000	(17,850)	14,114
Capital outlay	7,772	7,887	(115)	7,935
Non-capitalized equipment	1,428	-	1,428	1,428
Total	459,597	502,426	(42,829)	253,422
Special education programs				
Salaries	2,254,850	2,082,677	172,173	2,030,950
Employee benefits	454,853	408,277	46,576	403,818
Purchased services	38,917	57,198	(18,281)	42,709
Supplies and materials	59,827	22,824	37,003	28,827
Capital outlay	9,389	-	9,389	-
Non-capitalized equipment	-	8,710	(8,710)	9,389
Total	2,817,836	2,579,686	238,150	2,515,693

(Continued)

Mundelein Elementary School District 75

General Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Special education programs pre-K				
Salaries	\$ 178,058	\$ 118,066	\$ 59,992	\$ 76,621
Employee benefits	42,920	16,055	26,865	906
Supplies and materials	796	11,021	(10,225)	746
Total	<u>221,774</u>	<u>145,142</u>	<u>76,632</u>	<u>78,273</u>
Remedial and Supplemental programs K-12				
Salaries	251,500	5,578	245,922	281,804
Employee benefits	11,720	60	11,660	45,451
Total	<u>263,220</u>	<u>5,638</u>	<u>257,582</u>	<u>327,255</u>
Remedial and Support programs pre-K				
Salaries	9,200	-	9,200	-
Employee benefits	60	-	60	-
Total	<u>9,260</u>	<u>-</u>	<u>9,260</u>	<u>-</u>
CTE programs				
Supplies and materials	935	-	935	1,343
Total	<u>935</u>	<u>-</u>	<u>935</u>	<u>1,343</u>
Interscholastic programs				
Salaries	181,100	140,981	40,119	154,288
Employee benefits	-	18,844	(18,844)	16,420
Purchased services	6,300	6,203	97	5,961
Supplies and materials	5,086	3,125	1,961	3,956
Other objects	2,500	3,043	(543)	2,752
Total	<u>194,986</u>	<u>172,196</u>	<u>22,790</u>	<u>183,377</u>

(Continued)

Mundelein Elementary School District 75

General Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Summer school programs				
Salaries	\$ 128,790	\$ 104,912	\$ 23,878	\$ 98,324
Employee benefits	900	18,832	(17,932)	10,183
Purchased services	7,160	-	7,160	-
Supplies and materials	118,378	62,480	55,898	37,277
Total	<u>255,228</u>	<u>186,224</u>	<u>69,004</u>	<u>145,784</u>
Gifted programs				
Salaries	88,227	88,227	-	85,667
Employee benefits	2,100	16,570	(14,470)	16,740
Total	<u>90,327</u>	<u>104,797</u>	<u>(14,470)</u>	<u>102,407</u>
Bilingual programs				
Salaries	2,113,190	2,029,639	83,551	2,236,238
Employee benefits	176,827	352,413	(175,586)	381,295
Purchased services	49,902	68,970	(19,068)	41,566
Supplies and materials	46,295	56,320	(10,025)	71,387
Capital outlay	-	13,935	(13,935)	-
Other objects	500	-	500	-
Total	<u>2,386,714</u>	<u>2,521,277</u>	<u>(134,563)</u>	<u>2,730,486</u>
Special education K-12 programs private tuition	<u>1,093,000</u>	<u>621,674</u>	<u>471,326</u>	<u>540,901</u>
Student activity fund expenditures	<u>-</u>	<u>32,922</u>	<u>(32,922)</u>	<u>46,661</u>
Total instruction	<u>23,980,921</u>	<u>19,062,503</u>	<u>4,918,418</u>	<u>19,651,131</u>

(Continued)

Mundelein Elementary School District 75

General Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Support services				
Pupils				
Attendance and social work services				
Salaries	\$ 525,939	\$ 530,707	\$ (4,768)	\$ 454,643
Employee benefits	108,561	88,587	19,974	80,493
Purchased services	25,718	19,708	6,010	34,626
Supplies and materials	<u>1,025</u>	<u>8,058</u>	<u>(7,033)</u>	<u>846</u>
Total	<u>661,243</u>	<u>647,060</u>	<u>14,183</u>	<u>570,608</u>
Guidance services				
Salaries	2,200	444	1,756	53,327
Employee benefits	<u>1,530</u>	<u>57</u>	<u>1,473</u>	<u>11,184</u>
Total	<u>3,730</u>	<u>501</u>	<u>3,229</u>	<u>64,511</u>
Health services				
Salaries	224,827	241,503	(16,676)	216,480
Employee benefits	66,260	58,752	7,508	40,031
Purchased services	113,760	46,174	67,586	4,396
Supplies and materials	26,871	15,208	11,663	24,779
Capital outlay	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Total	<u>436,718</u>	<u>361,637</u>	<u>75,081</u>	<u>285,686</u>
Psychological services				
Salaries	160,000	101,000	59,000	122,618
Employee benefits	60,778	38,451	22,327	21,765
Purchased services	417,352	322,843	94,509	107,720
Supplies and materials	<u>6,070</u>	<u>4,799</u>	<u>1,271</u>	<u>2,667</u>
Total	<u>644,200</u>	<u>467,093</u>	<u>177,107</u>	<u>254,770</u>

(Continued)

Mundelein Elementary School District 75

General Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Speech pathology and audiology services				
Salaries	\$ 318,069	\$ 262,613	\$ 55,456	\$ 206,876
Employee benefits	134,070	53,022	81,048	47,368
Purchased services	379,130	579,103	(199,973)	611,418
Supplies and materials	<u>1,040</u>	<u>-</u>	<u>1,040</u>	<u>54</u>
Total	<u>832,309</u>	<u>894,738</u>	<u>(62,429)</u>	<u>865,716</u>
Other support services - pupils				
Salaries	190,823	180,162	10,661	180,273
Employee benefits	17,445	26,681	(9,236)	26,339
Purchased services	1,000	-	1,000	200
Supplies and materials	<u>1,160</u>	<u>-</u>	<u>1,160</u>	<u>-</u>
Total	<u>210,428</u>	<u>206,843</u>	<u>3,585</u>	<u>206,812</u>
Total pupils	<u>2,788,628</u>	<u>2,577,872</u>	<u>210,756</u>	<u>2,248,103</u>
Instructional staff				
Improvement of instruction services				
Salaries	547,192	466,538	80,654	661,086
Employee benefits	321,065	120,610	200,455	198,460
Purchased services	386,258	319,167	67,091	391,660
Supplies and materials	21,796	15,234	6,562	22,944
Other objects	<u>5,118</u>	<u>1,876</u>	<u>3,242</u>	<u>5,118</u>
Total	<u>1,281,429</u>	<u>923,425</u>	<u>358,004</u>	<u>1,279,268</u>
Educational media services				
Salaries	344,401	271,471	72,930	144,796
Employee benefits	85,893	65,463	20,430	36,060
Supplies and materials	43,133	42,735	398	42,824
Capital outlay	-	5,588	(5,588)	9,952
Non-capitalized equipment	<u>-</u>	<u>5,819</u>	<u>(5,819)</u>	<u>-</u>
Total	<u>473,427</u>	<u>391,076</u>	<u>82,351</u>	<u>233,632</u>

(Continued)

Mundelein Elementary School District 75

General Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Assessment and testing				
Salaries	\$ 280	\$ -	\$ 280	\$ -
Purchased services	-	32,285	(32,285)	-
Total	<u>280</u>	<u>32,285</u>	<u>(32,005)</u>	<u>-</u>
Total instructional staff	<u>1,755,136</u>	<u>1,346,786</u>	<u>408,350</u>	<u>1,512,900</u>
General administration				
Board of education services				
Purchased services	84,000	16,836	67,164	27,957
Supplies and materials	17,500	4,447	13,053	5,939
Other objects	25,000	11,419	13,581	1,438
Total	<u>126,500</u>	<u>32,702</u>	<u>93,798</u>	<u>35,334</u>
Executive administration services				
Salaries	-	189,218	(189,218)	-
Employee benefits	26,641	56,609	(29,968)	-
Purchased services	18,110	3,614	14,496	1,479
Supplies and materials	15,000	6,342	8,658	1,516
Other objects	3,000	299	2,701	1,815
Non-capitalized equipment	500	-	500	-
Total	<u>63,251</u>	<u>256,082</u>	<u>(192,831)</u>	<u>4,810</u>
Special area administrative services				
Salaries	271,939	253,466	18,473	250,038
Employee benefits	64,649	91,157	(26,508)	106,922
Purchased services	3,480	-	3,480	1,200
Supplies and materials	2,100	1,397	703	3,042
Other objects	5,000	1,138	3,862	677
Total	<u>347,168</u>	<u>347,158</u>	<u>10</u>	<u>361,879</u>

(Continued)

Mundelein Elementary School District 75

General Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Tort immunity services				
Employee benefits	\$ 57,654	\$ 57,654	\$ -	\$ 43,581
Purchased services	<u>175,486</u>	<u>171,192</u>	<u>4,294</u>	<u>175,659</u>
Total	<u>233,140</u>	<u>228,846</u>	<u>4,294</u>	<u>219,240</u>
Total general administration	<u>770,059</u>	<u>864,788</u>	<u>(94,729)</u>	<u>621,263</u>
School administration				
Office of the principal services				
Salaries	960,032	908,479	51,553	972,192
Employee benefits	264,774	297,456	(32,682)	352,331
Purchased services	12,275	21,777	(9,502)	31,787
Supplies and materials	43,780	32,218	11,562	103,517
Capital outlay	-	-	-	2,775
Other objects	2,200	1,147	1,053	1,881
Non-capitalized equipment	<u>-</u>	<u>2,845</u>	<u>(2,845)</u>	<u>-</u>
Total school administration	<u>1,283,061</u>	<u>1,263,922</u>	<u>19,139</u>	<u>1,464,483</u>
Business				
Direction of business support services				
Salaries	167,601	93,825	73,776	164,318
Employee benefits	51,305	18,260	33,045	55,370
Purchased services	5,643	6,876	(1,233)	14,576
Supplies and materials	5,648	740	4,908	2,888
Capital outlay	3,936	-	3,936	3,936
Other objects	<u>5,000</u>	<u>422</u>	<u>4,578</u>	<u>3,398</u>
Total	<u>239,133</u>	<u>120,123</u>	<u>119,010</u>	<u>244,486</u>
Fiscal services				
Salaries	292,726	302,677	(9,951)	351,122
Employee benefits	89,621	85,930	3,691	65,721
Purchased services	141,836	87,498	54,338	63,156
Supplies and materials	12,095	2,835	9,260	10,084
Capital outlay	20,000	-	20,000	-
Other objects	<u>35,920</u>	<u>43,475</u>	<u>(7,555)</u>	<u>39,419</u>
Total	<u>592,198</u>	<u>522,415</u>	<u>69,783</u>	<u>529,502</u>

(Continued)

Mundelein Elementary School District 75

General Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Variance From Final Budget	2024 Actual
	Original and Final Budget	Actual		
Operation and maintenance of plant services				
Employee benefits	\$ -	\$ 2,293	\$ (2,293)	\$ 71
Purchased services	33,500	-	33,500	-
Supplies and materials	4,336	-	4,336	336
Total	<u>37,836</u>	<u>2,293</u>	<u>35,543</u>	<u>407</u>
Pupil transportation services				
Salaries	6,400	4,800	1,600	10,109
Employee benefits	-	814	(814)	1,659
Purchased services	19,671	-	19,671	-
Total	<u>26,071</u>	<u>5,614</u>	<u>20,457</u>	<u>11,768</u>
Food services				
Salaries	130,445	105,077	25,368	61,330
Employee benefits	-	4,212	(4,212)	25,714
Purchased services	485,420	431,189	54,231	411,873
Supplies and materials	16,508	11,714	4,794	20,211
Capital outlay	-	3,140	(3,140)	46,917
Non-capitalized equipment	681	-	681	681
Total	<u>633,054</u>	<u>555,332</u>	<u>77,722</u>	<u>566,726</u>
Internal services				
Purchased services	6,610	14,132	(7,522)	14,819
Total	<u>6,610</u>	<u>14,132</u>	<u>(7,522)</u>	<u>14,819</u>
Total business	<u>1,534,902</u>	<u>1,219,909</u>	<u>314,993</u>	<u>1,367,708</u>
Planning, research, development and evaluation services				
Salaries	5,500	700	4,800	9,153
Employee benefits	20	2	18	971
Total	<u>5,520</u>	<u>702</u>	<u>4,818</u>	<u>10,124</u>
Information services				
Purchased services	6,083	3,669	2,414	2,741
Supplies and materials	395	296	99	407
Non-capitalized equipment	-	625	(625)	-
Total	<u>6,478</u>	<u>4,590</u>	<u>1,888</u>	<u>3,148</u>

(Continued)

Mundelein Elementary School District 75

General Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Staff services				
Salaries	\$ 102,005	\$ 102,000	\$ 5	\$ 100,000
Employee benefits	66,159	84,221	(18,062)	59,463
Purchased services	32,015	25,830	6,185	24,780
Supplies and materials	16,745	14,872	1,873	13,345
Other objects	<u>690</u>	<u>350</u>	<u>340</u>	<u>500</u>
Total	<u>217,614</u>	<u>227,273</u>	<u>(9,659)</u>	<u>198,088</u>
Data processing services				
Salaries	69,360	69,360	-	5,315
Employee benefits	760	127	633	3,404
Purchased services	102,420	90,954	11,466	111,836
Supplies and materials	119,627	82,575	37,052	127,600
Capital outlay	163,640	46,967	116,673	36,394
Non-capitalized equipment	<u>30,000</u>	<u>79,507</u>	<u>(49,507)</u>	<u>72,743</u>
Total	<u>485,807</u>	<u>369,490</u>	<u>116,317</u>	<u>357,292</u>
Total central	<u>715,419</u>	<u>602,055</u>	<u>113,364</u>	<u>568,652</u>
Other supporting services				
Supplies and materials	<u>2,978</u>	<u>2,969</u>	<u>9</u>	<u>2,978</u>
Total	<u>2,978</u>	<u>2,969</u>	<u>9</u>	<u>2,978</u>
Total support services	<u>8,850,183</u>	<u>7,878,301</u>	<u>971,882</u>	<u>7,786,087</u>
Community services				
Salaries	125,814	112,126	13,688	123,689
Employee benefits	41,152	39,976	1,176	35,302
Purchased services	74,452	-	74,452	240
Supplies and materials	6,876	14,521	(7,645)	4,367
Other objects	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>
Total	<u>249,294</u>	<u>166,623</u>	<u>82,671</u>	<u>163,598</u>
Payments for special education programs				
Purchased services	(95,444)	91,074	(186,518)	92,429
Other objects	<u>-</u>	<u>33,830</u>	<u>(33,830)</u>	<u>34,055</u>
Total	<u>(95,444)</u>	<u>124,904</u>	<u>(220,348)</u>	<u>126,484</u>

(Continued)

Mundelein Elementary School District 75

General Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Other payments to in-state governmental units				
Purchased services	\$ 980,000	\$ 1,060,518	\$ (80,518)	\$ 948,517
Payments for special education programs - tuition				
Other objects	472,155	370,214	101,941	392,506
Total payments to other districts and other government units	1,356,711	1,555,636	(198,925)	1,467,507
Total expenditures	34,437,109	28,663,063	5,774,046	29,068,323
Excess (deficiency) of revenues over expenditures	(371,317)	2,171,612	2,542,929	2,052,626
Other financing uses				
Abatement of working cash	-	(800,000)	800,000	-
Transfer to debt service fund for principal and interest on leases	-	-	-	(13,719)
Transfer to debt service fund for interest on leases	-	-	-	(111)
Total other financing uses	-	(800,000)	800,000	(13,830)
Net change in fund balance	\$ (371,317)	1,371,612	\$ 1,742,929	2,038,796
Fund balance, beginning of year (as originally reported)		8,325,624		6,286,828
Change in accounting policy (see Note O)		967,710		-
Fund balance, beginning of year (as restated)		9,293,334		6,286,828
Fund balance, end of year		\$ 10,664,946		\$ 8,325,624

(Concluded)

Mundelein Elementary School District 75

Operations and Maintenance Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Variance From Final Budget	2024 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 2,374,891	\$ 2,369,934	\$ (4,957)	\$ 2,257,553
Interest on investments	23,852	46,456	22,604	3,412
Rentals	340,399	345,730	5,331	592,254
Other	2,740	210,147	207,407	35,663
Total local sources	2,741,882	2,972,267	230,385	2,888,882
State sources				
School Infrastructure - Maintenance Projects	-	-	-	100,000
Total state sources	-	-	-	100,000
Total revenues	2,741,882	2,972,267	230,385	2,988,882
Expenditures				
Support services				
Facilities acquisition and				
Purchased services	2,960	326	2,634	1,462
Supplies and materials	-	-	-	19,753
Capital outlay	-	-	-	19,740
Non-capitalized equipment	-	-	-	28,527
Total	2,960	326	2,634	69,482
Operation and maintenance of plant services				
Salaries	939,102	840,392	98,710	864,626
Employee benefits	156,145	199,871	(43,726)	200,019
Purchased services	962,436	962,160	276	1,151,422
Supplies and materials	719,854	618,533	101,321	527,801
Capital outlay	74,600	218,291	(143,691)	128,211
Other objects	7,700	5,914	1,786	4,861
Non-capitalized equipment	26,700	7,222	19,478	6,060
Total	2,886,537	2,852,383	34,154	2,883,000
Total support services	2,889,497	2,852,709	36,788	2,952,482

(Continued)

Mundelein Elementary School District 75

Operations and Maintenance Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Variance From Final Budget	2024 Actual
	Original and Final Budget	Actual		
Community services				
Purchased services	\$ 720	\$ -	\$ 720	\$ -
Total	<u>720</u>	<u>-</u>	<u>720</u>	<u>-</u>
Payments to other districts and government units				
Other payments to in-state governmental units				
Other objects	<u>54,790</u>	<u>55,453</u>	<u>(663)</u>	<u>69,158</u>
Total other payments	<u>54,790</u>	<u>55,453</u>	<u>(663)</u>	<u>69,158</u>
Total expenditures	<u>2,945,007</u>	<u>2,908,162</u>	<u>36,845</u>	<u>3,021,640</u>
Net change in fund deficit	<u>\$ (203,125)</u>	64,105	<u>\$ 267,230</u>	(32,758)
Fund deficit, beginning of year		<u>(137,762)</u>		<u>(105,004)</u>
Fund deficit, end of year		<u>\$ (73,657)</u>		<u>\$ (137,762)</u>

(Concluded)

Mundelein Elementary School District 75

Transportation Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Variance From Final Budget	2024 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 1,070,081	\$ 1,067,967	\$ (2,114)	\$ 298,220
Regular transportation fees from pupils or parents - in state	-	1,332	1,332	-
Interest on investments	90,920	96,783	5,863	8,381
Other	-	38,000	38,000	36,734
Total local sources	1,161,001	1,204,082	43,081	343,335
State sources				
Transportation - Regular and Vocational	605,503	736,728	131,225	589,749
Transportation - Special Education	426,856	452,790	25,934	561,601
Total state sources	1,032,359	1,189,518	157,159	1,151,350
Total revenues	2,193,360	2,393,600	200,240	1,494,685
Expenditures				
Support services				
Pupils				
Capital outlay	3,997	-	3,997	-
Total	3,997	-	3,997	-
Pupil transportation services				
Salaries	535	3,349	(2,814)	40,700
Employee benefits	950	400	550	6,402
Purchased services	1,929,775	1,851,203	78,572	1,784,668
Supplies and materials	365,467	309,281	56,186	262,371
Capital outlay	-	-	-	3,667
Other objects	4	-	4	4
Total	2,296,731	2,164,233	132,498	2,097,812
Total support services	2,300,728	2,164,233	136,495	2,097,812

(Continued)

Mundelein Elementary School District 75
Transportation Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2025
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Variance From Final Budget	2024 Actual
	Original and Final Budget	Actual		
Payment for special education programs				
Purchased services	\$ 287,092	\$ 543,664	\$ (256,572)	\$ 197,365
Total expenditures	<u>2,587,820</u>	<u>2,707,897</u>	<u>(120,077)</u>	<u>2,295,177</u>
Net change in fund balance	<u>\$ (394,460)</u>	(314,297)	<u>\$ 80,163</u>	(800,492)
Fund balance, beginning of year (as originally reported)		474,104		1,274,596
Change in accounting policy (see Note O)		<u>1,034,080</u>		<u>-</u>
Fund balance, beginning of year (as restated)		<u>1,508,184</u>		<u>1,274,596</u>
Fund balance, end of year		<u>\$ 1,193,887</u>		<u>\$ 474,104</u>

(Concluded)

Mundelein Elementary School District 75
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2025
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Variance From Final Budget	2024 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 1,024,176	\$ 505,686	\$ (518,490)	\$ 174,279
Social security/Medicare only levy	-	508,591	508,591	299,296
Other tax levies	-	7,821	7,821	21,072
Corporate personal property replacement taxes	50,000	145,595	95,595	16,000
Interest on investments	27,954	55,579	27,625	4,238
Other	14,417	9,304	(5,113)	15,079
Total revenues	<u>1,116,547</u>	<u>1,232,576</u>	<u>116,029</u>	<u>529,964</u>
Expenditures				
Instruction				
Regular programs	69,460	75,585	(6,125)	69,413
Pre-K programs	21,190	23,370	(2,180)	19,020
Special education programs	138,670	138,406	264	131,101
Special education programs pre-K	9,740	8,586	1,154	2,476
Remedial and supplemental programs K-12	2,739	79	2,660	4,736
Remedial and supplemental programs pre-K	230	-	230	-
Interscholastic programs	-	3,692	(3,692)	3,264
Summer school programs	1,030	3,413	(2,383)	4,222
Gifted programs	1,280	1,235	45	1,197
Bilingual programs	41,125	36,975	4,150	37,212
Total instruction	<u>285,464</u>	<u>291,341</u>	<u>(5,877)</u>	<u>272,641</u>
Support services				
Pupils				
Attendance and social work services	38,376	25,326	13,050	23,174
Guidance services	1,320	6	1,314	771
Health services	32,808	46,252	(13,444)	34,446
Psychological services	2,320	9,291	(6,971)	1,752
Speech pathology and audiology services	4,620	3,538	1,082	2,733
Other support services -pupils	44,349	28,986	15,363	29,407
Total pupils	<u>123,793</u>	<u>113,399</u>	<u>10,394</u>	<u>92,283</u>

(Continued)

Mundelein Elementary School District 75
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2025
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			
	Original and Final Budget	Actual	Variance From Final Budget	2024 Actual
Instructional staff				
Improvement of instruction services	\$ 21,420	\$ 11,686	\$ 9,734	\$ 19,549
Educational media services	<u>5,020</u>	<u>3,605</u>	<u>1,415</u>	<u>1,827</u>
Total instructional staff	<u>26,440</u>	<u>15,291</u>	<u>11,149</u>	<u>21,376</u>
General administration				
Executive administration services	2,750	2,749	1	-
Special area administrative services	<u>6,448</u>	<u>3,413</u>	<u>3,035</u>	<u>5,070</u>
Total general administration	<u>9,198</u>	<u>6,162</u>	<u>3,036</u>	<u>5,070</u>
School administration				
Office of the principal services	<u>54,264</u>	<u>45,594</u>	<u>8,670</u>	<u>56,869</u>
Business				
Direction of business support services	2,440	1,273	1,167	2,470
Fiscal services	72,590	77,022	(4,432)	57,797
Operation and maintenance of plant services	279,755	125,455	154,300	135,864
Pupil transportation services	8,858	110	8,748	7,090
Food services	<u>17,100</u>	<u>6,711</u>	<u>10,389</u>	<u>11,044</u>
Total business	<u>380,743</u>	<u>210,571</u>	<u>170,172</u>	<u>214,265</u>
Central				
Planning, research, development and evaluation services	30	10	20	150
Staff services	33,720	8,231	25,489	16,903
Data processing services	<u>13,710</u>	<u>11,410</u>	<u>2,300</u>	<u>866</u>
Total central	<u>47,460</u>	<u>19,651</u>	<u>27,809</u>	<u>17,919</u>
Total support services	<u>641,898</u>	<u>410,668</u>	<u>231,230</u>	<u>407,782</u>
Community services	<u>10,180</u>	<u>12,475</u>	<u>(2,295)</u>	<u>7,469</u>

(Continued)

Mundelein Elementary School District 75
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2025
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Variance From Final Budget	2024 Actual
	Original and Final Budget	Actual		
Payments to other districts and governments				
Payments for special education programs	\$ 7,849	\$ 7,849	\$ -	\$ 21,114
Total expenditures	<u>945,391</u>	<u>722,333</u>	<u>223,058</u>	<u>709,006</u>
Net change in fund balance	<u>\$ 171,156</u>	510,243	<u>\$ 339,087</u>	(179,042)
Fund balance, beginning of year		<u>289,009</u>		<u>468,051</u>
Fund balance, end of year		<u>\$ 799,252</u>		<u>\$ 289,009</u>

(Concluded)

Mundelein Elementary School District 75

Notes to the Required Supplementary Information

June 30, 2025

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the governmental funds. The Board of Education follows these procedures in establishing the budgetary data reflected in the financial statements:

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

- a) Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) Prior to October 1, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) The Board of Education may amend the budget by the same procedures required of its original adoption.
- g) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on August 27, 2024.
- h) All budget appropriations lapse at the end of the fiscal year.

2. EXPENDITURES IN EXCESS OF FINAL BUDGETS

The following funds had expenditures in excess of budgets at June 30, 2025:

<u>Fund</u>	<u>Variance</u>
Transportation	\$ 120,077

Mundelein Elementary School District 75

Notes to the Required Supplementary Information

June 30, 2025

3. CHANGES OF ASSUMPTIONS - TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

For the 2024 measurement year, the assumed investment rate of return was 7.00 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 August 16, 2024.

For the 2023-2022 and 2020-2016 measurement years, the assumed investment rate of return was 7.00 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. The assumptions used for the 2020-2018 and 2017-2016 measurement years were based on an experience study dated September 18, 2018 and August 13, 2015, respectively.

For the 2015 measurement year, the assumed investment rate of return was 7.50 percent, including an inflation rate of 3.00 percent and real return of 4.50 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.

*For the 2021 measurement year, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.25 percent and a real return of 4.75 percent.

4. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2024 IMRF CONTRIBUTION RATE*

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 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 the 2024 Contribution Rate:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period Taxing bodies (Regular, SLEP, and ECO groups): 19-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 14 years for most employers (five employers were financed over 15 years; one employer was financed over 16 years; two employers were financed over 17 years; one employer was financed over 20 years; three employers were financed over 23 years; four employers were financed over 24 years and one employer was financed over 25 years).

Mundelein Elementary School District 75

Notes to the Required Supplementary Information

June 30, 2025

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2024 THIS CONTRIBUTION RATE

Valuation Date:

Notes	Actuarially determined contribution rates are calculated as of June 30 each year, 12 months prior to the fiscal year in which contributions are reported.
Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Fiscal Year End	June 30, 2025

Methods and Assumptions Used to Determine the 2024 Contribution Rate:

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you-go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2024, contribution rates are 0.90% of pay for active members, 0.67% of pay for school districts, and 0.90% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Market value
Investment Rate of Return	2.75%, net of OPEB plan investment expense, including inflation, for all plan year
Single equivalent discount rate	3.97%
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.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2021, actuarial valuation.
Mortality	Retirement and Beneficiary Annuitants: PubT-2010 Retiree Mortality Table, adjusted for TRS experience. Disabled Annuitants: PubNS-2010 Non-Safety Disabled Retiree Table. Pre-Retirement: PubT-2010 Employee Mortality Table. All tables reflect future mortality improvements using Projection Scale MP-2020.
Healthcare Cost Trend Rates	Trend rates for plan year 2025 are based on actual premium increases. For non-medicare costs, trend rates start at 8.00% for plan year 2026 and decrease gradually to an ultimate rate of 4.25% in 2041. For MAPD costs, trend rates are based on actual premium increases for 2025, 15.00% in 2026 to 2023 and 7.00% in 2031, declining gradually to an ultimate rate of 4.25% in 2041.

Mundelein Elementary School District 75

Notes to the Required Supplementary Information

June 30, 2025

5. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2024 THIS CONTRIBUTION RATE (Continued)

Methods and Assumptions Used to Determine the 2024 Contribution Rate: (Continued)

Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

Change in Assumptions:

The Discount Rate was changed from 3.86% used in the Fiscal Year 2024 valuation to 3.97%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

The Discount Rate was changed from 3.69% used in the Fiscal Year 2023 valuation to 3.86%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

The Discount Rate was changed from 1.92% used in the Fiscal Year 2022 valuation to 3.69%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

The Discount Rate was changed from 2.45% used in the Fiscal Year 2021 valuation to 1.92%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

The Discount Rate was changed from 3.13% used in the Fiscal Year 2020 valuation to 2.45%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

The Discount Rate was changed from 3.62% used in the Fiscal Year 2019 valuation to 3.13%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

The Discount Rate was changed from 3.56% used in the Fiscal Year 2018 valuation to 3.62%, which is the Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

SUPPLEMENTARY FINANCIAL INFORMATION

Mundelein Elementary School District 75

General Fund

COMBINING BALANCE SHEET

June 30, 2025

	Educational Account	Working Cash Account	Total
ASSETS			
Cash and investments	\$ 18,080,011	\$ 579,828	\$ 18,659,839
Receivables (net of allowance for uncollectibles):			
Interest	140,558	4,977	145,535
Property taxes	6,687,200	2,426	6,689,626
Intergovernmental	671,588	-	671,588
Other	-	-	-
Prepaid items	<u>102,878</u>	<u>-</u>	<u>102,878</u>
Total assets	<u>\$ 25,682,235</u>	<u>\$ 587,231</u>	<u>\$ 26,269,466</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 356,909	\$ -	\$ 356,909
Salaries and wages payable	842,899	-	842,899
Payroll deductions payable	659,478	-	659,478
Other current liabilities	17,639	-	17,639
Unearned revenue	<u>56,940</u>	<u>-</u>	<u>56,940</u>
Total liabilities	<u>1,933,865</u>	<u>-</u>	<u>1,933,865</u>
DEFERRED INFLOWS			
Unavailable interest revenue	9,862	349	10,211
Property taxes levied for a future period	<u>13,655,490</u>	<u>4,954</u>	<u>13,660,444</u>
Total deferred inflows	<u>13,665,352</u>	<u>5,303</u>	<u>13,670,655</u>
FUND BALANCES			
Nonspendable	102,878	-	102,878
Assigned	34,974	-	34,974
Unassigned	<u>9,945,166</u>	<u>581,928</u>	<u>10,527,094</u>
Total fund balance	<u>10,083,018</u>	<u>581,928</u>	<u>10,664,946</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 25,682,235</u>	<u>\$ 587,231</u>	<u>\$ 26,269,466</u>

Mundelein Elementary School District 75

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES For the Year Ended June 30, 2025

	Educational Account	Working Cash Account	Total
Revenues			
Property taxes	\$ 13,503,116	\$ 4,878	\$ 13,507,994
State aid	13,651,582	-	13,651,582
Federal aid	1,762,682	-	1,762,682
Interest	1,007,976	55,071	1,063,047
Other	849,370	-	849,370
Total revenues	30,774,726	59,949	30,834,675
Expenditures			
Current:			
Instruction:			
Regular programs	6,738,617	-	6,738,617
Special programs	3,352,140	-	3,352,140
Other instructional programs	3,466,098	-	3,466,098
State retirement contributions	5,458,960	-	5,458,960
Support services:			
Pupils	2,577,872	-	2,577,872
Instructional staff	1,341,198	-	1,341,198
General administration	864,788	-	864,788
School administration	1,263,922	-	1,263,922
Business	1,208,862	-	1,208,862
Transportation	5,614	-	5,614
Operations and maintenance	2,293	-	2,293
Central	555,088	-	555,088
Other supporting services	2,969	-	2,969
Community services	166,623	-	166,623
Nonprogrammed charges	1,554,636	-	1,554,636
Capital outlay	103,383	-	103,383
Total expenditures	28,663,063	-	28,663,063
Excess of revenues over expenditures	2,111,663	59,949	2,171,612
Other financing uses			
Abatement of working cash	-	(800,000)	(800,000)
Net change in fund balance	2,111,663	(740,051)	1,371,612
Fund balance, beginning of year (as originally reported)	7,003,645	1,321,979	8,325,624
Change in accounting principle (see Note O)	967,710	-	967,710
Fund balance, beginning of year (as restated)	7,971,355	1,321,979	9,293,334
Fund balance, end of year	\$ 10,083,018	\$ 581,928	\$ 10,664,946

Mundelein Elementary School District 75
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2025
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Variance From Final Budget	2024 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
General levy	\$ 2,088,433	\$ 2,083,935	\$ (4,498)	\$ 1,919,680
Interest on investments	<u>77,706</u>	<u>72,349</u>	<u>(5,357)</u>	<u>85,361</u>
Total revenues	<u>2,166,139</u>	<u>2,156,284</u>	<u>(9,855)</u>	<u>2,005,041</u>
Expenditures				
Debt service				
Debt services - interest				
Bonds and other - interest	<u>422,432</u>	<u>323,715</u>	<u>98,717</u>	<u>336,723</u>
Principal payments on long-term debt	<u>3,500,380</u>	<u>1,747,000</u>	<u>1,753,380</u>	<u>1,723,719</u>
Other debt service				
Other objects	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,611</u>
Total debt service	<u>3,922,812</u>	<u>2,070,715</u>	<u>1,852,097</u>	<u>2,067,053</u>
Total expenditures	<u>3,922,812</u>	<u>2,070,715</u>	<u>1,852,097</u>	<u>2,067,053</u>
Excess (deficiency) of revenues over expenditures	<u>(1,756,673)</u>	<u>85,569</u>	<u>1,842,242</u>	<u>(62,012)</u>

(Continued)

Mundelein Elementary School District 75
Debt Service Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended June 30, 2025
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Variance From Final Budget	2024 Actual
	Original and Final Budget	Actual		
Other financing sources				
Transfer to pay principal on leases	\$ -	\$ -	\$ -	\$ 13,719
Transfer to pay interest on leases	<u>-</u>	<u>-</u>	<u>-</u>	<u>111</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,830</u>
Net change in fund balance	<u>\$ (1,756,673)</u>	85,569	<u>1,842,242</u>	(48,182)
Fund balance, beginning of year		<u>1,053,907</u>		<u>1,102,089</u>
Fund balance, end of year		<u>\$ 1,139,476</u>		<u>\$ 1,053,907</u>

(Concluded)

Mundelein Elementary School District 75

Capital Projects Fund

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

For the Year Ended June 30, 2025

With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Variance From Final Budget	2024 Actual
	Original and Final Budget	Actual		
Revenues				
Local sources				
Corporate personal property replacement taxes	\$ -	\$ -	\$ -	\$ 201,119
Interest on investments	345,960	295,019	(50,941)	1,103,347
Impact fees from municipal or county governments	<u>-</u>	<u>5,184</u>	<u>5,184</u>	<u>34,848</u>
Total revenues	<u>345,960</u>	<u>300,203</u>	<u>(45,757)</u>	<u>1,339,314</u>
Expenditures				
Support services				
Facilities acquisition and construction services				
Purchased services	634,245	104,727	529,518	64,287
Capital outlay	3,238,760	1,650,846	1,587,914	1,468,758
Non-capitalized equipment	<u>18,960</u>	<u>-</u>	<u>18,960</u>	<u>940</u>
Total expenditures	<u>3,891,965</u>	<u>1,755,573</u>	<u>2,136,392</u>	<u>1,533,985</u>
Deficiency of revenues over expenditures	<u>(3,546,005)</u>	<u>(1,455,370)</u>	<u>2,090,635</u>	<u>(194,671)</u>
Other financing sources				
Abatement of working cash	<u>-</u>	<u>800,000</u>	<u>(800,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ (3,546,005)</u>	<u>(655,370)</u>	<u>\$ 1,290,635</u>	<u>(194,671)</u>
Fund balance, beginning of year		<u>9,023,957</u>		<u>9,218,628</u>
Fund balance, end of year		<u>\$ 8,368,587</u>		<u>\$ 9,023,957</u>